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NADEEM TEXTILE MILLS LIMITED

Vision Statement

To be a dynamic, profitable and growth oriented Company.

Mission Statement

The mission of the Company is to prudently utilize the human resources and plant and machinery in order to achieve high levels of sustainable profitability and growth by:

- offering high class products and services to all our customers.
- Building a long term relationship with our customers, suppliers and other stake holders.
- Continuously upgrading the latest production facilities to achieve higher levels of operational efficiency and develop potential as well as performance.
- Nurturing a work culture that generates creativity, enthusiasm, professionalism and teamwork.
- Maintaining the highest standards of ethics, safety and environment.
- Contributing towards the economic development of the country.
- Being a good corporate citizen by fulfilling our social responsibilities.

COMPANY INFORMATION

Board of Directors	:	Mr. Zahid Mazhar (Chief Executive) Mr. Omer Bin Zahid (Executive Director) Mr. Hassan Bin Zahid (Executive Director) Mrs. Naila Zahid (Chairperson) Mrs. Anam Omer Mrs. Shafia Hassan Mr. Waqar Hassan Siddiqui Mr. Nadeem Ahmed Mr. Noor Muhammad
Chief Financial Officer	:	Mr. Omer Bin Zahid
Company Secretary	:	Mr. Abdul Amin
Audit Committee	:	Mr. Waqar Hassan Siddiqui (Chairman) Mrs. Anam Omer (Member) Mrs. Shafia Hassan (Member)
H. R. & Remuneration Committee	:	Mr. Nadeem Ahmed (Chairman) Mrs. Anam Omer (Member) Mrs. Shafia Hassan (Member)
Auditors	:	M/s. Rahman Safaraz Rahim Iqbal Rafiq Chartered Accountants
Legal Advisor	:	Mr. Muhammad Mushtaq Qadri (Advocate)
Bankers	:	Habib Bank Limited Bank Al-Falah Limited Soneri Bank Limited Habib Metropolitan Bank Limited J.S. Bank Limited Samba Bank Limited Askari Bank Limited Dubai Islamic Bank
Head Office / Registered Office	:	A 801-804, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi - Pakistan. Phone: (021) 35220481-8 Fax: (92-21) 35220495-6
Share Registrar	:	M/s Hameed Majeed Associates (Pvt.) Ltd. 5th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi. Phone : 32424826-32412754 Fax : 32424835 E-mail: majeed@hmaconsultants.com
Mills	:	Unit-1: A-265, S.I.T.E., Nooriabad, District Jamshoro, Sindh. Unit-2: E-11, S.I.T.E., Kotri, Sindh.
URL	:	www.nadeem.com.pk

NADEEM TEXTILE MILLS LIMITED NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 39th Annual General Meeting of **Nadeem Textile Mills Limited (the "Company")** will be held on Thursday, November 27, 2025 at 3:45 p.m. at registered office 801-804, 8th Floor, Lakson Square Building No.3, Block-A, Sarwar Shaheed Road, Karachi, to transact the following business:

Ordinary Business:

1. To confirm the Minutes of Annual General Meeting of the Company held on 27th November, 2024.
2. To receive, consider and adopt the audited financial statements of the company for the year ended 30th June, 2025 together with the Directors' report, Auditors' Reports and Chairman's Review Report thereon.
3. To appoint external auditors for the next financial year ending June 30, 2026 and fix their remuneration.

Special Business:

To ratify the transactions carried out by the Company with related parties as disclosed in the Financial Statements for the year ended June 30, 2025 by passing the following resolutions as ordinary resolutions:

"RESOLVED that the related parties transactions carried out by the Company with Nadeem International (Pvt.) Ltd. and directors of the company being related parties during the year ended June 30, 2025 be and are hereby approved."

FURTHER RESOLVED THAT the Company may carry out transactions including, but not limited to, the sale/purchase of yarn, sale/purchase of cotton/fibre, reprocessing of yarns, rent/lease of assets, sale/purchase of machinery and equipment and other necessary goods, including receipt, with related parties from time to time for the financial year 2025-26 and loan received from and return to the related parties.

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

Moreover, the notice along with statement of material fact have been dispatched to the shareholders by post and uploaded / placed on Company website at www.nadeem.com.pk

Karachi:
November 05, 2025



By order of the Board
Company Secretary

NOTES:

1. The share transfer books of the Company will remain closed from November 21, 2025 to November 27, 2025 (both days inclusive).
2. A member entitled to attend and vote at the General Meeting is entitled to appoint another member as his/her proxy to attend and vote instead of him/her. A proxy must be a member of the Company.
3. The instrument appointing a proxy, in order to be valid must be received at the Head Office of the Company at A -801-804, Lakson Square Building No.3, Sarwar Shaheed Road, Karachi, not less than forty eight (48) hours before the time fixed for the meeting.
4. Any individual Beneficial Owner of CDC, entitled to attend and vote at this meeting, must bring his/her participant ID number and account/sub account number along-with original Computerized National Identity Card (CNIC) or passport at the time of attending the meeting to prove his/her identity and in case of Proxy must enclose additionally an attested copy of his/her CNIC or Passport. Representatives of corporate members should bring the usual documents required for such purpose.
5. CDC Account Holders will also have to follow the guidelines laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.
6. Members are requested to immediately inform of any change in their addresses to our Share Registrar, M/S Hameed Majeed Associates (Pvt.) Ltd., 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.
7. **Submission of copies of CNIC and NTN Certificate (Mandatory)**
Pursuant to the directive of the Securities & Exchange Commission of Pakistan (SECP), Dividend Warrant shall mandatory bear the Computerized National Identity Card (CNIC) numbers of shareholders. Shareholders are therefore requested to fulfill the statutory requirements and submit a copy of their CNIC (if not already provided) to the Company's Share Registrar, Hameed Majeed Associates (Pvt.) Ltd., Karachi, without any delay.

In case of non-availability of a valid copy of the Shareholders' CNIC in the records of the Company, the company shall withhold the Dividend in terms of Clause (a) of proviso under Section 243(2) of the Companies Act 2017, which will be released by the Share Registrar, only upon submission of a valid copy of the CNIC in compliance with the aforesaid SECP directives.

8. Unclaimed Dividend

Shareholders, who by any reason, could not claim their dividend, if any, are advised to contact our Share Registrar: M/s Hameed Majeed Associates (Pvt) Ltd, Karachi Chamber, Hasrat Mohani Road, Karachi to collect / enquire their unclaimed dividend, if any,

In compliance with section 244 of the Companies Act, 2017, after having completed the stipulated procedure all such dividend outstanding for a period of three years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend, shall be delivered to the SECP.

9. Deposit of Physical Shares into CDC Accounts:

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Companies Act, 2017. The shareholder having physical shareholding may open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Ltd.

10. Ballot Paper

Postal Poll paper is available for download from the website of Nadeem Textile Mills Ltd. at www.nadeem.com.pk Shareholder may download the ballot paper from website or use an original / photocopy printed in annual reports.

11. Placement of Financial Statements on Website:

The Financial Statements of the Company for the year ended June 30, 2025 along with reports have been placed on the website of the Company: <http://www.nadeem.com.pk>

12. Circulation of Annual Report through QR Code and Through Weblink.

In accordance with the Section 223 of the Companies Act, 2017 and pursuant to SRO 389(I)/2023 dated 21st March, 2023 of the Securities and Exchange Commission, the Company has obtained Shareholders approval in the Annual General Meeting of the Company held on 27th November, 2023 to circulate the Annual Report of the Company to Members through QR enabled Code and Weblink. The Annual Report is available through following QR Code and Weblink, <http://www.nadeem.com.pk>

13. Distribution of Gifts

As required by SRO452 dated March 17, 2025, no gifts shall be distributed at the General Meetings.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Special Business, given as agenda item no. 6 of the Notice to be transacted at the 39th Annual General Meeting of the Company.

ITEMS NO. 5 OF THE AGENDA:

Nadeem Textile Mills Limited is engaged in manufacture and sale of yarn. The Company in the normal course of business carries out transactions with its associated entities. Summary of transactions carried out during the year with the associated entities is as follow:

S. No.	Name of Associated Undertaking	Nature of Transactions	Rupees
1	Nadeem International (Pvt) Ltd.	Loan Received	20,500,000
2	Nadeem International (Pvt) Ltd.	Loan Re-Paid	8,300,000
3	Nadeem International (Pvt) Ltd.	Balance outstanding	46,650,000
4	Mr. Zahid Mazhar	Loan Received	132,000,000
5	Mr. Zahid Mazhar	Balance outstanding	227,000,000
6	Mr. Hassan Bin Zahid	Balance outstanding	4,300,000
7	Mrs. Naila Zahid	Loan received	60,000,000
8	Mrs. Naila Zahid	Balance outstanding	100,000,000

Mr. Zahid Mazhar, Mr. Omer Bin Zahid, Mr. Hassan Bin Zahid and Mrs. Naila Zahid are Directors of Nadeem Textile Mills Limited and are also Directors of Nadeem International (Private) Limited.

All related party transactions, during the year 2025, were reviewed and approved by the Audit Committee and the Board in their respective meetings. The transactions with related parties were carried out at arm's length prices determined in accordance with the comparable uncontrolled prices method.

The above concerned Directors abstained while the Board approved the above transactions in accordance with the requirement of relevant provision of the Companies Act, 2017 and listed Companies (Code of Corporate Governance) Regulations 2017.

The above transactions with related parties are an ongoing process and will also remain continued in future.

None of the Directors other than the above concerned directors have any direct or indirect interest in the above mentioned associated entities and have no interest in the above business, other than shareholders of the Company.

NADEEM TEXTILE MILLS LIMITED
CHAIRMAN'S REVIEW REPORT
FOR THE YEAR ENDED JUNE 30, 2025

Dear Shareholders,

On behalf of the Board of Directors, I hereby present the annual review report of the Company for the year ended June 30, 2025.

ROLE AND RESPONSIBILITIES OF THE BOARD

The Board is responsible for overall direction, policy formulation, supervision, and compliance with applicable laws. Its functions are defined under the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

BOARD COMPOSITION

The Board comprises a mix of experienced and young professionals with expertise in textiles and corporate management. The Board formed the Audit Committee and the Human Resource & Remuneration Committee to ensure sound governance. Both committees worked independently and fulfilled their responsibilities in accordance with statutory requirements.

BOARD PERFORMANCE AND EVALUATION

The Company adheres to the highest standards of corporate governance and fully complies with the requirements of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 regarding the structure, meetings, and procedures of the Board of Directors and its Committees. In line with these regulations, the Board has also established an annual performance evaluation system, which ensures compliance with all legal and regulatory requirements related to its procedures, meetings, and responsibilities.

The Board met regularly to review quarterly, half-yearly, and annual results, monitor risks, and guide management. Decisions were aligned with long-term goals and shareholder value.

CORPORATE SOCIAL RESPONSIBILITY

The Company promoted ethical practices, workplace safety, employee welfare, and environmental sustainability, while also supporting community development within available resources.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board emphasized strong internal controls and risk management. The Audit Committee regularly reviewed these systems, and auditors confirmed their satisfactory operation.

HUMAN RESOURCE DEVELOPMENT

Employees remain central to our success. Training, career development, and safe working conditions were prioritized during the year.

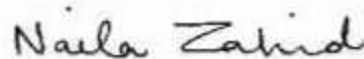
FUTURE OUTLOOK

Despite various challenges such as energy shortages, inflation, and global demand fluctuations, the Board is confident that prudent policies, cost efficiency, diversification, and technology upgrades will sustain growth and competitiveness.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I want to sincerely thank all our employees for their hard work and contributions. I also appreciate our shareholders, customers, suppliers, bankers, and other stakeholders for their ongoing trust and support.

For and on Behalf of the Board of Directors,



NAILA ZAHID
Chairperson

Karachi
Dated: November 05, 2025

ندیم ٹیکسٹائل ملز لمیٹڈ

چیئر مین کی جائزہ رپورٹ

محترم ممبران،

میں بورڈ آف ڈائریکٹرز کی جانب سے، کمپنی کی سالانہ جائزہ رپورٹ برائے اختتام پزیر سال 30 جون 2025 پیش کرتی ہوں۔

بورڈ کا کردار اور ذمہ داریاں

بورڈ آف ڈائریکٹرز کمپنی کی مجموعی سمت، پالیسی سازی، نگرانی، اور قابل اطلاق قوانین کی تعمیل کا ذمہ دار ہے۔ اس کے فرائض کمپنیز ایکٹ 2017 اور لنڈز کمپنیز کارپوریٹ گورننس کوڈ ریگولیشنز 2019 کے تحت بیان کیے گئے ہیں۔

بورڈ کی تشکیل

بورڈ تجربہ کار اور نوجوان پیشہ ورانہ افراد پر مشتمل ہے جن کے پاس ٹیکسٹائل اور کارپوریٹ مینجمنٹ میں مہارت ہے۔ بورڈ نے مضبوط گورننس کو یقینی بنانے کے لیے آڈٹ کمیٹی اور ہیومن ریسورس و معاوضہ کمیٹی تشکیل دی۔ دونوں کمیٹیوں نے آزادانہ طور پر کام کیا اور قانونی تقاضوں کے مطابق اپنی ذمہ داریاں پوری کیں۔

بورڈ کی کارکردگی اور افادیت

کمپنی کارپوریٹ گورننس کے داخلی ترین معیار پر کاربند ہے اور بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی ساخت، اجلاسوں اور طریقہ کار کے حوالے سے کمپنیز ایکٹ 2017 اور لنڈز کمپنیز کارپوریٹ گورننس کوڈ ریگولیشنز 2019 کی ضروریات کی مکمل تعمیل کرتی ہے۔ ان ریگولیشنز کے مطابق، بورڈ نے سالانہ کارکردگی کی تشخیص کا نظام بھی قائم کیا ہے، جو اس کے طریقہ کار، اجلاسوں اور ذمہ داریوں سے متعلق تمام قانونی اور ریگولیٹری تقاضوں کی تعمیل کو یقینی بناتا ہے۔

بورڈ نے سماجی، شش ماہی اور سالانہ نتائج کا جائزہ لینے، خطرات کی نگرانی کرنے اور انتظامیہ کی رہنمائی کے لیے باقاعدگی سے اجلاس منعقد کیے۔ فیصلے طویل مدتی اہداف اور حصص داران کی قدر کے مطابق کیے گئے۔

کارپوریٹ سماجی ذمہ داری

کمپنی نے اخلاقی طریقوں، کام کی جگہ پر حفاظت، ملازمین کی فلاح و بہبود، اور ماحولیاتی پائیداری کو فروغ دیا، جبکہ دستیاب وسائل کے اندر رہتے ہوئے کمیونٹی کی ترقی میں بھی معاونت کی۔

ریسک مینجمنٹ اور اندرونی کنٹرول

بورڈ نے مضبوط اندرونی کنٹرول اور ریسک مینجمنٹ پر زور دیا۔ آڈٹ کمیٹی نے باقاعدگی سے ان نظاموں کا جائزہ لیا، اور آڈیٹرز نے ان کے تسلی بخش آپریشن کی تصدیق کی۔

انسانی وسائل کی ترقی

ملازمین ہماری کامیابی کے لیے مرکزی حیثیت رکھتے ہیں۔ سال کے دوران تربیت، کیریئر کی ترقی، اور کام کے محفوظ حالات کو ترجیح دی گئی۔

مستقبل کا نقطہ نظر

توانائی کی کمی، مہنگائی، اور عالمی طلب میں اتار چڑھاؤ جیسے مختلف چیلنجز کے باوجود، بورڈ پراعتماد ہے کہ سمجھدار پالیسیاں، لاگت کی استعداد، تنوع، اور ٹیکنالوجی کی اپ گریڈیشن ترقی اور مسابقت کو برقرار رکھے گی۔

اعتراف

بورڈ آف ڈائریکٹرز کی جانب سے، میں اپنے تمام ملازمین کی ان کی محنت اور تعاون کے لیے دل کی گہرائیوں سے شکریہ ادا کرنا چاہتی ہوں۔ میں اپنے حصص داران، صارفین، سپلائرز، منیجرز، اور دیگر اسٹیک ہولڈرز کی بھی ان کے مسلسل اعتماد اور تعاون کو سراہتی ہوں۔

منجانب بورڈ آف ڈائریکٹرز

Naila Zahid

نائلہ زاہد

چیئر پرسن

کراچی: 05 نومبر 2025

NADEEM TEXTILE MILLS LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED JUNE 30, 2025

Dear Shareholders,

The Directors of the Company hereby present the audited financial statements of the Company for the year ended June 30, 2025, together with the Auditor's Report thereon.

FINANCIAL HIGHLIGHTS

During the fiscal year ended June 30, 2025, the Company made a sales turnover of Rs. 4.89 billion showing a decline of 57.04% compared to last year's turnover of Rs. 11.39 billion. The Company incurred a net loss after tax of Rs. 1,191 million during the period. This adverse result is primarily due to the increase in the cost of raw materials, fuel & power, and other costs of doing business.

The following table summarizes the Company's financial results for the year ended June 30, 2025, along with comparative figures for the previous year:

	Rupees in Million	
	2025	2024
Sales	4,893.18	11,391.09
Gross profit / (Loss)	(527.18)	65.62
Gross profit / (Loss) % to Sales	(10.77%)	0.57%
Profit / (Loss) before tax	(1,277.35)	(894.81)
Profit / (Loss) after tax	(1,190.94)	(961.78)

BREAK-UP VALUE AND EARNING PER SHARE

The break-up value per share as at June 30, 2025, was Rs. 129.42, compared to Rs. 126.94 as at June 30, 2024. The loss per share for the year ended June 30, 2025, was Rs. (56.00) compared to Rs. (45.22) for the year ended June 30, 2024.

DIVIDEND

The Board has not recommended any dividend due to working capital requirements and the Company's financial performance during the year.

OVERVIEW

The overall business environment in FY2025 remained extremely challenging. Although the State Bank of Pakistan started reducing policy rates in the second half of the year, the benefit could not be fully realized due to escalating energy costs, rising labor costs and depressed demand in international textile markets due to global slowdown.

The textile sector of Pakistan, being the largest export-oriented industry, experienced one of its most difficult years. Many mills curtailed operations or reported losses. Declining export orders, together with reduced domestic cotton availability, further aggravated the situation.

OPERATING PERFORMANCE

The Company produced 9.22 million Kgs. of 20/s count of spun yarn during the year compared to 19.83 million Kgs. of previous year, showing a decrease of 53.50%. Production had to be curtailed due to high input costs, shortage of quality cotton, and poor market conditions.

PRESENT AND FUTURE OUTLOOK

Pakistan's cotton production has been on a declining trend due to:

- Climate change impacts
- Lower acreage and productivity
- Pest attacks and low-quality seeds
- Ineffective government support policies.

During FY2025, the country's cotton production stood at around 5.5 million bales against domestic demand of 10-11 million bales, forcing heavy reliance on costly imports. The recent floods in Pakistan have severely affected the cotton belt, damaging standing crops, washing away fertile soil, and disrupting the sowing cycle for the next season. This natural calamity is expected to lower both the acreage and yield of cotton in the upcoming crop year.

Despite a difficult year, certain positive signals emerged in the latter part of FY2025:

- Inflationary pressures started to ease
- The PKR showed relative stability
- Interest rates trended downward

Going forward, we expect that with effective policy support for energy pricing, cotton sector revival, and export facilitation measures, the Company will gradually return to profitability. Management is taking proactive steps, including financial restructuring, cost rationalization, and productivity improvements, to strengthen the Company's financial stability and long-term sustainability.

EXPANSION AND MODERNIZATION

In line with the policy of continuous balancing, modernization, and replacement (BMR), the Company has planned the following projects to improve efficiency and reduce reliance on costly energy:

- Installation of a 3MW Solar Power System;
- Addition of Open-End Spinning Machinery for productivity enhancement.

HUMAN RESOURCE

Management places strong emphasis on teamwork and acknowledges the vital role of employees in achieving the Company's objectives. To support this, a Human Resource and Remuneration Committee (HR&R Committee), comprising three members as disclosed in the Company's information, has been constituted. Based on the Committee's recommendations, management has developed a team of skilled professionals and continues to strengthen the workforce through training initiatives and the recruitment of qualified personnel.

PRINCIPAL ACTIVITY

The principal activity of the Company is the manufacture and sale of yarn.

PRINCIPAL RISKS

The Board of Directors recognizes that effective identification, assessment, and management of risks are essential to safeguard the Company's assets and ensure sustainable performance. The principal risks faced by the Company and the mitigating measures adopted are summarized below:

1. Market and Demand Risk:

The textile sector is sensitive to fluctuations in local and international demand, exchange rate movements, and changes in global trade policies. The Company mitigates these risks by maintaining a diversified customer base, focusing on quality enhancement, and continuously exploring new markets.

2. Raw Material Price Volatility:

Cotton prices are subject to seasonal variations and international market trends. The Company manages this risk through timely procurement strategies, maintaining optimal inventory levels, and close monitoring of market developments.

3. Energy Cost and Supply Risk:

Rising energy tariffs and inconsistent power supply pose a significant cost and production risk. The Company is mitigating this through investment in energy-efficient systems and alternative energy sources, including solar energy projects.

4. Financial and Liquidity Risk:

The Company faces risks related to interest rate fluctuations and working capital management. These are managed through prudent financial planning, maintaining adequate banking facilities, and continuous monitoring of cash flows.

5. Regulatory and Compliance Risk:

The Company is exposed to changes in tax laws, labor regulations, and environmental compliance requirements. A robust internal control system and periodic compliance reviews ensure adherence to all applicable laws and regulations in Pakistan.

6. Operational and Human Resource Risk:

The Company relies on skilled manpower for efficient operations. To mitigate this, continuous training programs, employee retention initiatives, and workplace safety measures are in place.

GOING CONCERN BASIS OF ACCOUNTING

The financial statements of the Company for the year ended June 30, 2025 have been prepared on the going concern basis. This assumption is based on the Company's ability to continue its operations in the foreseeable future and to meet its financial obligations as they fall due.

The management has carefully assessed the Company's financial position, performance, and future cash flow projections. The Company has successfully maintained adequate banking facilities, including short-term and long-term financing arrangements, to support its working capital and operational requirements.

The management is cognizant of the factors that resulted in lower orders and gross loss and curtailment of its operations to prevent further losses. Subsequently, it has received good number of orders from exports and local buyers in the post of reporting period as a result of stability in cotton prices and the Company expects that the reduction in policy rate by SBP and other cost cutting measures will enable it to earn gross profit and profit after tax in the following year as compared to the gross loss and loss after tax incurred during the current year. It is also in the course of installation of a 3 MW solar power system to lower energy costs and improve operational efficiency.

COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

The Statement of Compliance with the Code of Corporate Governance is annexed.

STATEMENT OF CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Board is committed to maintain a high standard of corporate governance. The Board has reviewed the Code of Corporate Governance and declares that:

- The financial statements, together with the notes thereon have been drawn up in conformity with the Companies Act 2017. These statements present fairly the Company's state of affairs, results of its operations, cash flow, comprehensive income and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- The International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.
- The system of Internal Control is sound in design and has been effectively implemented and monitored. The process of review and monitoring continues with the object to improve it further.
- There is no significant doubt upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- The key operating and financial data for the last six years in a summarized form is annexed.
- Information about taxes and levies is given in the notes to the accounts.
- The Company entered in arm-length transactions with other members of the group. These transactions are in compliance with the directives issued by the Securities & Exchange Commission of Pakistan in this regard.
- All the directors of the company are registered as tax-payer and none of the company's directors is in default of payment of any dues to a banking company, DFI, NBFIs or Stock Exchange.
- None of the directors of the company is serving on the Board of 7 or more listed companies.
- The company operates an unfunded gratuity covering all its employees who have completed their qualifying period. Provision is made annually to cover current obligations under the scheme. The company has adopted the revised IAS 19.
- Trading in the shares of the Company during the year by the Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary and their spouses and minor children are mentioned in the annexed pattern of shareholding.

SUSTAINABILITY, EQUALITY AND CSR

The Company is strongly committed to sustainability and corporate social responsibility. We aim to make a positive impact on society and the environment by fostering a healthy workplace and fully complying with tax regulations.

i. Health, Safety and Environment:

We are committed to providing a safe and healthy working environment for our employees. The Company contributes regularly toward health and retirement benefits for its workers.

ii. Business Ethics:

Management is committed to conducting all business activities with integrity, honesty, and full compliance with applicable laws and regulations. A Code of Conduct has been developed and approved by the Board of Directors to provide guidance in these matters.

iii. Energy Savings:

Management is committed to energy conservation. We have implemented several measures, such as installing energy-efficient devices, and we continue to educate employees on various methods to reduce unnecessary energy consumption.

iv. Equality:

We provide equal opportunities to all employees without discrimination and encourage female participation in a safe, respectful, and inclusive workplace.

BOARD MEETINGS

During the period under review, 4 meetings of the Board of Directors were held and the following were in attendance:

Name of Directors	No. of Meetings Attended
1. Mr. Zahid Mazhar	4
2. Mr. Omer Bin Zahid	4
3. Mr. Hassan Bin Zahid	4
4. Mrs. Naila Zahid	4
5. Mrs. Anam Omer	4
6. Mrs. Shafia Hassan	4
7. Mr. Waqar Hassan Siddiqui	4
8. Mr. Nadeem Ahmed	4
9. Mr. Noor Muhammad	4

COMPOSITION OF BOARD

Directors	Numbers
(a) Male	06
(b) Female	03
Composition	Numbers
(a) Independent Director	03
(b) Other Non-Executive Directors	03
(c) Executive Directors	03

ASSOCIATED COMPANIES

The Company has one associated company namely "Nadeem International (Pvt.) Ltd."

All transactions with related parties were conducted at arm's length and in full compliance with the best practices of transfer pricing outlined in the Listing Regulations. The Board of Directors approved these transactions based on recommendations from the Audit Committee.

AUDIT COMMITTEE

In line with the Code of Corporate Governance, the company has formed an audit committee consisting of three members, as listed in the company information. This committee has set up an internal audit function to oversee and assess the effectiveness and application of internal controls at all levels.

DIRECTORS' REMUNERATION

The Chief Executive and directors have waived their meeting fees. The remuneration of Executive Directors is subject to approval by shareholders at the General Meeting, based on recommendations from the Human resource and Remuneration committee and the Board of Directors.

Details of Directors' remuneration are disclosed in Note 41 of the Financial Statements as of June 30, 2025.

STATUTORY AUDITORS

The Company's auditors, M/s Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants, will retire at the conclusion of the Annual General Meeting. They are eligible for reappointment and have offered to serve as auditors for the next term.

The Board of Directors recommends their reappointment as auditors of the Company for the year ending June 30, 2026, as suggested by the Audit Committee.

PATTERN OF SHAREHOLDING

The pattern of shareholding of the company as at June 30, 2025 is annexed.

CHAIRMAN'S REVIEW

The Directors of the Company endorse the contents of the Chairman's review, which is deemed to be a part of the Director's report.

ACKNOWLEDGMENT

The Board of Directors would like to thank our shareholders, valued clients, and bankers for their ongoing support and cooperation throughout the year. The Directors also extend their sincere appreciation to the Company's staff and workers for their continued hard work and commitment.

for and on Behalf of the Board of Directors

Karachi:

Dated: November 05, 2025


ZAHID MAZHAR
 Chief Executive


OMER BIN ZAHID
 Director

ندیم ٹیکسٹائل ملز لمیٹڈ

ڈائریکٹرز رپورٹ

محترم ممبران:

کپنی کے ڈائریکٹرز ۳۰ جون ۲۰۲۵ کو اختتام پذیر مالی سال کے لئے اپنی رپورٹ مع کپنی کے آڈٹ شدہ مالیاتی نتائج اور اس پر آڈیٹر کی رپورٹ پیش کرتے ہیں۔

اہم مالیاتی نتائج

۳۰ جون ۲۰۲۵ کو اختتام پذیر ہونے والے مالی سال کے دوران کپنی نے 4.89 ملین روپے کی فروخت کی جو کہ گزشتہ سال کی 11.39 ملین کی فروخت کے مقابلے میں 57.04 فیصد کی کمی کو ظاہر کرتا ہے۔ اس دورانے میں کپنی نے 1,191 ملین روپے کا خالص نقصان برداشت کیا۔ یہ مبنی بنیادی طور پر خام مال، ایندھن اور بجلی اور دیگر تجارتی اخراجات میں اضافے کی وجہ سے ہے۔ ذیل میں کپنی کے مالی نتائج کا جدول دیا گیا گیا جس میں 30 جون 2025 کو اختتام پذیر ہونے والے سال کے اعداد و شمار اور پچھلے سال کے قیامی اعداد و شمار مختصر طور پر دیئے گئے ہیں۔

----- روپے میں ہیں -----

30 جون 2024 کو	30 جون 2025 کو	
ختم ہونے والا مالی سال	ختم ہونے والا مالی سال	
11,391.09	4,893.18	فروخت
65.62	(527.18)	کل منافع / (نقصان)
0.57%	(10.77%)	کل منافع / (فروخت کی شرح فیصد)
(894.81)	(1,277.35)	خالص منافع / (نقصان) قبل از ٹیکس
(961.78)	(1,190.94)	خالص منافع / (نقصان) بعد از ٹیکس

بریک اپ ویلیو اور فی حصص آمدن

۳۰ جون ۲۰۲۵ کو فی حصص بریک اپ ویلیو 129.42 روپے تھی جو کہ ۳۰ جون ۲۰۲۴ کو 126.94 روپے تھی۔ ۳۰ جون ۲۰۲۵ کو اختتام پذیر سال کے لئے فی حصص نقصان (56.00) روپے تھا جو کہ ۳۰ جون ۲۰۲۴ کو ختم ہونے والے سال کے لئے (45.22) روپے تھا۔

ڈیویڈنڈ

کپنی کے بورڈ آف ڈائریکٹرز نے ورکنگ کیپٹل کی ضروریات اور سال کے دوران کپنی کی مالی کارکردگی کی وجہ سے کسی منافع کی سفارش نہیں کی ہے۔

چائنہ

مالی سال ۲۰۲۵ میں مجموعی کاروباری ماحول انتہائی چیلنجنگ رہا۔ اگرچہ اسٹیٹ بینک آف پاکستان نے سال کی دوسری ششماہ میں پالیسی شرحوں میں کمی کا آغاز کیا لیکن قوانین کی بروقت ہونی قیمتوں، مزدوری کی بروقت ہونی لاگت، اور عالمی سست روی کی وجہ سے بین الاقوامی ٹیکسٹائل مارکیٹوں میں مانگ کی کمی کی وجہ سے اس کا فائدہ دہری طرح حاصل نہیں ہو سکا۔

پیداواری کارکردگی

کپنی نے سال کے دوران 9.22 ملین کلوگرام 20/s دھاگے کی پیداواری جو کہ پچھلے سال کے 19.83 ملین کلوگرام کے مقابلے میں 53.50 فیصد کی کمی کو ظاہر کرتا ہے۔

موجودہ اور مستقبل کا نقطہ نظر

پاکستان میں کپاس کی پیداوار میں کمی کا رجحان ہے جس کے عوامل درج ذیل ہیں۔

☆ موسمیاتی تبدیلی کے اثرات

☆ کم رقبہ اور پیداواری صلاحیت

☆ کم کپڑوں کے مسئلہ اور کم معیار کے بیج

☆ غیر موثر حکومتی امدادی پالیسیاں

مالی سال ۲۰۲۵ کے دوران ملک میں 10-11 ملین گانٹھوں کی مقامی طلب کے مقابلے میں کپاس کی پیداوار تقریباً 5.5 ملین گانٹھیں رہیں جس کے باعث مہنگی درآمدات پر بہت زیادہ انحصار کرتا ہوا۔ پاکستان میں حالیہ سیلاب نے کپاس کی پٹی میں کمزوری فہلوں کو نقصان پہنچانے کے ساتھ ساتھ زرخیز زمین کو دھوکرا گچھے مین کے لئے کپاس کی ہوائی میں بھی غفلت ڈالا ہے۔ اس قدرتی آفت سے آنے والے فصلی سال میں کپاس کی فصل کے رقبے اور فی ایکڑ پیداوار میں کمی متوقع ہے۔

ایک مشکل سال کے باوجود، مالی سال 2025 کے آخری حصے میں کچھ مثبت اشارے سامنے آئے:

☆ افراد کا دھوکہ ہونا شروع ہو گیا۔

☆ پاکستانی کرنسی میں استحکام رہا۔

☆ شرح سود بچے کی طرف چلی گئی۔

آگے بڑھتے ہوئے، ہم توقع کرتے ہیں کہ توانائی کی قیمتوں کے قہر، کمپاس کے شیعے کی بحالی، اور برآمدی سہولت کے اقدامات کے لیے موثر پالیسی سپورٹ کے ساتھ، کینیڈا بینکنگ منافع کی طرف لوٹ آئے گی۔
انتظامیہ کینیڈا کے مالی استحکام اور طویل مدتی پائیداری کو مضبوط بنانے کے لیے فعال اقدامات کر رہی ہے، بشمول مالیاتی تنظیم نو، لاگت میں مہم جوئی، اور پیداواری بہتری۔

توسیع اور جدید کاری

مستقل توان، جدت کاری، اور متبادل (BMR) کی پالیسی کے مطابق، کینیڈا نے کارکردگی کو بہتر بنانے اور بجلی توانائی پر انحصار کم کرنے کے لیے دو ذیل منصوبوں کی منصوبہ بندی کی ہے:

شش توانائی کے 3MW نظام کی تنصیب

پیداواری صلاحیت بڑھانے کے لیے اوپن اینڈ اسپننگ مشینری کا اضافہ

افراد کی وسائل

انتظامیہ ہم دھوکہ پر زور دیتی ہے اور کینیڈا کے مقاصد کو حاصل کرنے میں ملازمین کے اہم کردار کو تسلیم کرتی ہے۔ کینیڈا نے ایک چوبیس گھنٹہ ایئر ویئریشن کینیڈا تھنک ٹینک دی ہے۔ جس میں تین ممبران شامل ہیں جیہا کہ کینیڈا کی معلومات میں ظاہر کیا گیا ہے۔ کینیڈا کی سفارشات کی بنیاد پر، انتظامیہ نے ہنرمند پیشہ ورانہ افرادی ایک ٹیم تیار کی ہے اور ترجیحی اقدامات اور اہل کاروں کی بھرتی کے ذریعے افرادی قوت کو مضبوط کرنا جاری رکھے ہوئے ہے۔

بنیادی سرگرمی

کینیڈا کی بنیادی سرگرمی دھاکے کی تیاری اور فروخت ہے۔

بنیادی خطرات

یورڈ آف ڈائریکٹر تسلیم کرتا ہے کہ کینیڈا کے حادثوں کی حفاظت اور پائیدار کارکردگی کو یقینی بنانے کے لیے مؤثر شرائط، تخصیص، اور خطرات کا انتظام ضروری ہے۔ کینیڈا کو درپیش بنیادی خطرات اور اہلیار کے گئے تخفیف کے اقدامات کا خلاصہ یں میں دیا گیا ہے:

مارکیٹ اور فیصلہ دہ: بینکاروں کا شبہ، مقامی اور بین الاقوامی مارکیٹ میں اتار چڑھاؤ، شرح مبادلہ کی نقل و حرکت، اور عالمی تجارتی پالیسیوں میں تبدیلیوں کے لیے حساس ہے۔ کینیڈا متوقع کسٹریکٹس کو برقرار رکھے، معیار کو بڑھانے پر توجہ مرکوز کرے، اور مسلسل نئی منصوبوں کی تلاش کے ذریعے ان خطرات کو کم کرتی ہے۔

خام مال کی قیمت میں اتار چڑھاؤ: کمپاس کی قیمتیں موسمی تغیرات اور بین الاقوامی مارکیٹ کے رجحانات سے مشروط ہیں۔ کینیڈا بروقت خریداری کی حکمت عملیوں، بہترین ادائیگری کی سطح کو برقرار رکھے، اور مارکیٹ کی پیش رفت کی ترقی بھرائی کے ذریعے اس خطرے کا انتظام کرتی ہے۔

توانائی کی لاگت اور پلائی کا خطرہ: توانائی کے نرخوں میں اضافہ اور بجلی کی غیر متوازن فراہمی لاگت اور پیداوار کے لیے ایک اہم خطرہ ہے۔ کینیڈا توانائی کے قابل نظاموں اور متبادل توانائی کے ذرائع بشمول شش توانائی کے منصوبوں میں سرمایہ کاری کے ذریعے اس کو کم کر رہی ہے۔

مالیاتی اور لیکچر بی ریسک: کینیڈا کو شرح سود کے اتار چڑھاؤ اور ورلڈ کنگ کیٹل مینجمنٹ سے متعلق خطرات کا سامنا ہے۔ ان کا انتظام ہوشیار مالیاتی منصوبہ بندی، مناسب بینکارنگ سہولیات کو برقرار رکھنے، اور کیش فلو کی مسلسل بھرائی کے ذریعے کیا جاتا ہے۔

ریگولیٹری اور فیصلہ کا خطرہ: کینیڈا کیس قوانین، مزدوری کے ضوابط، اور ماحولیاتی فیصل کی ضروریات میں تبدیلیوں کا شکار ہے۔ ایک مضبوط اندرونی کنٹرول سسٹم اور وقتاً فوقتاً فیصل کے جائزے پاکستان میں تمام قابل اطلاق قوانین اور ضوابط کی پابندی کو یقینی بناتے ہیں۔

آپریشن اور انسانی وسائل کا خطرہ: کینیڈا موثر آپریشنز کے لیے ہنرمند افرادی قوت پر انحصار کرتی ہے۔ اس کو کم کرنے کے لیے، مسلسل ترقی پر وگرام، ملازمین کو برقرار رکھنے کے اقدامات، اور کام کی جگہ پر حفاظتی اقدامات موجود ہیں۔

تسلل کا رویہ

30 جون 2025 کو ختم ہونے والے سال کے لیے کینیڈا کے مالیاتی گوشوارے تسلل کا رویہ کی بنیاد پر تیار کیے گئے ہیں۔ یہ مفروضہ کینیڈا کی مستقبل قریب میں اپنی کارروائیوں کو جاری رکھے اور اپنی مالی ذمہ داریوں کو پورا کرنے کی قابلیت پر مبنی ہے۔ انتظامیہ نے کینیڈا کی مالی حالت، کارکردگی، اور مستقبل میں کیش فلو کے تخمینوں کا جائزہ لیا ہے۔ کینیڈا نے اپنے ورلڈ کنگ کیٹل اور آپریشنل ضروریات کو پورا کرنے کے لیے فیصلہ مدتی اور طویل مدتی مالیاتی انتظامات سمیت مناسب بینکاری سہولیات کو مالیاتی سے برقرار رکھا ہے۔

انتظامیہ ان عوامل سے واقف ہے جن کے نتیجے میں کم آرڈر اور مجموعی نقصان ہوا اور حیرت انگیز نقصانات کو روکنے کے لیے اس کے آپریشنز میں کمی آئی۔ روٹی کی قیمتوں میں استحکام کے نتیجے میں رچرنگ کی مدت کے بعد برآمدات اور مقامی خریداروں سے ابھی تعداد میں آرڈرز موصول ہوئے ہیں اور کینیڈا کو توقع ہے کہ اسٹیٹ بینک کی جانب سے پالیسی دہن میں کمی اور دیگر لاگت میں کمی کے اقدامات اسے اگلے سال میں مجموعی منافع اور منافع مانگنے کے قابل بنائے گی جو کہ موجودہ سال میں گیس کے بعد ہونے والے مجموعی نقصان اور نقصان کے مقابلے میں۔ یہ توانائی کے اخراجات کو کم کرنے اور آپریشنل کارکردگی کو بہتر بنانے کے لیے 3 میگا واٹ کے شش توانائی کے نظام کی تنصیب کے دوران بھی ہے۔

کوڈ آف کارپوریٹ گورننس کے ساتھ تعمیل

کوڈ آف کارپوریٹ گورننس کے ساتھ تعمیل کا بیان منسلک ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کا بیان

بورڈ کارپوریٹ گورننس کے اعلیٰ معیار کو برقرار رکھنے کے لئے پرعزم ہے۔

کوڈ آف کارپوریٹ گورننس کے فریم ورک کے مطابق مالیاتی رپورٹ کے ضمن میں ڈائریکٹرز مندرجہ ذیل امور کی تصدیق کرتے ہیں :

☆ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے تمام معاملات کو واضح طور پر پیش کرتے ہیں جیسے سرگرمیوں کے نتائج و رقم کی آمد و رفت اور کاروباری سرمایہ میں ہونے والی تبدیلیاں۔

☆ حساب داری کے مناسب کھاتے رکھے جاتے ہیں۔

☆ مالیاتی گوشواروں کی تیاری کے لئے متعلقہ اکاؤنٹنگ پالیسیوں میں ہونے والی کسی تبدیلی کو مالیاتی گوشواروں میں ظاہر کیا جاتا ہے۔ حساب داری کے گوشوارے انجینیئرین کی مستقل اور قطعی اعداد و احوال پر مشتمل ہوتے ہیں۔

☆ پاکستان میں لاگو انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈز کو مالیاتی گوشواروں کی تیاری کے لئے بروئے کار لایا جاتا ہے اور ان میں ہونے والی تبدیلی کو مناسب طور پر ظاہر کیا جاتا ہے اور اس کی وضاحت کی جاتی ہے۔

☆ اندرونی کنٹرول کا نظام مضبوط بنیادوں پر استوار ہے اور سوشل طریقے سے رویہ عمل ہے جس کی مسلسل نگرانی کی جاتی ہے۔

☆ کمپنی کے قائم شدہ جے کے حوالے سے کسی بھی قسم کا کوئی خدشہ نہیں پایا جاتا۔

☆ کارپوریٹ گورننس کے درج کردہ اصولوں سے کسی قسم کا انحراف نہیں کیا جا رہا۔

☆ گزشتہ ۶ برس کے مالی اور انتظامی امور سے متعلق اعداد و شمار کا خلاصہ اس رپورٹ کے ساتھ منسلک ہے۔

☆ واجب الادا ٹیکسوں اور دیگر دوسری ادائیگیوں کے بارے میں معلومات گوشوارے کے نوٹس میں دی گئی ہیں۔

☆ گروپ کے دوسرے راکٹس کے ساتھ مل کر دین ضابطے کے مطابق ہے۔ تمام سودوں میں سیکورٹی اینڈ ایجنسی کشن کی ہدایت کو ملحوظ خاطر رکھا گیا ہے۔

☆ کمپنی کے تمام ڈائریکٹرز جسرڈائنگس رجسٹرڈ ہیں اور ان میں سے کوئی بھی کسی بینکنگ کمپنی، NBFI، DFI یا عوامی کمپنی کا ذمہ دار نہیں ہے۔

☆ کمپنی کا کوئی بھی ڈائریکٹر 7 سے زیادہ لمبے کمپنیوں کے بورڈ میں اپنی خدمات پیش کر رہا ہے۔

☆ کمپنی اپنی اہلیت کی مدت پوری کرنے والے ملازمین کے لئے ایک ان فزڈ گر جی پی اسکیم چلاتی ہے جس کی پریزن سالانہ کی بنیاد پر کی جاتی ہے۔ کمپنی نے اس سلسلے میں نظر ثانی شدہ IAS-19 کو اپنایا ہے۔

☆ سال کے دوران ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانس آفیسر، کمپنی مینجری اور ان کے شریک حیات اور ذیلی بچوں کے حصص کے تمام تر سود سے منسلک بیرن آف شیئر ہولڈنگ میں درج ہیں۔

کمپنی کی سماجی ذمہ داریاں

کمپنی اپنی سماجی ذمہ داریوں کے بارے میں پرعزم ہے۔ کمپنی کام کے بہتر ماحول کو فروغ دینے اور قانون کے مطابق قومی خزانے میں شراکت کے ذریعہ معاشرے اور ماحولیات کی بہتری پر یقین رکھتی ہے۔

(۱) **صحت و حفاظت اور ماحولیات:** اپنے ملازمین کو محفوظ اور مستند ماحول کی فراہمی کے لئے کمپنی کا قاعدہ ہے۔ کمپنی کے کارکنوں کے لئے صحت کی سہولیات اور ریٹائرمنٹ کے فوائد میں اپنا کردار ادا کرتی ہے۔

(۲) **کاروباری اخلاقیات:** انتظامیہ اپنی کاروباری سرگرمیوں کو جاری رکھنے کے لئے دیانتداری اور قواعد و ضوابط کی پاسداری پر یقین رکھتی ہے۔ بورڈ نے اس سلسلے میں ایک ضابطہ اخلاق تیار کیا ہے جس میں تمام پالیسیوں کا تفصیلی ذکر ہے۔

(۳) **قوانین کی پختہ:** منجست قوانین کے تحت ہر خصوصی توجہ دیتی ہے اور قوانین کو پچانے والے آلات کی تنصیب جیسے اقدامات اختیار کئے ہیں۔ صحت کمپنیوں کو قوانین کے غیر ضروری استعمال کو کم کرنے کے لئے قوانین کے مختلف طریقوں سے آگاہ کیا جاتا ہے۔

(۴) **مساوات:** ہم تمام ملازمین کو بلا تفریق یکساں مواقع فراہم کرتے ہیں اور ایک محفوظ ماحولیت اور جامع کام کی جگہ پر خواتین کی شرکت کی حوصلہ افزائی کرتے ہیں۔

بورڈ کے اجلاس

ذیل پر جائزہ مدت کے دوران بورڈ آف ڈائریکٹرز کے چار اجلاس منعقد ہوئے جس میں مندرجہ ذیل افراد حاضر تھے۔

ڈائریکٹرز کے نام	اجلاس میں حاضری
۱ جناب ذابظہر	4
۲ جناب عمر بن زاہد	4
۳ جناب حسن بن زاہد	4
۴ محترمہ نالکذاہد	4
۵ محترمہ اقم عمر	4
۶ محترمہ شانیہ حسن	4
۷ جناب وقار حسن مدظلہ	4
۸ جناب ندیم احمد	4
۹ جناب نور محمد	4

بورڈ کے اراکین

ڈائریکٹرز	تعداد
مرد	6
خواتین	3

ترتیب	تعداد
آزاد ڈائریکٹرز	3
دیگر غیر انتظامی ڈائریکٹرز	3
انتظامی ڈائریکٹرز	3

متعلقہ کمپنیاں

مدیر اعلیٰ (پرائیویٹ) لمیٹڈ کمپنی کی واحد متعلقہ کمپنی ہے۔

متعلقہ کمپنیوں کے مابین لین دین قابل رسائی قیمتوں کی بنیاد پر کی گئی ہیں۔ کمپنی نے ٹرانسفر پرائسنگ کے لئے لیننگ ریگولیشنز کے ضوابط کو مد نظر رکھا ہے۔ متعلقہ کمپنیوں کی لین دین کو بورڈ نے آڈٹ کمیشن کی سفارشات پر منظور کیا تھا۔

آڈٹ کمیشن

کارپوریٹ گورننس کے تقاضوں کو پورا کرنے کے لئے کمپنی نے تین ارکان پر مشتمل ایک آڈٹ کمیشن قائم کی ہے جن کے نام کمپنی کی معلومات کے صفحہ پر درج ہیں۔ آڈٹ کمیشن نے نگرانی اور اندرونی کنٹرول کے نظام کا جائزہ لینے کے لئے ہر سطح پر انٹرنل آڈٹ کے نظام کا نظام کیا ہے۔

ڈائریکٹرز کا معاوضہ

چیف ایگزیکٹو اور ڈائریکٹرز نے اپنی میٹنگ فیس معاف کر دی ہے۔ ایگزیکٹو ڈائریکٹرز کا معاوضہ شیئر ہولڈرز کی جنرل میٹنگ میں منظوری پر انحصار کرتا ہے جو کہ ایسوسی ایٹس اور ریٹائرمنٹ کمیشن اور بورڈ آف ڈائریکٹرز کی سفارشات کی بنیاد پر ہوگا۔

آڈیٹرز

سالانہ اجلاس عام کے اختتام پر کمپنی کے آڈیٹرز میسرز رحمان سرگرازر جم اقبال رفیق چارڈا کا ڈیٹیس کی خدمات کا عرصہ مکمل ہو چکا ہے اور اپنی اہلیت کی بنیاد پر انہوں نے دوبارہ تعیناتی کی خدمات پیش کی ہیں۔ بورڈ آف ڈائریکٹرز نے یہ سفارش کی ہے کہ آڈٹ کمیشن کی تجویز کے مطابق انہیں اگلے مالی سال ۲۰۲۶ء کے لئے بھی کمپنی کا آڈیٹر مقرر کیا جائے۔

حصص یافتگان کی تفصیل

حصص یافتگان کی تفصیل برائے ۳۰ جون ۲۰۲۵ء اس رپورٹ کے ساتھ منسلک ہے۔

چیئر مین کا جائزہ

کمپنی کے ڈائریکٹر چیئر مین کے جائزے کے مندرجات کی توثیق کرتے ہیں جسے ڈائریکٹر رپورٹ کا حصہ سمجھا جاتا ہے۔

اظہار تشکر

کمپنی کے ڈائریکٹر ذراپے حصص یافتگان، قابل قدر کاموں اور بینکاروں کا تہہ دل سے شکور ہیں جنہوں نے کمپنی کے معاملات میں تعاون کیا۔ ڈائریکٹر کمپنی کے ملے اور کارکنوں کی مسلسل کوششوں اور لگن کا اعتراف کرنے میں خوشی محسوس کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

عمر بن زاہد

ڈائریکٹر

زاہد مظہر

چیئر ایگزیکٹو

کراچی :

مورخہ : ۵ نومبر ۲۰۲۵

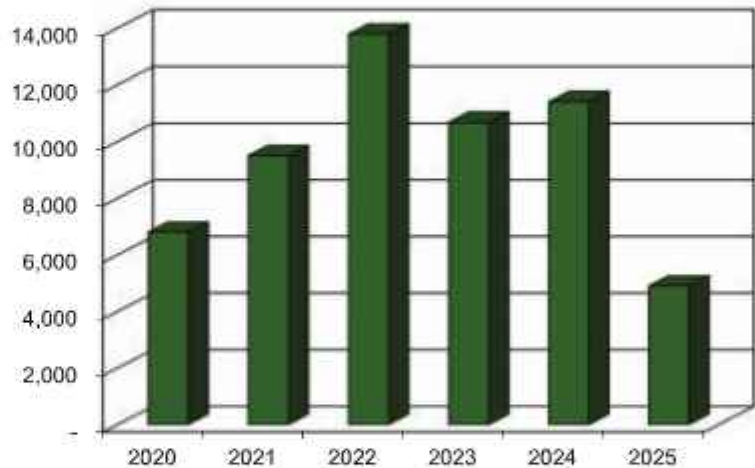
NADEEM TEXTILE MILLS LIMITED

Key Operating & Financial Data For the Period From July 2019 To June 2025

PERIODS	Jul - Jun 2024-2025	Jul - Jun 2023-2024	Jul - Jun 2022-2023	Jul - Jun 2021-2022	Jul - Jun 2020-2021	Jul - Jun 2019-2020
Net Sales Revenue	4,893,178,341	11,391,093,506	10,666,652,889	13,775,867,794	9,494,360,590	6,792,767,434
Cost Of Goods Sold	5,420,361,241	11,325,471,765	10,156,646,606	11,457,286,298	8,166,931,512	6,179,618,395
Gross Profit/(Loss)	(527,182,900)	65,621,741	510,006,283	2,318,581,496	1,327,429,078	613,149,039
Operating Profit/(Loss)	(781,732,767)	(296,393,270)	153,491,530	1,946,901,890	1,064,253,153	443,112,207
Profit/(Loss) Before Tax	(1,277,350,897)	(894,815,683)	(584,066,959)	1,384,930,950	758,174,989	105,521,813
Profit/(Loss) After Tax	(1,190,942,195)	(961,780,694)	(588,977,446)	1,213,984,141	638,868,823	17,544,745
Paid Up Capital	212,667,350	212,667,350	212,667,350	215,119,850	215,119,850	192,119,850
Current Assets	2,150,831,563	3,916,793,071	4,551,240,382	5,152,573,608	3,226,528,764	3,606,835,263
Current Liabilities	3,453,318,619	4,175,368,172	3,694,962,728	3,562,665,783	2,381,107,605	3,318,504,593

TURNOVER

Year	Sales in (M)
2025	4,893
2024	11,391
2023	10,667
2022	13,776
2021	9,494
2020	6,793



APPLICATION OF REVENUE FOR THE YEAR ENDED JUNE 30, 2025

	RUPEES	PERCENTAGE
Cost of Sale	5,420,361,241	110.77%
Operating Expenses	254,549,867	5.20%
Other Expenses + Financial	495,618,130	10.13%
Taxation	(86,408,702)	-1.77%
Profit / (Loss) After Tax	(1,190,942,195)	-24.34%
TOTAL	4,893,178,341	100.00%



NADEEM TEXTILE MILLS LIMITED
STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES
(Code of Corporate Governance) Regulation, 2019
For the year ended June 30, 2025

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

1. The total number of directors is nine (including the Chief Executive Officer), as follows:
 - a. Male 6
 - b. Female 3
2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Noor Muhammad Mr. Waqar Hassan Siddiqui Mr. Nadeem Ahmed
Executive Directors	Mr. Zahid Mazhar (CEO) Mr. Omer Bin Zahid Mr. Hassan Bin Zahid
Non-Executive Directors	Mrs. Naila Zahid (Chairperson) Mrs. Anam Omer Mrs. Shafia Hassan
Female Directors	Mrs. Naila Zahid (Chairperson) Mrs. Anam Omer Mrs. Shafia Hassan

The independent directors meet the criteria of independence under the Companies Act, 2017 ("the Act").

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 a 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 Chairperson, and in her absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording, and circulating minutes of the meetings of the Board. Except for the Board meeting for the first quarter ended September 30, 2024, which was held later than scheduled, the Company's books of account had not been finalized due to delays in completing the annual accounts for the year ended June 30, 2025. The delay was mainly caused by the health issues of a key staff member, and the extension had been duly approved by the SECP.
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Out of nine directors, seven directors have either obtained certificate of Director's training program or are exempt from the requirement of Director's Training program as per the Listed Companies (Code of Corporate Governance) regulations 2019. During the year, no Director's training program was arranged.
10. There was no new appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit during the year. However, all such appointments including their remuneration and terms and conditions of employment were duly approved by the Board 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:

Committee	Name of members and Chairman
(a) Audit Committee	Mr. Waqar Hassan Siddiqui (Chairman) Mrs. Anam Omer (Member) Mrs. Shafia Hassan (Member)

(b) HR&R Committee Mr. Nadeem Ahmed (Chairman)
Mrs. Anam Omer (Member)
Mrs. Shafia Hassan (Member)

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;

14. The frequency of meetings of the committees were as per following:

Committee Frequency of meetings

(a) Audit Committee Four meetings were held during the financial year ended June 30, 2025.
However, no meeting was held during the first quarter of the said financial year for the same reason as mentioned in paragraph 7 of the Statement of Compliance

(b) HR&R Committee Annually

15. The Board has setup an effective internal audit function manned by competent personnel who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on 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 CCG Regulations have been complied with.

19. We confirm that all other requirements of the Regulations have been complied with except as explained below:

Committee	Reg. No.	Explanation
Nomination Committee:		
The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29 (1)	The Board is currently handling the responsibilities typically assigned to a Nomination Committee directly at the Board level. Given this effective management, the establishment of a separate Nomination Committee is not deemed necessary at this time. The Board will continue to evaluate the need for such a committee as circumstances evolve.
Risk Management Committee:		
The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30 (1)	The Board is currently handling the responsibilities typically assigned to a Risk Management Committee directly at the Board level. Given this effective management, the establishment of a separate Risk Management Committee is not deemed necessary at this time. The Board will continue to evaluate the need for such a committee as circumstances evolve.
Sustainability Committee:		
In order to effectively discharge its sustainability related duties, the board may establish a dedicated sustainability committee having at least one female director or assign additional responsibilities to an existing board committee. The committee shall monitor and review sustainability related risks and opportunities of the company.	10A (5)	At present, the Board has not established a separate Sustainability Committee, and its responsibilities are being undertaken directly by the Board. Oversight of the sustainability risks and DE&I strategies is ensured by the Board, and performance against these targets is reported in the Directors' Report. The Board will continue to review and evaluate the necessity of constituting such committee in light of future requirements.

for and on behalf of the board of Directors

Karachi:
Date: November 05, 2025

Naila Zahid
NAILA ZAHID
Chairperson

Zahid Mazhar
ZAHID MAZHAR
Chief Executive

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of M/s. Nadeem Textile Mills Limited

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

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

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations, and report if it does not, and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

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

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

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

Further, we highlight below instances of non-compliance with the requirements of the Regulations as stated in the below-referred paragraphs of the Statement of Compliance:

S. No.	Nature of Requirement	Paragraph No.	Description of the Non-Compliance
(1)	Mandatory	7	As per section 176 (3) of the Companies Act, 2017, the board of a Public Company shall meet at least once in each quarter. However, the Board meeting for the first quarter ended September 30, 2024, was not held within the quarter as scheduled, as the Company's books of account were not finalized on time due to delay in completing the annual financial statements for the year ended June 30, 2025. The delay primarily resulted from the health issues of key staff members, and an extension had been duly approved by the SECP.
(2)	Mandatory	14	As per Regulation 27(2), the Audit Committee of a company is required to meet at least once in every quarter of the financial year. Such meetings are to be held prior to the approval of interim results by the Board and after completion of the external audit. However, no meeting of the Audit Committee was held during the first quarter ended September 30, 2024.

S. No.	Nature of Requirement	Paragraph No.	Description of the Non-Compliance
(3)	Explanation for non-compliance is required (Non-Mandatory)	19	As per the Regulation no. 29 of the Regulations, the Board may constitute a separate committee, designated as the Nomination Committee, of such number and class of directors, as it may deem appropriate in the circumstances. As stated in paragraph 19 of the Statement of Compliance, the Company has not setup a separate Nomination Committee and is of the view that the Board currently includes individuals who can handling the responsibilities typically assigned to a Nomination Committee directly at the Board level. Given this effective management, the establishment of a separate Nomination Committee is not deemed necessary at this time. The Board will continue to evaluate the need for such a committee as circumstances evolve.
(4)	Explanation for non-compliance is required (Non-Mandatory)	19	As per the Regulation no. 30 of the Regulations, the Board may constitute a separate committee, designated as the Risk Management Committee, of such number and class of directors, as it may deem appropriate in the circumstances. As stated in paragraph 19 of the Statement of Compliance, The Company has not yet constituted a separate Risk Management Committee. However, The Board is currently handling the responsibilities typically assigned to a Risk Management Committee directly at the Board level. Given this effective management, the establishment of a separate Risk Management Committee is not deemed necessary at this time. The Board will continue to evaluate the need for such a committee as circumstances evolve.
(5)	Explanation for non-compliance is required (Non-Mandatory)	19	As per the Regulation no. 30 of the Regulations, the Board may constitute a separate committee, designated as the Risk Management Committee, of such number and class of directors, as it may deem appropriate in the circumstances. As stated in paragraph 19 of the Statement of Compliance, The Company has not yet constituted a separate Risk Management Committee. However, The Board is currently handling the responsibilities typically assigned to a Risk Management Committee directly at the Board level. Given this effective management, the establishment of a separate Risk Management Committee is not deemed necessary at this time. The Board will continue to evaluate the need for such a committee as circumstances evolve.
(6)	Explanation for non-compliance is required (Non-Mandatory)	19	As per the Regulation 10A, the Board is responsible for governance and oversight of sustainability risks and opportunities and, for this purpose, is required / encouraged to take a number of measures including, in particular, implementation of policies to promote diversity, equity and inclusion (DE&I); taking steps to proactively understand and address the principal as well as emerging sustainability risks and opportunities; ensuring that the Company's sustainability and DE&I related strategies, priorities and targets as well as performance against these targets are periodically reviewed and monitored; and establishment of dedicated sustainability committee having at least one female director, or assignment of additional responsibilities to an existing board committee. The Company has not established a separate Sustainability Committee, as these responsibilities are presently overseen by the Board. The Board provides oversight of sustainability risks and DE&I initiatives, with progress reported through the Directors' Report, and will continue to review the need for a dedicated committee in light of future developments.

Karachi.

Date: November 05, 2025

UDIN: CR202510213F8bMOg4UV

Rahman Sarfaraz Rahim Iqbal Rafiq
RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

INDEPENDENT AUDITORS' REPORT **To the members of Nadeem Textile Mills Limited**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

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

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1.2 in the financial statements, which indicates that the Company incurred a loss after tax of Rs. 1,190,942 million during the year ended June 30, 2025 (2024: loss of Rs. 961,780 million). As of that date, the Company's accumulated loss amounted to Rs. 603,905 million (2024: accumulated profit of Rs. 573,453 million), and its current liabilities exceeded its current assets by Rs. 1,302,487 million. Furthermore, the Company temporarily closed operations of its second unit located at Kotri in April 2025 to avoid further operational losses.

These conditions, along with other factors disclosed in the financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matter described in the Material Uncertainty Related to Going Concern 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 annual report, but does not include the financial statements and our auditor's reports thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal

control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

Karachi:

Date: November 05, 2025

UDIN: AR202510213Lsx7O3orC


RAHMAN SARFAZ RAHIM IQBAL RAFIQ
Chartered Accountants


NADEEM TEXTILE MILLS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

		2025	2024
	Note	Rupees	
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,406,993,416	3,579,775,573
Long term advances and deposits	5	33,303,456	33,303,456
Deferred taxation - net	6	6,321,019	-
		4,446,617,891	3,613,079,029
Current assets			
Stores, spares and loose tools	7	154,968,662	245,746,781
Stock-in-trade	8	960,285,639	1,555,022,575
Trade debts	9	600,094,377	1,504,000,691
Investments	10	177,307,921	172,307,921
Loans, advances, deposits and prepayments	11	162,409,743	145,233,087
Other receivables	12	23,590,975	35,856,465
Tax refunds due from government	13	17,104,367	74,030,149
Cash and bank balances	14	55,069,879	182,240,917
		2,150,831,563	3,914,438,586
Total assets		6,597,449,454	7,527,517,615
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorized capital</i>			
33,000,000 ordinary (2024: 33,000,000) shares of Rs. 10/- each		330,000,000	330,000,000
Issued, subscribed and paid up capital	15	212,667,350	212,667,350
<i>Revenue reserve</i>			
accumulated losses		(603,904,877)	573,452,787
<i>Capital reserves</i>			
Revaluation surplus on property, plant and equipment - net of deferred tax	16	2,222,996,266	1,184,716,919
Contribution from associated undertaking	17	340,000,000	340,000,000
Contribution from directors	18	192,000,000	-
Share premium		388,683,536	388,683,536
		3,143,679,802	1,913,400,455
		2,752,442,275	2,699,520,592
Non-current liabilities			
Long term financing	19	316,503,717	448,453,463
Staff retirement benefits - gratuity	20	75,184,843	141,602,143
Deferred taxation - net	6	-	64,927,730
		391,688,560	654,983,336
Current liabilities			
Loan from related parties	21	46,650,000	34,450,000
Loans from directors	22	139,300,000	139,300,000
Trade and other payables	23	905,435,052	1,368,712,944
Accrued mark-up	24	94,054,624	130,469,647
Short term borrowings - secured	25	2,122,598,650	2,352,411,500
Unclaimed dividend		1,503,383	1,506,408
Taxation - net	13	-	8,398,485
Current portion of long term financing	19	143,776,910	137,764,703
		3,453,318,619	4,173,013,687
Contingency and commitments	26	-	-
Total equity and liabilities		6,597,449,454	7,527,517,615

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


Zahid Mazhar
 Chief Executive
 Karachi: November 05, 2025



Omer Bin Zahid
 Director


Omer Bin Zahid
 Chief Financial Officer

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

	Note	2025	2024
		Rupees	
Sales - net	27	4,893,178,341	11,391,093,507
Cost of sales	28	(5,420,361,241)	(11,325,471,764)
Gross (loss) / profit		(527,182,900)	65,621,743
Administrative expenses	29	(168,943,720)	(186,026,693)
Distribution costs	30	(85,606,147)	(175,988,320)
		(254,549,867)	(362,015,013)
Operating loss		(781,732,767)	(296,393,270)
Other income	31	44,696,530	95,376,161
Other expenses	32	(33,435,765)	(17,299,649)
Finance costs	33	(506,878,895)	(676,498,925)
		(495,618,130)	(598,422,413)
Loss before levies and taxation		(1,277,350,897)	(894,815,683)
Levies	34	(61,164,729)	(146,199,863)
Loss before taxation		(1,338,515,626)	(1,041,015,546)
Taxation	35	147,573,431	79,234,852
Loss after taxation		(1,190,942,195)	(961,780,694)
Loss per share - basic and diluted	36	(56.00)	(45.22)

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


Zahid Mazhar
 Chief Executive
 Karachi: November 05, 2025



Omer Bin Zahid
 Director


Omer Bin Zahid
 Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	Rupees	
Loss after taxation	(1,190,942,195)	(961,780,694)
Other comprehensive income / (loss)		
<i>Items that will not be subsequently reclassified to profit or loss:</i>		
Surplus on revaluation of land, factory building, non-factory building	1,127,794,922	-
Deferred tax Expense on above	(76,210,527)	-
	1,051,584,395	-
Gain / (Loss) on remeasurement of the defined benefit obligation	393,638	(15,365,413)
Deferred tax (Expense) / income on above	(114,155)	2,906,098
	279,483	(12,459,315)
Total comprehensive loss for the year	(139,078,317)	(974,240,009)

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


Zahid Mazhar
 Chief Executive
 Karachi: November 05, 2025


Omer Bin Zahid
 Director


Omer Bin Zahid
 Chief Financial Officer


NADEEM TEXTILE MILLS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

		2025	2024
	Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Loss before levies and taxation		(1,277,350,897)	(894,815,683)
<i>Adjustments for non cash and other items:</i>			
- Depreciation expense	4.1.6	224,678,309	251,902,342
- Provision for staff gratuity	20.2	61,202,674	56,695,264
- (Reversal)/ provision for gas tariff difference	23	(99,267,313)	20,631,059
- Provision for Off the Grid (Captive Power Plants) Levy	23	7,439,274	-
- Provision for anti-dumping duty	23	5,558,025	-
- Provision for Excise and taxation charges	23	523,850	-
- Profit on saving accounts	31	(11,734,836)	(26,456,065)
- Profit on Term Deposits Receipts (TDRs)	31	(27,399,747)	(30,602,630)
- Loss / (gain) on sale of property, plant and equipment	31	16,648,759	(651,086)
- Bad debts recovered	31	(1,729,491)	(24,535,145)
- Loss on sale of spare parts	32	1,740,831	-
- Transfer form capital work in progress to repair and maintenance expense	4.2	627,389	-
- Provision for Workers' Welfare Fund	33	-	5,430,991
- Provision against slow moving store items	32	-	650,500
- Reversal of provision of WWF	23.7	(3,832,456)	-
- Provision for expected credit losses	32	4,700,000	4,249,980
- Markup costs	33	474,247,665	609,419,262
		653,402,933	866,734,472
Operating loss before working capital changes		(623,947,964)	(28,081,211)
<i>(Increase) / decrease in current assets</i>			
- Stores, spares and loose tools		52,064,560	(20,418,108)
- Stock in trade		594,736,936	576,058,014
- Trade debts		900,935,805	178,205,911
- Loans and advances		(17,176,656)	(69,142,583)
- Other receivables		-	(2,327,129)
- Sales tax refundable		-	(17,348,492)
		1,530,560,645	645,027,613
<i>Increase / (decrease) in current liabilities</i>			
- Trade and other payables		(389,402,525)	138,642,743
- Sales tax payable		89,733,402	-
Cash generated from operations		606,943,558	755,589,145
Long term deposits placed		-	(272,211)
Income tax paid	13.1	(86,667,581)	(84,905,830)
Gratuity paid	20.1	(127,226,336)	(43,112,477)
Markup paid		(510,662,688)	(609,837,859)
Workers' Profit Participation Fund paid	23.6	-	(1,623,925)
Workers' Welfare Fund paid		-	(30,411,557)
Net cash used in operating activities		(117,613,047)	(14,574,714)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(3,148,950)	(194,585,956)
Short term investments obtained - net		(5,000,000)	(13,440,750)
Profit received on saving accounts and TDRs		51,400,073	51,894,715
Proceeds from disposal of spare parts		36,972,728	-
Proceeds from disposal of property, plant and equipment		61,771,572	10,099,000
Net cash generated from / (used in) investing activities		141,995,423	(146,032,991)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finance repaid		(125,937,539)	(95,538,540)
Loan obtained from director		192,000,000	53,000,000
Loan repaid to director		-	(115,000,000)
Loan repaid to related parties		(8,300,000)	(15,450,000)
Loan obtained from a related party		20,500,000	-
Short term borrowings excluding running finance		(276,438,866)	235,523,698
Dividend paid		(3,025)	-
Net cash generated from / (used in) financing activities		(198,179,430)	62,535,158
Net decrease/ increase in cash and cash equivalents		(173,797,054)	608,483
Cash and cash equivalents at beginning of the year		(334,176,063)	(334,784,546)
Cash and cash equivalents at end of the year	37	(507,973,117)	(334,176,063)

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


Zahid Mazhar
 Chief Executive
 Karachi: November 05, 2025


Omer Bin Zahid
 Director



Omer Bin Zahid
 Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED

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

		Revenue reserve	Capital reserves				
	Issued, subscribed and paid up capital	Unappropriated profits /(losses)	Share premium	Revaluation surplus on property, plant and equipment - net of deferred tax	Contribution from directors	Contribution from associated undertaking	Total
				Rupees			
Balance as at June 30, 2023	212,667,350	1,533,752,877	388,683,536	1,198,656,838		340,000,000	3,673,760,601
Transfer to unappropriated profit on account of incremental depreciation - net of deferred tax	-	13,939,919	-	(13,939,919)		-	-
Total comprehensive loss for the year ended June 30, 2024							
- Loss after taxation	-	(961,780,694)	-	-	-	-	(961,780,694)
- Other comprehensive loss	-	(12,459,315)	-	-	-	-	(12,459,315)
	-	(974,240,009)	-	-	-	-	(974,240,009)
Balance as at June 30, 2024	212,667,350	573,452,787	388,683,536	1,184,716,919	-	340,000,000	2,699,520,592
Transfer to unappropriated profit on account of incremental depreciation - net of deferred tax	-	13,305,048	-	(13,305,048)	-	-	-
Contribution from directors	-	-	-	-	192,000,000	-	192,000,000
Total comprehensive loss for the year ended June 30, 2025							
- Loss after taxation	-	(1,190,942,195)	-	-	-	-	(1,190,942,195)
- Other comprehensive income	-	279,483	-	1,051,584,395	-	-	1,051,863,878
	-	(1,190,662,712)	-	1,051,584,395	-	-	(139,078,317)
Balance as at June 30, 2025	212,667,350	(603,904,877)	388,683,536	2,222,996,266	192,000,000	340,000,000	2,752,442,275

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


Zahid Mazhar
 Chief Executive
 Karachi: November 05, 2025


Omer Bin Zahid
 Director


Omer Bin Zahid
 Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

1. INTRODUCTION

1.1 Legal status of the Company

Nadeem Textile Mills Limited ('the Company') was incorporated in Pakistan on July 15, 1984 as a public limited company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and its shares are listed on Pakistan Stock Exchange Limited. The principal activity of the Company is the manufacturing and sale of yarn.

The geographical location of Company's offices are as follows:

The registered office is located at 801-804, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi.

Manufacturing facilities are situated at,

-Unit 1: A-265, S.I.T.E., Nooriabad, District Dadu, Sindh.

-Unit 2: E-11, S.I.T.E., Kotri, District Dadu, Sindh.

1.2 Going concern assumption

During the past two years, the Company, along with the overall spinning sector, faced significant challenges arising from unfavorable government policies, low domestic cotton production, high raw material prices, substantial increases in energy tariffs, and elevated interest rates. These factors adversely affected the Company's performance and resulted in operating losses.

As a consequence, during the year the Company incurred a loss after tax amounting to Rs. 1190.942 million (2024: loss of Rs. 961.780 million), Its accumulated loss as of year end amounted to Rs. 604.384 million (2024: accumulated profit of Rs. 573.453 million) and its current liabilities exceeded its current assets by Rs. 1302.299 million. These condition along with temporarily closure of its second unit located at Kotri in April 2025 to avoid further increase in loss, indicate the existence of material uncertainty that the may cast significant doubt on the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in normal course of business.

The losses for the last two years were common for the entire spinning sector caused due to low cotton production and high cotton prices, abrupt sharp increase in gas tariffs (from Rs. 1,100 per MMBTU to Rs. 3,500 per MMBTU), higher bank mark up and dependence largely on costly imported raw materials. The production costs exceeded the selling prices that resulted in gross loss for the spinning sector and our Company as well owing to in competitive costs besides the cost increase due to exclusion of supplies of locally manufactured cotton yarn to indirect exporters from Export Facilitation Scheme (EFS).

The company has prepared these financial statements using going concern assumption for the mitigating factors stated below:

- a) Subsequent to the balance sheet date, the management efforts have yielded good results and it has received good number of orders for exports as well orders from local indirect exporters as a result of stability in cotton prices. The Company expects improved results as a result of reduction in policy rate by SBP. Moreover, cost cutting measures and operational efficiency is expected to increase turnover to 2024 level, ensure gross profit and profit after tax in the following year. The company had made BMR of about 650 million in 2023 and 2024 which coupled with the installation of a 3 MW solar power system would lower energy costs and improve operational efficiency. The modification of EFS would help increase company's sales as a result of level playing field that had previously been discriminatory and resulted in loss of local sales.
- b) The increase in current liabilities over current assets is being addressed by the management through the recovery of trade debts, improved sales, and injections of funds whenever required. The excess had arisen due to the payment of markup on short-term loans and long-term financing of Rs. 500 million, settlement of retirement benefits of Kotri employees, and inventory management

- c) During the last two years, the sponsors also extended financial support amounting to Rs. 331 million to address temporary cash flow shortfalls, enabling the Company to meet its obligations as they became due. Furthermore, there is no indication of any intention to withdraw or reduce this support; rather, the sponsors have reaffirmed their continued commitment. In addition, all short term credit facilities by the financial institutions have been renewed, ensuring adequate availability of working capital for ongoing operations.

Based on the above factors and their positive effects on the Company's projections, together with the continuous availability of financing facilities from the financial institutions and the sponsors, management believes that the Company will be able to meet its obligations and continue to operate as a going concern amidst expectation of conducive government policies for the textile sector.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as are 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 IFRS Standards, the former have been followed.

2.2 Basis of measurement

Items in these financial statements have been measured at their historical cost except for leasehold land, factory building and office premises which are carried at revalued amounts less accumulated depreciation therein.

2.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with accounting and reporting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policy are as follows:

	<i>Note</i>
- Revaluation of certain items of property, plant and equipment	3.1
- Useful life and residual values of property, plant and equipment	3.1
- Provision for staff retirement benefits	3.9
- Provision for taxation	3.11

2.5 New accounting pronouncements

2.5.1 Standards, interpretations and amendments to published approved accounting standards that are not yet

The following standards and amendments have been issued but are not effective for the financial year beginning July 1, 2024 and have not been early adopted by the Company:

IAS 21 – The Effects of Changes in Foreign Exchange Rates (Amendments: Lack of Exchangeability, effective January 1, 2025):

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates address circumstances where a currency is not exchangeable, often due to government restrictions. In such cases, entities are required to estimate the spot exchange rate that would apply in an orderly transaction at the measurement date. The amendments permit flexibility by allowing the use of observable exchange rates without adjustment or other estimation methods, provided these meet the overall estimation objective. When assessing this, entities should consider factors such as the existence of multiple exchange rates, their intended use, nature, and frequency of updates. The amendments also introduce new disclosure requirements, including details of the non-exchangeability, its financial impact, the spot rate applied, the estimation approach used, and related risks.

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective January 1, 2026):

Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments – Classification and Measurement provide clarifications and updates in several areas. They refine the requirements around the timing of recognition and derecognition of certain financial assets and liabilities, introducing a new exception for financial liabilities settled via electronic cash transfer systems. The amendments also clarify and expand the guidance on assessing whether a financial asset meets the “solely payments of principal and interest” (SPPI) criterion. In addition, new disclosure requirements are introduced for instruments with contractual terms that can alter cash flows, such as those linked to environmental, social, and governance (ESG) targets. Further updates are also made to the disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVOCI).

IFRS 17 – Insurance Contracts (effective January 1, 2026 in Pakistan, as directed by SECP vide SRO 1715(I)/2023):

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity’s financial position, financial performance and cash flows. SECP vide its SRO 1715(I)/2023 dated November 21, 2023 has directed that IFRS 17 shall be followed for the period commencing January 1, 2026 by companies engaged in insurance / takaful and re-insurance / re-takaful business.

Annual Improvements – Volume Eleven (effective January 1, 2026):

- Hedge Accounting by a First-time Adopter (Amendments to IFRS 1) - The amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.
- Gain or Loss on Derecognition (Amendments to IFRS 7) - To update the language on unobservable inputs and to include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement.
- Introduction (Amendments to Guidance on implementing IFRS 7) - To clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.
- Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7) - Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.
- Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7) - Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.
- Transaction Price (Amendments to IFRS 9) - Paragraph 5.1.3 of IFRS 9 has been amended to replace the reference to 'transaction price as defined by IFRS 15 Revenue from Contracts with Customers' with 'the amount determined by applying IFRS 15'. The use of the term "transaction price" in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9.
- Determination of a 'De Facto Agent' (Amendments to IFRS 10) - The amendment is intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents.
- Cost Method (Amendments to IAS 7) - Paragraph 37 of IAS 7 has been amended to replace the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

The above standards, amendments to approved accounting standards and interpretations have not been early adopted by the Company and are not likely to have any material impact on the Company's financial statements.

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 as at June 30, 2025:

IFRS 18 – Presentation and Disclosure in Financial Statements

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

Major Impact on Companies' Financial Statements:

IFRS 18 will require the Company to restructure their statement of profit or loss into operating, investing, and financing categories, which may alter familiar subtotals such as operating profit. This standard focuses on disaggregation will expand disclosures, requiring more detailed breakdowns of income, expenses, and significant transactions, rather than broad groupings. Adoption will also demand updates to reporting systems and processes, increasing compliance effort, but ultimately enhancing transparency, comparability, and investor confidence.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 – Subsidiaries without Public Accountability: Disclosures introduces reduced disclosure requirements for eligible subsidiaries that apply IFRS Accounting Standards. It applies to subsidiaries without public accountability whose parent prepares publicly available consolidated IFRS financial statements. Recognition and measurement remain fully aligned with IFRS, while disclosures are significantly simplified. The standard aims to ease the reporting burden without compromising the usefulness of information, and adoption is voluntary.

The following new or amended standards and interpretations became effective during the year. However, the same are not considered to be relevant to the Company's financial statements:

- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
- Non-current Liabilities with Covenants (Amendments to IAS 1)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

3.1 Property, plant and equipment

These are stated at cost less accumulated depreciation and impairment loss, if any, except lease hold land, factory building and office premises which are stated at revalued amount less accumulated depreciation and impairment loss, if any.

Subsequent costs are included in the carrying amount as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of profit or loss during the year in which they are incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the year in which the asset is derecognized.

Depreciation is charged to the statement of profit or loss applying written down value method whereby the cost or revalued amount of an asset is written off over its useful life at the rates specified in note 4.1 the financial statements. Depreciation on additions is charged from the day in which asset is available for use and on disposals up to the day immediately preceding that of disposal.

The assets' residual values, useful lives are reviewed, and adjusted if appropriate, at each financial year end. The Company's estimate of residual value of property and equipment at year end did not require any adjustment as its impact is considered insignificant.

Any revaluation increase arising on the revaluation of assets is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of freehold land, factory building and office premises is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation to the extent of incremental depreciation charged is transferred to unappropriated profit.

Capital work-in-progress is stated at cost less accumulated impairment losses, if any. All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specified assets as and when assets are available for use.

3.2 Stores, spares and loose tools

These are valued at cost less the provision for slow moving or obsolete items, if any, except for the items in transit which are stated at cost (comprising invoice value and other directly attributable costs thereon). The cost of the items consumed and those held in stock at the reporting date is determined using average cost method.

Provisions are made in the financial statements for obsolete and slow moving items based on the management's best estimate regarding their future usability.

3.3 Stock in trade

Basis of valuation

All items of stock-in-trade are valued at the lower of cost and their net realizable value as of the reporting date.

Determination of cost

The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the Company from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

The costs of conversion of inventories include costs directly related to the units of production, such as direct labour. They also include a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods. The allocation of fixed production overheads to the costs of conversion is based on the normal capacity of the production facilities (which is the production expected to be achieved on average over a number of periods or seasons under normal circumstances, taking into account the loss of capacity resulting from planned maintenance). However, in periods of abnormally high production, the amount of fixed overhead allocated to each unit of production is decreased so that inventories are not measured above cost. Variable production overheads are allocated to each unit of production on the basis of the actual use of the production facilities.

The cost of the items consumed or sold and those held in stock at the reporting date is determined using the average cost formula.

Determination of net realizable value

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories may not be recoverable if those inventories are damaged, if they have become wholly or partially obsolete, or if their selling prices have declined. The cost of inventories may also not be recoverable if the estimated costs of completion or the estimated costs to be incurred to make the sale have increased.

The Company estimates the net realisable value of inventories based on the most reliable evidence available, at the reporting date, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the reporting period to the extent that such events confirm conditions existing at the end of the reporting period.

Raw materials and other supplies held for use in the production of inventories are not written down below cost if the finished product in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished product exceeds net realisable value, the materials are written down to net realisable value. In such circumstances, the replacement cost of the materials is used as the measure of their net realisable value.

3.4 Trade debts

These are carried at their transaction price less any allowance for lifetime expected credit losses. A receivable is recognized when the goods are delivered to dealers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

3.5 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand, bank balances and short term borrowings from banks which are repayable on demand and form an integral part of the Company's cash management.

3.6 Financial assets

3.6.1 Classification and initial measurement

The Company recognizes a financial asset when and only when it becomes a party to the contractual provisions of the instrument evidencing investment. The Company classifies its financial assets into either of following three categories:

- (a) financial assets measured at amortized cost;
- (b) fair value through other comprehensive income (FVOCI);
- (c) fair value through profit or loss (FVTPL); and

(a) *Financial assets measured at amortized cost.*

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(b) *Fair value through other comprehensive income (FVOCI);*

A financial asset is classified as at fair value through other comprehensive income when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(c) *Fair value through profit or loss (FVTPL); and*

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income, as aforesaid. However, for an investment in equity instrument which is not held for trading, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the investment.

Such financial assets are initially measured at fair value.

3.6.2 Subsequent measurement

(a) *Financial assets measured at amortized cost*

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in profit or loss.

(b) *Financial assets at FVOCI*

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income in accordance is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Interest is calculated using the effective interest method and is recognised in profit or loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in the statement of profit or loss. However, for an investment in equity instrument which is not held for trading and for which the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the investment, such gains or losses are recognized in other comprehensive income. Further, when such investment is disposed off, the cumulative gain or loss previously recognised in other comprehensive income is not reclassified from equity to profit or loss.

3.6.3 Impairment

The Company recognises a loss allowance for expected credit losses in respect of financial assets measured at amortised cost.

For trade receivables, the Company applies the IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected loss allowance.

For other financial assets, the Company applies the IFRS 9 'General Approach' to measuring expected credit losses whereby the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. However, if, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Company measures expected credit losses on financial assets in a way that reflects an unbiased and probability-weighted amount, time value of money and reasonable and supportable information at the reporting date about the past events, current conditions and forecast of future economic conditions. The Company recognises in profit or loss, as an impairment loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3.6.4 De-recognition

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

The Company directly reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

3.7 Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss. Any gain or loss on de-recognition is also recognized in the statement of profit or loss.

Financial liabilities are derecognized when the contractual obligations are discharged or cancelled or have expired or when the cash flows of the financial liability have been substantially modified.

3.8 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle liability simultaneously.

3.9 Staff retirement benefits

A defined benefit plan is a post-employment benefit plan under which an entity regularly pays contributions into a separate fund but will continue to have legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. As a consequence, actuarial risk (that benefits will be less than expected) and investment risk (that assets will be insufficient to meet expected benefits) fall, in substance, on the entity. The Company operates an unfunded gratuity scheme for its employees which is classified as a defined benefit plan.

The Company's obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligation is performed annually by a qualified actuary using the Projected Unit Credit Method.

Remeasurements of the defined benefit liability (i.e. the actuarial gains or losses) are recognised immediately in other comprehensive income. The Company determines the interest expense on the defined benefit liability for the period by applying the discount rate to the defined benefit liability at the beginning of the annual reporting period, taking into account any changes in the defined benefit liability during the period as a result of contributions and benefit payments. Interest expense and other expenses related to the defined benefit plan are recognised in profit or loss.

3.10 Provisions and contingent liabilities

Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.11 Levies and Taxation

Levies

A levy is an outflow of resources embodying economic benefits imposed by the government that does not meet the definition of income tax provided in the International Accounting Standard (IAS) 12 'Income Taxes' because it is not based on taxable profit.

In these financial statements, levy includes minimum tax under section 113 of the Income Tax Ordinance, 2001 over the normal tax liability computed there under, Workers' Welfare Fund expense and Workers' Profit Participation Fund expense.

Current tax

The portion of the income tax charge that is based on the 'taxable income' for a reporting period (as determined in accordance with the provisions of the Income Tax Ordinance, 2001 and the rules made thereunder) is classified as a 'current tax'. Any excess charge over the said amount is now classified as a 'levy' in the statement of profit or loss.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the unconsolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

A deferred tax asset is recognized only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that the sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that is no longer probable that the related tax benefit will be realised.

Judgement and estimates

Significant judgement is required in determining the income tax expenses and corresponding provision for tax. There may be transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

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

Offsetting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.12 Revenue recognition

Revenue from local sales

Revenue from sale of goods (yarn) is recognized when the customer obtains control of the goods, being when the goods are delivered to the customer, the customer has full discretion over the selling price of the goods and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been dispatched from the company premise, the risk of loss has been transferred to the customer, and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have elapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The Company does not expect to have contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Revenue from export sales

Revenue from sale of goods to foreign customers is recognized when those customers obtain control of the exported goods which is when the goods are loaded onto the shipping vessel and, as an acknowledgement thereof, a bill of lading is issued by the shipping company.

The Company does not expect to have contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.13 Other income

Return on bank deposits is recognized on a time proportion basis on the principal amount outstanding and at the rate applicable.

3.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.15 Foreign currency transactions and translation

Transactions in foreign currencies are converted into Rupees at the rate of exchange ruling on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Rupees at the rate of exchange ruling at the balance sheet date. All exchange differences arising on transaction are charged to profit or loss in that period.

3.16 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved.

4. PROPERTY, PLANT AND EQUIPMENT	Note	2025	2024
		Rupees	
Operating fixed assets	4.1	4,384,073,416	3,556,228,184
Capital work in progress	4.2	22,920,000	23,547,389
		<u>4,406,993,416</u>	<u>3,579,775,573</u>

4.1 Operating fixed assets

	Leasehold land	Freehold land	Factory building	Non factory building	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
	Rupees									
As at June 30, 2023										
Gross carrying amount	885,000,000	80,000,000	508,192,193	394,302,345	3,350,728,688	15,328,712	5,687,256	10,876,825	108,619,483	5,358,735,702
Accumulated depreciation	-	-	(193,214,722)	(115,239,455)	(1,399,426,789)	(9,222,911)	(3,487,627)	(5,611,642)	(56,384,331)	(1,782,587,477)
Net book value	885,000,000	80,000,000	314,977,471	279,063,090	1,951,301,899	6,105,801	2,199,629	5,265,183	52,235,152	3,576,148,225
<i>Movement during the year ended June 30, 2024</i>										
Opening net book value	885,000,000	80,000,000	314,977,471	279,063,090	1,951,301,899	6,105,801	2,199,629	5,265,183	52,235,152	3,576,148,224
Additions:										
- Transfer from CWP	-	-	1,145,562	526,824	195,444,410	-	-	-	-	197,116,796
- Other	-	-	-	-	121,899,971	200,500	36,500	963,448	11,213,000	134,313,419
	-	-	1,145,562	526,824	217,344,381	200,500	36,500	963,448	11,213,000	241,430,215
Disposals:										
- Cost	-	-	-	-	(38,876,908)	-	-	-	(3,959,375)	(42,836,283)
- Accumulated depreciation	-	-	-	-	29,921,585	-	-	-	3,466,784	33,388,369
	-	-	-	-	(8,955,323)	-	-	-	(492,591)	(9,447,914)
Depreciation for the year	-	-	(15,749,659)	(13,953,515)	(209,343,926)	(617,441)	(660,838)	(620,984)	(10,955,979)	(251,902,342)
Closing net book value	885,000,000	80,000,000	300,373,374	265,636,399	1,960,347,031	5,688,860	1,575,291	5,607,647	51,999,582	3,556,228,184
	Leasehold land	Freehold land	Factory building	Non factory building	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
	Rupees									
As at June 30, 2024										
Gross carrying amount	885,000,000	80,000,000	509,337,755	394,829,349	3,539,196,161	15,529,212	5,723,756	11,840,273	115,873,108	5,557,329,634
Accumulated depreciation	-	-	(208,964,381)	(129,192,970)	(1,578,849,130)	(9,840,352)	(4,148,465)	(6,232,626)	(63,873,526)	(2,001,101,450)
Net book value	885,000,000	80,000,000	300,373,374	265,636,399	1,960,347,031	5,688,860	1,575,291	5,607,647	51,999,582	3,556,228,184
<i>Movement during the year ended June 30, 2025</i>										
Opening net book value	885,000,000	80,000,000	300,373,374	265,636,399	1,960,347,031	5,688,860	1,575,291	5,607,647	51,999,582	3,556,228,184
Additions:										
- Transfer from CWP	-	-	-	-	-	-	-	-	-	-
- Other	-	-	3,009,000	-	-	49,000	51,200	39,750	-	3,148,950
	-	-	3,009,000	-	-	49,000	51,200	39,750	-	3,148,950
Revaluation during the year	785,000,000	80,000,000	105,587,319	157,207,603	-	-	-	-	-	1,127,794,922
Disposals:										
- Cost	-	-	-	-	(244,896,718)	-	-	-	(175,000)	(245,071,718)
- Accumulated depreciation	-	-	-	-	166,491,337	-	-	-	160,850	166,651,387
	-	-	-	-	(78,405,381)	-	-	-	(14,950)	(78,420,331)
Depreciation for the year	-	-	(15,058,239)	(13,281,820)	(184,322,809)	(571,799)	(482,052)	(564,663)	(10,396,927)	(224,678,309)
Closing net book value	1,670,000,000	160,000,000	393,911,454	409,562,182	1,697,618,841	5,166,061	1,144,439	5,082,734	41,587,705	4,384,073,416
As at June 30, 2025										
Gross carrying amount	1,670,000,000	160,000,000	617,934,074	552,036,972	3,294,299,443	15,578,212	5,774,956	11,880,023	115,698,108	6,443,201,788
Accumulated depreciation	-	-	(224,022,620)	(142,474,790)	(1,596,680,602)	(10,412,151)	(4,630,517)	(6,797,289)	(74,110,403)	(2,059,128,372)
Net book value	1,670,000,000	160,000,000	393,911,454	409,562,182	1,697,618,841	5,166,061	1,144,439	5,082,734	41,587,705	4,384,073,416
Annual rate of depreciation			5%	5%	10%	10%	30%	10%	20%	

4.1.1 Leasehold land of the Company are located at A-265 S.I.T.E, Nooriabad, Sindh and E-11, S.I.T.E., Kotri Sindh with an area of 67,760 and 38,720 square yards respectively

4.1.2 The Company measure its land, buildings and office premises using revaluation model. The latest revaluation of land, building, and office premises was carried out by an independent valuer KGT (Pvt.) Limited as on June 30, 2025 on the basis of present market values for similar sized land in the vicinity and replacement values of similar type of buildings adjusted for depreciation factor for the existing assets in use.

4.1.3 Forced sales value of leasehold land, buildings and office premises based on the valuation conducted in June 2025 by independent valuer were as follows:

	Fair value	Forced sale value
	————— Rupees —————	
Freehold land	<u>160,000,000</u>	<u>128,000,000</u>
Leasehold land	<u>1,670,000,000</u>	<u>1,336,000,000</u>
Factory building	<u>393,911,455</u>	<u>315,129,164</u>
Office premises	<u>409,562,180</u>	<u>327,649,744</u>

4.1.4 Had the leasehold land, factory building and office premises been carried under the cost model of accounting, their carrying amount at the reporting date would have been as follows:

	2025	2024
	————— Rupees —————	
Freehold land	<u>2,942,589</u>	2,942,589
Leasehold land	<u>43,441,451</u>	43,441,451
Factory building	<u>102,822,487</u>	105,108,481
Office premises	<u>94,204,111</u>	99,162,222
	<u>243,410,638</u>	<u>250,654,743</u>

4.1.5 The particulars of assets disposed of during the year with a written down value exceeding Rs. 500,000 are as follows:

Particulars of the asset	Cost	Accumulated depreciation	Written down value (WDV)	Sales proceeds	(Gain) / loss on disposal	Buyer name	Relationship with the buyer	Mode of disposal
————— Rupees —————								
Cat Generator Mwin Cg 107	69,866,527	36,752,521	33,114,006	29,692,691	3,421,315	Downtown Trading -Fzco	No relation	Negotiation
Cat Generator 3516C	63,942,117	45,582,238	18,359,879	9,985,050	8,376,839	Gencom Spares And Co	No relation	Negotiation
Car 3516B Gen	32,916,406	27,031,590	5,884,816	4,000,000	1,884,816	Gencom Spares And Co	No relation	Negotiation
2 Set Savio Orion	17,445,618	12,663,683	4,781,935	3,000,000	1,781,935	Hasan And Co	No relation	Negotiation
1 Set Savio Orion X2	12,789,900	11,196,622	1,593,278	1,500,000	93,278	Hasan And Co	No relation	Negotiation
1 Set Savio Orion X2	12,151,844	10,484,506	1,667,338	1,500,000	167,338	Hasan And Co	No relation	Negotiation
Gas Generator Waukesha 900 K.W	7,313,556	1,426,252	5,887,304	2,500,000	3,387,304	Gencom Spares And Co	No relation	Negotiation
Gas Generator Waukesha 900 K.W	2,831,272	552,140	2,279,132	2,500,000	(220,868)	Gencom Spares And Co	No relation	Negotiation
Card Machine Mk5-D Model 2003	2,759,177	573,644	2,185,533	2,250,000	(64,467)	Bin Ferooz Textiles	No relation	Negotiation
Card Machine Mk5-D Model 2003	2,207,342	458,915	1,748,427	1,800,000	(51,573)	Bin Ferooz Textiles	No relation	Negotiation
Total	224,223,759	146,722,071	77,501,688	58,725,741	18,775,947			

		2025	2024
		————— Rupees —————	
4.1.6 Depreciation charge for the year is allocated as under:	<i>Note</i>		
Cost of sales	28	<u>199,381,048</u>	225,093,585
Administrative expenses	29	<u>25,297,261</u>	26,808,757
		<u>224,678,309</u>	<u>251,902,342</u>

4.2 Capital work in progress

	Plant and Machinery	Civil Works	Total
	Rupees		
<i>Movement during the year ended June 30, 2024</i>			
Opening balance	68,419,145	1,972,503	70,391,648
Additions during the year	37,652,654	22,619,883	60,272,537
	106,071,799	24,592,386	130,664,185
Transfer to operating fixed assets	(105,444,410)	(1,672,386)	(107,116,796)
Closing balance	627,389	22,920,000	23,547,389

Movement during the year ended June 30, 2025

Opening balance	627,389	22,920,000	23,547,389
Charged to profit and loss	(627,389)	-	(627,389)
Closing balance	-	22,920,000	22,920,000

	Note	2025	2024
		Rupees	
5. LONG TERM DEPOSITS			
Long term advances		437,500	437,500
Long term security deposits	5.1	32,865,956	32,865,956
		33,303,456	33,303,456
5.1 Long term security deposits			
WAPDA		17,409,760	17,409,760
HESCO		5,118,100	5,118,100
SSGC		7,041,168	7,041,168
Pakistan State Oil Limited		450,000	450,000
Others		2,846,928	2,846,928
		32,865,956	32,865,956

6. DEFERRED TAXATION - net

	Opening balance	Charge / (reversal) recognized in profit or loss	Charge / (income) recognized in other comprehensive income	Closing balance
	Rupees			
<i>For the year ended June 30, 2025</i>				
<i>Taxable temporary differences</i>				
- Accelerated tax depreciation	275,899,398	(19,918,905)	-	255,980,493
- Surplus on revaluation of fixed assets	108,689,124	(5,434,456)	76,210,527	179,465,195
	384,588,522	(25,353,361)	76,210,527	435,445,688
<i>Deductible temporary differences</i>				
- Provisions for slow moving store items	(2,571,065)	-	-	(2,571,065)
- Unused tax losses	(273,626,491)	(138,717,587)	-	(412,344,078)
- Provision for Off the Grid (Captive Power Plants) Levy	-	(2,157,389)	-	(2,157,389)
- Provisions for expected credit losses	(2,398,615)	(491,956)	-	(2,890,571)
- Staff retirement benefits	(41,064,621)	19,146,862	114,155	(21,803,604)
	(319,660,792)	(122,220,070)	114,155	(441,766,707)
	64,927,730	(147,573,431)	76,324,682	(6,321,019)

	Opening balance (restated)	Charge / (reversal) recognized in profit or loss (restated)	Charge / (income) recognized in other comprehensive income	Closing balance
For the year ended June 30, 2024				
	Rupees			
<i>Taxable temporary differences</i>				
- Accelerated tax depreciation	264,527,518	11,371,880	-	275,899,398
- Surplus on revaluation of fixed assets	114,382,894	(5,693,770)	-	108,689,124
	378,910,412	5,678,110	-	384,588,522
<i>Deductible temporary differences</i>				
- Excess of minimum tax carried forward	(88,311,978)	88,311,978	-	-
- Deferred government grant	(2,382,419)	(188,646)	-	(2,571,065)
- Unused tax losses	(95,839,938)	(177,786,553)	-	(273,626,491)
- Provisions for expected credit losses	(12,637,754)	10,239,139	-	(2,398,615)
- Staff retirement benefits	(32,669,643)	(5,488,880)	2,906,098	(41,064,621)
	(231,841,732)	(84,912,962)	2,906,098	(319,660,792)
	147,068,680	(79,234,852)	2,906,098	64,927,730

		2025	2024
		Rupees	
7. STORES, SPARES AND LOOSE TOOLS	<i>Note</i>		
Stores in hand		74,572,962	143,111,851
Spares in hand		88,214,009	109,880,347
Loose tools		1,047,432	1,620,324
		163,834,403	254,612,522
Less: Provision against slow moving store items		(8,865,741)	(8,865,741)
		154,968,662	245,746,781
8. STOCK IN TRADE			
Raw material in hand		447,169,883	517,595,937
Raw material in transit		63,511,930	502,827,124
		510,681,813	1,020,423,061
Work- in- process		46,467,934	96,935,774
Finished goods		369,604,000	386,945,027
Waste		33,531,892	50,718,713
	8.1	960,285,639	1,555,022,575

8.1 This includes stocks amounting to Rs. 1,013.30 million (2024: Rs. 450 million) pledged with banks as security with banks against finance facilities.

		2025	2024
		Rupees	
9. TRADE DEBTS	<i>Note</i>		
Local trade debts - unsecured		610,061,862	1,512,271,776
Indirect export debts - unsecured		-	-
		610,061,862	1,512,271,776
Less: Provision for expected credit losses	9.1	(9,967,485)	(8,271,085)
		600,094,377	1,504,000,691

		2025	2024
9.1	Movement in provision for expected credit losses		
	Opening balance	8,271,085	50,526,699
	Reversal during the year	(1,729,491)	(24,535,145)
	Charge for the year	4,700,000	4,249,980
	Write-off during the year	(1,274,109)	(21,970,449)
	Closing balance	9,967,485	8,271,085

10. INVESTMENTS

Term Deposits Receipts (TDRs)	10.1	177,307,921	172,307,921
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- 10.1** These TDRs were deposited as margin against bank guarantees issued by different banks as disclosed in note No. 26.2. This carries markup at a rate of 14.25% - 20.5% per annum (2024: 16.25% - 20%). These TDRs shall mature between 6 to 12 months.

		2025	2024
11.	LOANS, ADVANCES AND PREPAYMENTS	Rupees	
	Loans to staff and workers	682,549	1,060,403
	Advance to suppliers	45,052,570	27,985,722
	Deposit with Nazir High Court of Sindh	115,272,757	115,272,757
	Prepayments	1,401,867	914,205
		162,409,743	145,233,087

- 11.1** These represent interest-free loans provided to employees in accordance with the Company policy. The loans are secured against their retirement benefits and are recoverable in equal monthly installments.

		2025	2024
12.	OTHER RECEIVABLES	Rupees	
	Interest income receivable	9,924,612	22,190,102
	Others	13,666,363	13,666,363
		23,590,975	35,856,465

13. TAX REFUNDS DUE FROM GOVERNMENT

Income tax refundable	13.1	17,104,367	-
Sales tax refundable		-	74,030,149
		17,104,367	74,030,149

13.1 Income tax refundable / (payable)

Opening balance		(8,398,485)	55,863,031
Add: taxes deducted at source		86,667,581	76,507,356
		78,269,096	132,370,387
Levies	34	(61,164,729)	(140,768,872)
Current tax	35	-	-
		(61,164,729)	(140,768,872)
Closing balance		17,104,367	(8,398,485)

13.1.1 Status of income tax assessments

The income tax assessments of the Company have been finalized up to, and including, the tax year 2024. Tax returns filed by the Company are deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 unless selected for re-assessment or audit by the taxation authorities. However, at any time during a period of five years from the date of filing of a return, the taxation authorities may select an income tax return filed by the Company for the purpose of re-assessment.

14.	CASH AND BANK BALANCES	Note	2025	2024
			Rupees	
	Cash in hand		5,182,636	41,540,670
	Cash at bank - current accounts		21,207,107	22,509,762
	Cash at bank - deposit accounts	14.1 & 14.2	28,680,136	118,190,485
			49,887,243	140,700,247
			55,069,879	182,240,917
14.1	These carry markup rate ranging from 7.5% to 19% per annum on daily product basis (2024: 14.25% to 20% per annum).			
14.2	At the reporting date, the Company has issued cheques amounting to Rs. Nil (2024: Rs. 116.384 million) in its account with Soneri Bank. These cheques were not cleared and were presented as part of cash and bank balances in the financial statements.			
15.	ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
	2025	2024	2025	2024
	— Number of shares —		Rupees	
			Ordinary shares of Rs.10 each issued:	
	11,407,485	11,407,485	114,074,850	114,074,850
	6,500,000	6,500,000	65,000,000	65,000,000
	3,359,250	3,359,250	33,592,500	33,592,500
			(Private) Limited with and into the Company	
	21,266,735	21,266,735	212,667,350	212,667,350
15.1	There are no agreements among shareholders for voting rights, board selection, rights of first refusal and block voting.			
16.	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT -net		2025	2024
			Rupees	
	On leasehold land			
	Gross surplus			
	Opening balance		918,615,960	918,615,960
	Revaluation increase recognized during the year		865,000,000	-
			1,783,615,960	918,615,960
	On factory and non-factory building			
	Gross surplus			
	Opening balance		374,790,082	394,423,771
	Revaluation increase recognized during the year		262,794,922	-
	Incremental depreciation transferred to retained earnings		(18,739,504)	(19,633,689)
			618,845,500	374,790,082
	Related deferred tax charge			
	Opening balance		(108,689,123)	(114,382,893)
	Revaluation increase recognised during the year		(76,210,527)	-
	Incremental depreciation transferred to retained earnings		5,434,456	5,693,770
			(179,465,194)	(108,689,123)
			439,380,306	266,100,959
	Total surplus on revaluation - net of deferred tax charge		2,222,996,266	1,184,716,919
17.	CONTRIBUTION FROM ASSOCIATED UNDERTAKING			

The associated Company, M/s Nadeem International (Pvt) Limited, and the Company agreed that the loan would be interest free and can be repayable at the discretion of the Company. Hence, the loan was treated as a capital contribution in accordance with IAS-32.

18. LOAN FROM DIRECTORS

During the year ended June 30, 2025, The company's directors Mr. Zahid Mazhar and Mrs. Naila Zahid, and the Company agreed that the loan would be interest free and can be repayable at the discretion of the Company. Hence, the loan was treated as a capital contribution in accordance with IAS-32.

		2025	2024
	Note	Rupees	
19. LONG TERM FINANCING			
Long Term Finance Facility (LTFF)			
- Bank Al Falah Limited	19.1	66,644,000	88,852,000
- Habib Bank Limited	19.2	85,126,580	101,376,581
- Askari Bank Limited	19.3	31,551,520	39,439,400
- JS Bank Limited	19.4	13,045,000	31,905,000
Term Loans			
- Askari Bank Limited	19.5	134,859,019	160,560,599
- Soneri Bank Limited	19.6	78,947,368	105,263,158
- Habib Metro Bank Limited	19.7	50,107,140	58,821,428
		263,913,527	324,645,185
		460,280,627	586,218,166
Less: Current portion shown under current liabilities	44.3	(143,776,910)	(137,764,703)
Non-current maturity		316,503,717	448,453,463

19.1 Long Term Financing Facility (LTFF) from M/s. Bank Al Falah Limited

This represents the amount availed for purchase of 2 MTU gas generators. It is secured by having the exclusive charge over the imported machinery along with 25% margin and ranking charge of Rs. 25 million over the existing plant and machinery located Nooriabad unit, District Jamshoro, Sindh with the tenor of 8 years (including 1-year grace period commencing from the date of first disbursement) at the mark-up rate of 4.5% to be repaid in 16 equal semi-annually installments.

19.2 Long Term Financing Facility (LTFF) from M/s. Habib Bank Limited

This represents the amount availed for purchase of new plant and machinery (Spinning system, carding machine and bale plucker). It is secured by exclusive hypothecation charge over specific plant and machinery for Rs. 130 million with 25% margin over the plant and machinery amounting to Rs. 44 million with the tenor of 7 years (including 1-year grace period commencing from the date of first disbursement) at the mark-up rate of 4.5% to be repaid in 24 equal quarterly installments.

19.3 Long Term Financing Facility (LTFF) from M/s. Askari Bank Limited

This represents the amount availed under LTFF obtained from M/s. Askari Bank Limited. The facility has been obtained for procurement of machinery in relation to the BMR of existing plant and machinery of the Company, and is secured by first exclusive and specific charge over the machinery being imported under the letter of credit (to be located at the Company's manufacturing facilities in Nooriabad and Kotri, District Jamshoro, Sindh with 25% margin) with the tenor of 7 years (including 2-year grace period commencing from the date of first disbursement) at the mark-up rate of 7% to be repaid in 20 equal quarterly installments.

19.4 Long Term Financing Facility (LTFF) from M/s. JS Bank Limited

This represents the amount availed under LTFF obtained for procurement of machinery in relation to the BMR of existing plant and machinery of the Company. It is secured by first exclusive and specific charge over the machinery being imported under the letter of credit (to be located at the Company's manufacturing facilities in Nooriabad and Kotri, District Jamshoro, Sindh with 20% margin) with the tenor of 5 years at the mark-up rate of 5% to be repaid in 20 equal quarterly installments.

19.5 Term Loan from M/s. Askari Bank Limited

This represents the amount availed under a term finance facility (will be converted in SBP-LTFF) obtained from M/s. Askari Bank Limited. The facility has been obtained for procurement of machinery in relation to the BMR of existing plant and machinery of the Company, and is secured by first exclusive and specific charge over the machinery being imported under the letter of credit (to be located at the Company's manufacturing facilities in Nooriabad and Kotri, District Jamshoro, Sindh with 25% margin) with the tenor of 7 years (including 2-year grace period commencing from the date of first disbursement) at the mark-up rate of 3-Month KIBOR + 2.25% to be repaid in 20 equal quarterly installments (to be commenced after the aforesaid grace period).

19.6 Term Loan from M/s. Soneri Bank Limited

This represents the amount availed under a term finance facility (will be converted in SBP-LTFF) obtained from M/s. Soneri Bank Limited. The facility has been obtained for two brand new Gas Gensets MTU 16V4000GS of 1521 KW, and is secured by first exclusive and specific charge over the machinery being imported under the letter of credit (to be located at the Company's manufacturing facilities in Nooriabad and Kotri, District Jamshoro, Sindh with 25% margin) with the tenor of 7 years (including 1-year grace period commencing from the date of first disbursement) at the mark-up rate of 3-Month KIBOR + 3% to be repaid in 28 equal quarterly installments (to be commenced after the aforesaid grace period).

19.7 Term Loan from M/s. Habib Metro Bank Limited

This represents the amount availed for purchase of five Carding Machine. It is secured by having the exclusive charge on machinery along with margin of 40% for Rs. 102 million with the tenor of 8 years (including 1-year grace period commencing from the date of first disbursement) at the mark-up rate of 3-Month KIBOR + 2% to be repaid in 32 equal quarterly installments (to be commenced after the aforesaid grace period).

20. STAFF RETIREMENT BENEFITS - GRATUITY

As disclosed in note 3.9 to these financial statements, the Company operates an unfunded gratuity scheme for its staff employees. The latest actuarial valuation was carried out as at June 30, 2025, using the Projected Unit Credit Method.

		2025	2024
		Rupees	
20.1 Movement in defined benefit obligation	<i>Note</i>		
Opening defined benefit obligation		141,602,143	112,653,943
Current service cost		49,699,300	41,141,173
Past service cost		-	750,714
Interest cost		11,503,374	14,803,377
Benefits paid		(127,226,336)	(43,112,477)
Remeasurements	20.3	(393,638)	15,365,413
Closing defined benefit obligation		75,184,843	141,602,143
20.2 Expense recognized in the statement of profit or loss			
Current service cost		49,699,300	41,141,173
Past service cost		-	750,714
Interest cost on defined benefit obligation		11,503,374	14,803,377
		61,202,674	56,695,264
20.3 Remeasurement losses / (gains) recognised in other comprehensive income			
<i>Actuarial losses / (gains) on defined benefit obligation due to:</i>			
- Changes in financial assumptions		(654,900)	(4,193,344)
- Experience adjustments		261,262	19,558,757
		(393,638)	15,365,413
		2025	2024
20.4 Sensitivity analysis on defined benefit obligation		Rupees	
Discount rate + 100 bps		71,213,188	107,271,626
Discount rate - 100 bps		79,655,341	118,711,415
Salary increment rate + 100 bps		79,843,682	118,711,415
Salary increment rate -100 bps		70,968,321	107,182,807
20.5 Principal actuarial assumptions used			
Discount rate used for interest cost in profit and loss		14.75%	16.25%
Discount rate used for year end obligation		11.75%	14.75%
Rate of increase in salaries - next 1 year		10.75%	10.00%
Rate of increase in salaries - future years		10.75%	13.75%
Mortality rates		SLIC 2001-2005	SLIC 2001-2005

20.6	Estimated expenses to be charged to profit and loss		
	Current service cost	22,215,647	49,699,300
	Interest cost	7,693,328	17,560,902
		<u>29,908,975</u>	<u>67,260,202</u>
20.7	Expected maturity analysis of undiscounted cashflows		
	Less than a year	19,419,423	45,090,358
	Between 1-2 years	14,750,618	35,698,157
	Between 2-3 years	14,250,531	30,651,496
	Between 3-4 years	12,159,111	27,389,236
	Between 4-5 years	17,893,372	26,134,874
	Over 5 years	674,700,356	2,299,988,193
20.8	As of June 30, 2025 the weighted average duration of the defined benefit plan was 6 years (2024: 5 years).		
		2025	2024
21.	LOAN FROM RELATED PARTIES	<i>Note</i>	Rupees
	Loan from Nadeem International (Private) Limited		
	Opening balance		34,450,000
	Transfer to capital reserves	17	-
	Received during the year		20,500,000
	Repayment during the year		(8,300,000)
		21.1	<u>46,650,000</u>
21.1	The loan is unsecured, interest-free, and repayable on demand.		
22.	LOANS FROM DIRECTORS		
	Opening balance		139,300,000
	Loans received during the year		-
			<u>139,300,000</u>
	Loans repaid during the year		-
	Closing balance	22.1	<u>139,300,000</u>
22.1	These loans are interest-free and repayable on-demand.		
		2025	2024
23.	TRADE AND OTHER PAYABLES	<i>Note</i>	Rupees
	Creditors:		
	- local	44.3	527,502,731
	- foreign		50,439,966
			<u>577,942,697</u>
	Accrued expenses	23.1	135,389,973
	Provision for gas tariff difference	23.2	111,558,165
	Provision for Off the Grid (Captive Power Plants) Levy	23.3	7,439,274
	Provision for anti-dumping duty	23.4	24,611,312
	Provision against Excise and Taxation charges		10,541,603
	Advance from customers	23.5&44.3	4,952,392
	Worker's Profit Participation Fund payable	23.6	-
	Worker's Welfare Fund payable	23.7	-
	Withholding income tax payable		250,706
	Withholding sales tax payable		4,447,744
	Sales tax payable		15,703,253
	Other liabilities	44.3	12,597,933
			<u>905,435,052</u>
			<u>1,368,712,944</u>

23.1 Accrued expenses

Gas charges	3,660,626	217,391,484
Electric Charges	50,588,105	1,445,879
Salaries and wages	41,262,538	56,455,422
Commission to sale agents	27,648,197	62,597,242
Others	12,230,507	10,791,057
	135,389,973	348,681,084

23.2 Provision for gas tariff difference

Provision in respect of:

- Suit No. 129 of 2017	23.2.1	13,869,388	105,750,000
- Suits No. 1790 of 2020 and 1798 of 2020	23.2.2	-	7,386,701
- Suit No. 5220 of 2025	23.2.3	97,688,777	97,688,777
		111,558,165	210,825,478

- 23.2.1** On August 31, 2015, the Oil and Gas Regulatory Authority (OGRA) issued S.R.O. 876(I)/2015 whereby, with effect from September 01, 2015, the sale price of natural gas for gas consumers falling under the category 'Industrial' was increased to Rs. 600 per MMBTU (as against the previously applicable tariff of Rs. 488.23 per MMBTU notified vide S.R.O. 01(I)/2013 dated January 01, 2013). The said notification was widely challenged by companies operating in the textile industry (including the Company vide Suit No. 129 of 2017) before the Honourable High Court of Sindh ('the Court'). In its interim order dated January 18, 2017, the Court held that, till further orders of the Court, the plaintiffs (i.e. the gas consumers) shall continue to deposit their monthly bills at the rate of Rs. 488.23 per MMBTU and the differential amount of Rs. 111.77 per MMBTU shall be secured by providing post-dated cheques to the Nazir of the Court. Accordingly, until September 2018, the Company continued to pay its monthly gas bills at the rate of Rs. 488.23 per MMBTU and recognized a provision for the differential liability which, as at June 30, 2024, amounted to **Rs. 13.86 million (2024: Rs. 105.75 million)**.

On September 06, 2024, the Sindh High Court declared the impugned notification void ab initio, a decision favorable to the Company. The Federation and Sui Southern Gas Company (SSGC) subsequently filed an appeal (H.C.A No. 336 of 2024), which the Court dismissed on February 03, 2025, directing the Nazir to release the post-dated cheques. The Federation and other parties have now challenged this decision before the Honourable Supreme Court of Pakistan through C.P.L.A No. 1017 of 2025, which remains pending as of the reporting date.

- 23.2.2** On October 23, 2020, the OGRA issued S.R.O. No. 1107(I)/2020 whereby, with effect from September 01, 2020, the sale price of natural gas for the aforesaid class of gas consumers was increased to Rs. 819 per MMBTU (as against the previously applicable tariff of Rs. 786 per MMBTU). The said notification was also widely challenged by companies operating in the textile industry (including the Company vide Suit No. 1790 of 2020 & Suit No. 1798 of 2020) before the Court. In its interim order dated May 25, 2021 the Court held that, till further orders of the Court, the plaintiffs (i.e. the gas consumers) shall continue to deposit their monthly bills at the rate of Rs. 786 per MMBTU and the differential amount of Rs. 33 per MMBTU shall be secured by providing post-dated cheques to the Nazir of the Court. Accordingly, for the period from March 2021 to January 2023, the Company has recognized a provision for the differential rate of Rs. 33 per MMBTU which, as at June 30, 2023, amounted to **Rs. 42.23 million (2023: Rs. 42.23 million)**.

On February 18, 2023, the Court announced its final verdict in Suit No. 1790 of 2020 and Suit No. 1798 of 2020 (and several other connected suits on similar matters) upholding the validity of the aforesaid notification (i.e. S.R.O. 1107(I)/2020 dated October 23, 2020 issued by the OGRA). The said decision also discusses, at length, the issue of incremental tariff chargeable to gas consumers falling under the category 'Captive Power' and made it explicit that that the Company would fall into such category of gas consumers and, thus, would be subjected to the incremental tariff of Rs. 852 per MMBTU as specified in the S.R.O. 1107(I)/2020. In view of that development, the Company recognized a further provision of **Rs. 42.23 million, representing** the difference between the tariff chargeable at the aforesaid rate of Rs. 852 per MMBTU and the rate of Rs. 819 per MMBTU chargeable to 'Industrial' gas consumers, for the period from March 2021 to January 2023.

During the year ended June 30, 2025, the Company paid an amount of Rs. 7.38 million (2024: 77.05 million) to Sui Southern Gas Company (along with monthly gas bills) in respect of the said provision.

- 23.2.3** On 08 November 2023, the Oil and Gas Regulatory Authority (OGRA) issued notification bearing No. OGRA-10-3 (8)/2023 increased the gas rate retrospectively from 1 November 2023 to Rs. 2,400 per MMBTU (as against the previously applicable tariff of Rs.1,100 per MMBTU). The Company along with others filed petition in the Honourable Sindh High Court against the notification challenging the increase of gas rate and its retrospective implication from 1 November 2023. As directed by the High Court, the plaintiffs (i.e. the gas consumers) shall continue to pay their monthly bills at the rate of Rs. 1,100 per MMBTU and the differential amount of 115.272 million inclusive of sales tax has been deposited with the Nazir High Court @ Rs.1,300 per MMBTU. Accordingly, the Company continued to pay its monthly gas bills at the rate of Rs. 1,100 per MMBTU to Sui Southern Gas Company Limited (SSGC). In relation to the amount deposited above with the Nazir High Court, the Company has recorded a provision of Rs. 97.68 million excluding sales tax.

During the year ended 30 June 2025, the matter earlier disclosed as Suit No. 2123 of 2023 before the Sindh High Court was transferred to the senior civil judge / assistant sessions judge VI, Karachi (East), and renumbered as Suit No. 5220 of 2025. The case remains pending adjudication.

23.3 Provision for Off the Grid (Captive Power Plants) Levy

During the year, the Off the Grid (Captive Power Plants) Levy Ordinance, 2025 was promulgated by the President on January 31, 2025 and, within 120 days, was approved by Parliament on May 31, 2025. Under this Act, every captive power plant is required to pay to the Federal Government a levy on the consumption of natural gas or RLNG at the rate prescribed under Section 4 of the Act, as notified by the Federal Government from time to time. On March 07, 2025, the Federal Government, through a notification, set the levy at Rs. 791 per MMBTU. The Ministry of Energy subsequently directed SSGC to recover this levy at the notified rate retrospectively for the month of February 2025, and SSGC issued the corresponding bill on May 02, 2025.

The Company, along with other affected parties, filed a constitutional petition (C.P. No. 1802 of 2025) before the Honourable Sindh High Court, Karachi, on May 6, 2025, challenging the retrospective application of the notification. In its interim order of the same date, the Court directed that, until further orders, the plaintiffs (gas consumers) shall deposit the amount demanded for February 2025 with the Nazir of the Court in the form of a pay order or bank guarantee. On July 3, 2025 the Company submitted a bank guarantee of Rs. 8.778 million, equivalent to Rs. 791 per MMBTU (refer to Note 25.1.2), and has accordingly recognized a provision of the same amount as a matter of prudence.

23.4 Provision for anti-dumping duty

Pursuant to the powers conferred to it under section 50(1) of the Anti-Dumping Act, 2015, the National Tariff Commission (the "Commission"), in order to prevent material injury to the domestic industry, vide its notification no. A.D.C No. 59/2022/NTC/PSF dated February 04, 2022 ('the impugned notification'), imposed, for a period of five years, an anti-dumping duty on the import of 'Polyester Staple Fiber' (PSF) [classified under PCT Heading 5503.2010] from certain exporting countries. As per the said notification, the amount of duty payable is to be determined by applying the specified rates on the import assessed value of PSF.

Being aggrieved by the said notification, the Company, on February 11, 2022, filed an appeal bearing no. 459/2022 before the Anti-Dumping Appellate Tribunal, Islamabad ('ADAT') on the grounds that the duty has been determined and imposed in sheer violation of various provisions of the Anti-Dumping Act, 2015 and that the Commission has failed to properly appreciate the facts. Consequently, in the appeal, the Company prayed that the said notification be declared as legally invalid and be set aside. In addition, the Company also submitted a stay application to ADAT (identified as M.A Stay 234/2022 and dated February 11, 2022) seeking that the operation of the impugned notification be suspended until the final disposition of the appeal.

In order to prevent the concerned authorities from taking any coercive measures for the recovery of the imposed duty prior to any decision by the ADAT, the Company, on February 11, 2022, filed a Writ Petition (W.P. No.508/2022) before the Honourable Islamabad High Court ('the Court') which vide its order dated on February 15, 2022 disposed off the petition by restraining the authorities from taking any coercive action against the Company until a decision is reached by the ADAT either in the aforesaid appeal or the stay application, whichever occurs earlier.

As of the reporting date, both the aforementioned appeal and stay application were pending for adjudication before the ADAT. In view of the aforesaid stay granted by the Court, no payments in relation to the anti-dumping duty have been made by the Company. As a matter of prudence, the Company has recognized the full amount of the duty payable which, as at June 30, 2025, amounted to Rs. 24.611 million (2024: Rs. 19.053 million).

23.5 Advance from customers

During the year, the performance obligations underlying the opening contract liability of **Rs. 25.14 million** were satisfied in full. Accordingly, the said liability was recorded as revenue during the year.

Information regarding the timing of satisfaction of performance obligations underlying the closing contract liability of **Rs. 4.9 million** is not presented since the expected duration of all the contracts entered into with the customers is less than one year.

		2025	2024
		Rupees	
23.6 Workers' Profit Participation Fund payable			
Opening balance		-	75,823,742
Interest charged during the year		-	65,446
		-	75,889,188
Payment during the year		-	(75,889,188)
		-	-
23.7 Workers' Welfare Fund payable			
Opening balance		3,832,456	32,247,697
Adjustment		-	(1,592,127)
Interest accrued for the year		-	5,430,991
		3,832,456	36,086,561
Reversal / Payment during the year		(3,832,456)	(32,254,105)
		-	3,832,456
24. ACCRUED MARKUP			
Markup accrued on:			
- Long term financing		12,514,941	23,521,641
- Short term borrowings		81,539,683	106,948,006
		94,054,624	130,469,647
25. SHORT TERM BORROWINGS - secured			
Running Finance (RF)			
- Samba Bank Limited	25.1	49,999,532	49,354,669
- JS Bank Limited	25.2	99,968,700	99,922,762
- Bank Al Falah Limited	25.3	43,183,051	42,746,176
- Soneri Bank Limited	25.4	200,000,000	199,722,876
- Habib Metro Bank Limited	25.5	119,959,997	74,995,517
- Askari Bank Limited	25.6	49,931,716	49,674,980
		563,042,996	516,416,980
Cash Finance (CF)			
- JS Bank Limited	25.7	81,663,222	105,121,476
- Bank Al Falah Limited	25.8	69,769,225	25,920,000
- Soneri Bank Limited	25.9	347,634,154	301,380,360
- Habib Metro Bank Limited	25.10	90,550,170	109,816,561
- Askari Bank Limited	25.11	104,221,136	52,845,871
- Habib Bank Limited	25.12	139,268,887	91,000,000
		833,106,794	686,084,268
Finance against Imported Merchandise (FIM)			
- JS Bank Limited		-	99,107,169
- Bank Al Falah Limited	25.13	2,973,115	208,418,386
- Habib Metro Bank Limited		-	72,235,995
- Habib Bank Limited	25.14	132,081,187	264,845,022
		135,054,302	644,606,572
Finance against Packing Credit (FPC)			
- Samba Bank Limited	25.15	119,700,000	119,700,000
		119,700,000	119,700,000
Istisna Financing			
- Dubai Islamic Bank Limited	25.16	400,000,000	370,200,000
Post dated cheques discounting			
- Bank Al Falah Limited		71,694,558	15,403,680
		2,122,598,650	2,352,411,500

- 25.1** This represents the amount availed under a running finance facility obtained from M/s. Samba Bank Limited with a limit of Rs. 50 million (2024: Rs. 50 million). The facility carries mark-up at the rate of 1-Month KIBOR plus 2% (2024: 1-Month KIBOR plus 2%) per annum and is secured by way of first pari-passu hypothecation charge over all present and future stocks and receivables amounting to Rs. 367 million with 25% margin and first pari-passu charge over the fixed assets (including land and buildings) amounting to Rs. 227 million with 25% margin. The expiry date of the facility is May 31, 2025.
- 25.2** This represents the amount availed under a running finance facility obtained from M/s. JS Bank Limited with a limit of Rs. 100 million (2024: Rs.100 million). The facility carries mark-up at the rate of 3-Month KIBOR plus 2.25% (2024: 3-Month KIBOR plus 2.25%) per annum and is secured by way of first pari-passu charge over the Company's fixed assets (including land, buildings and plant & machinery) amounting to Rs. 134 million with 25% margin over the market value of fixed assets. The expiry date of the facility is September 30, 2025.
- 25.3** This represents the amount availed under a running finance facility obtained from M/s. Bank Al Falah Limited with a limit of Rs. 45 million (2024: Rs. 45 million). The facility carries mark-up at the rate of 1-Month KIBOR plus 2.25% (2024: 1-Month KIBOR plus 2.25%) per annum and is secured by way first pari-passu charge over the Company's fixed assets (including land, buildings and plant & machinery) amounting to Rs. 75 million with 25% margin. The expiry date of the facility is October 31, 2025.
- 25.4** This represents the amount availed under a running finance facility obtained from M/s. Soneri Bank Limited with a limit of Rs. 200 million (2024: Rs. 200 million). The facility carries mark-up at the rate of 3-Month KIBOR plus 2.25% (2024: 3-Month KIBOR plus 2.25%) per annum and the facility is secured by a first pari passu charge over current assets (stocks and trade debts) of the Company amounting to Rs. 134 million, as well as a first pari passu charge over registered stocks amounting to Rs. 40 million. The facility will expire on March 31, 2026.
- 25.5** This represents the amount availed under a running finance facility obtained from M/s. Habib Metro Bank Limited with a limit of Rs. 75 million (2024: Rs. 75 million). The facility carries mark-up at the rate of 3-Month KIBOR plus 2.25% (2024: 3-Month KIBOR plus 2.25%) per annum and is secured by way of first charge over industrial land located at plot No. A-293 SITE Nooriabad amounting to Rs. 200 million. The expiry date of the facility is December 31, 2025.
- 25.6** This represents the amount availed under a running finance facility obtained from M/s. Askari Bank Limited with a limit of Rs. 50 million (2024: Rs.50 million). The facility carries mark-up at the rate of 3-Month KIBOR plus 2% (2024: 3-Month KIBOR plus 2%) per annum. The facility will expire on December 31, 2025.
- 25.7** This represents the amount availed under a cash finance facility obtained from M/s. JS Bank Limited with a limit of Rs. 250 million (2024: Rs. 250 million). The facility carries mark-up at the rate of 3-Month KIBOR plus 2.25% (2024: 3-Month KIBOR plus 2.25%) per annum and is secured by way of first exclusive charge over pledge of stocks, (Raw Cotton, Yarn and Polyester Fibre). The expiry date of the facility is September 30, 2025.
- 25.8** This represents the amount availed under a cash finance facility obtained from M/s. Bank Alfalah Limited with a limit of Rs. 255 million (2024: Rs. 255 million), carrying mark-up at the rate of 1-Month KIBOR plus 2.25% per annum (2024: 1-Month KIBOR plus 2.25% per annum), and is secured against a first pari passu charge over current assets of the Company for Rs. 75 million with 40% margin and a first pari passu charge over fixed assets (land, building, plant and machinery) located at the Nooriabad unit with 25% margin. The expiry date of the facility is October 31, 2025.
- 25.9** This represents the amount availed under a cash finance facility obtained from M/s. Soneri Bank Limited with a limit of Rs. 375 million (2024: Rs. 375 million). The facility carries mark-up at the rate of 3-Month KIBOR plus 2.25% (2024: 3-Month KIBOR plus 2.25%) per annum and is secured by way of first exclusive charge over pledge of stocks, (Raw Cotton, Yarn and Polyester Fibre). The expiry date of the facility is March 31, 2026.
- 25.10** This represents the amount availed under a cash finance facility obtained from M/s. Habib Metro Bank Limited with a limit of Rs. 200 million (2024: Rs. 275 million). The facility carries mark-up at the rate of 3-Month KIBOR plus 2.25% (2024: 3-Month KIBOR plus 2.25%) per annum and is secured by way of pledge charge over pledge of stocks (Raw Cotton) of Rs.223 million with 10% margin. The expiry date of the facility is December 31, 2025.
- 25.11** This represents the amount availed under a cash finance facility obtained from M/s. Askari Bank Limited with a limit of Rs. 220 million (2024: Rs. 220 million). The facility carries mark-up at the rate of 3-Month KIBOR plus 2% (2024: 3-Month KIBOR plus 2%) per annum and is secured by way of first exclusive charge over pledge of stocks, (Raw Cotton, Yarn and Polyester Fibre). The expiry date of the facility is December 31, 2025.

- 25.12** This represents the amount availed under a cash finance facility obtained from M/s. Habib Bank Limited with a limit of Rs. 450 million (2024: Rs. 450 million). The facility carries mark-up at the rate of 1-Month KIBOR plus 1.85% (2024: 1-Month KIBOR plus 1.85%) per annum and is secured by way of first exclusive charge over pledge of stocks, (Raw Cotton, Yarn and Polyester Fibre). The expiry date of the facility is March 31, 2025.
- 25.13** This represents the amount availed under the finance against import merchandise obtained from M/s. Bank Al Falah Limited with a limit of Rs. 104 million (2024: Rs. 300 million). The facility carries mark-up at the rate of 1-Month KIBOR plus 2.25% (2024: 1-Month KIBOR plus 2.25%) per annum and is secured same as per note No. 25.3. The expiry date of the facility is October 31, 2025.
- 25.14** This represents the amount availed under the finance against imported merchandise obtained from M/s. Habib Bank Limited with a limit of Rs. 600 million (2023: Rs. 150 million). The facility carries mark-up at the rate of 1-Month KIBOR plus 1.85% (2023: 1-Month KIBOR plus 1.85%) per annum and is secured by way of first exclusive charge over pledge of stocks, (Raw Cotton, and Polyester Fibre) . The expiry date of the facility is March 31, 2025.
- 25.15** This represents the amount availed under the finance against packing credit obtained from M/s. Samba Bank Limited with a limit of Rs. 170 million (2024: Rs. 170 million). The facility carries mark-up at the rate of 1-Month KIBOR plus 2% (2024: 1-Month KIBOR plus 2%) per annum and is secured by way of first pari-passu hypothecation charge over all present and future stocks and receivables amounting to Rs. 367 million with 25% margin and first pari-passu charge over the fixed assets (including land and buildings) amounting to Rs. 227 million with 25% margin. The expiry date of the facility is May 31, 2026.
- 25.16** This represents the amount availed under the istisna financing obtained from M/s. Dubai Islamic Bank Limited with a limit of Rs. 400 million (2024: Rs. 400 million). The facility carries mark-up at the rate of relevant KIBOR plus 2.25% (2024: KIBOR plus 2.25%) per annum and is secured by way of equitable mortgage over land and building on Plot No. E-11, SITE, Kotri amounting to Rs. 375 million with 25% margin, first pari passu charge over plant and machinery at Plot No. E-11, SITE, Kotri amounting to Rs. 158.34 million with 25% margin and 12th ranking hypothecation charge over stocks and receivables of the company amounting to Rs. 534 million company (inclusive of 25% margin). The expiry date of the facility is January 31, 2026.
- 25.17** As of the reporting date, the Company had unutilized facilities for short term borrowings available from above mentioned banks amounting to Rs. 1,048 million (2024: Rs. 1,048 million).

26. CONTINGENCIES AND COMMITMENTS

26.1 Contingencies

- 26.1.1** In the matter of GIDC levy under act 2011 and GIDC Act 2015 the Company and other petitioners had been contesting the imposed levy since 2011 and it was in August 13, 2020 that the honorable Supreme Court of Pakistan upheld the constitutionality of the GIDC Act 2015.

Moreover, in para 37 of the above judgment, the Honorable Supreme Court has held that the Cess under GIDC Act, 2015 is leviable to those customers of natural gas who on account of their industrial or commercial dealings pass on its burden to their customer. The Apex Court also restrained the Federal Government from charging further Cess from the date of the judgment and also imposed certain eventualities on the basis of which this Cess would become nullified.

The Company along with several other petitioners filed review petitions before the Honorable Supreme Court of Pakistan seeking a setting aside of the judgment of the Supreme Court and also challenging the applicability of the GIDC on the Company including the amount to be recovered including its retrospective application from the year 2011. The Hon'ble Supreme Court was pleased to clarify that the question as to the retrospective applicability of GIDC from 2011 to 2015 would remain open to be decided by the Hon'ble High Courts.

As a result, the Company filed Suit 1343 /2020 in the Honorable High Court of Sindh along with several other companies on the ground that the Company falls within the category of gas consumers, who have neither collected GIDC from their clients / customers and even not passed on to the customers through addition in the cost of goods and accordingly, the Company is not liable to pay any amounts pursuant to the above judgment of the Supreme Court. The Company also raised the issue of retrospective applicability of the Act from 2011. The Honorable High Court has granted stay to the Company and other petitioners to the extent of payment of GIDC.

The Company has also filed a Suit No. 1682/2021 and Suit No. 1338/2020 in the Honorable High Court of Sindh at Karachi along with several other petitioners seeking a declaration that after the lapse of time period of six months for laying of the North-South gas pipe line allowed by the Honourable Supreme Court of Pakistan, the Act has now become in-operational and dead for all intents and purposes. Consequently, the Company is not liable to pay any GIDC.

During the year ended 30 June 2025, the matters earlier disclosed as Suit No. 1682/2021 and Suit No. 1338/2020 before the Sindh High Court were transferred to the Courts of the Senior Civil Judge / Assistant Sessions Judge I, Karachi (East) and Senior Civil Judge / Assistant Sessions Judge VIII, Karachi (East), and renumbered as Suit No. 2910 of 2025 and Suit No. 8812 of 2025, respectively. Both cases remain pending adjudication.

The legal counsel of the Company has given his considered opinion that in view of above two suits the Company will not be subject to pay any amount of Cess and the Company has therefore in view of the above opinion not recorded any provision.

In view of the above, the Company continues to disclose the GIDC amounting to Rs. 368 million as a contingent liability (2024: Rs. 368 million).

- 26.1.2** During the year, the Off the Grid (Captive Power Plants) Levy Ordinance, 2025 was promulgated by the President on 31 January 2025 and, within 120 days, was approved by Parliament on 10 June 2025. Under this Act, every captive power plant is required to pay a levy to the Federal Government on the consumption of natural gas or RLNG at the rate prescribed under Section 4 of the Act, as notified by the Federal Government from time to time. However, notifications have so far been issued only for the months of February and March 2025. For the months of April, May, and June 2025, no rate has yet been notified; therefore, due to the uncertainty of the amount, no provision has been recognized for these periods.

- 26.1.3** The Company filed a Constitutional Petition (CP No. D-2082 of 2025) before the Honourable Sindh High Court on May 13, 2025, challenging the demand notice dated May 5, 2025, issued by the Board of Trustees of the Employees' Old-Age Benefits Institution (EOBI). The said demand amounted to Rs. 7.2 million, along with a penalty of Rs. 3.6 million, pertaining to the recovery of revised employee contributions for the period from July 1, 2022, to July 31, 2024. The Honourable Court has restrained EOBI from initiating any coercive action or proceedings against the Company. Based on the legal counsel's opinion that the Company has a strong case and expects a favourable outcome, no provision has been recognized in this regard.

- 26.1.4** The Company is contesting Civil Second Appeal No. 2 of 2024 before the High Court of Sindh at Hyderabad in respect of Plot No. A-269, admeasuring one acre, situated in the Sindh Industrial Trading Estate (SITE), Nooriabad, Jamshoro. The dispute arose when Sindh Industrial Trading Estate Limited cancelled and withdrew the mutation earlier transferred in the Company's name through its letter dated February 26, 2019, without prior notice or hearing.

The property was purchased by the Company from Mr. Anees Abdul Ghani under a duly executed agreement dated September 10, 2015, and mutation was transferred in the Company's name on March 2, 2016. The initial suit (Suit No. 10 of 2019) filed before the Senior Civil Judge-II, Kotri, was dismissed on April 3, 2023, and the decision was upheld by the Additional District Judge-II, Kotri, in Civil Appeal No. 24 of 2023, through judgment dated January 31, 2024.

The Company has filed the present appeal before the High Court of Sindh at Hyderabad, which is pending adjudication. The matter has been disclosed as a contingent liability in these financial statements.

- 26.1.5** The Company is defending a sales tax audit case originally initiated against M/s Nadeem Power Generation (Private) Limited, which merged with the Company pursuant to a Court Order dated 31 November 2022. The case relates to the sales tax audit for the period July 2017 to June 2018, conducted under Section 25 of the Sales Tax Act, 1990.

The tax authorities disallowed input tax aggregating to Rs. 31,568 million on the grounds of non-production of sales tax records, including inventory details, during the audit proceedings. Consequently, a Show Cause Notice dated 24 June 2023 was issued by the Assistant Commissioner Inland Revenue, Unit-01, Zone-VI, Corporate Tax Office, Karachi, and the matter was finalized through Order-in-Original No. 67/44 dated 11 September 2023, whereby recovery of the disallowed amount along with default surcharge and penalties was ordered.

The Company has filed an appeal before the Commissioner Inland Revenue (Appeals), Karachi, which is currently pending adjudication. Based on the legal advisor's opinion, management believes that the case will be decided in the Company's favour; accordingly, no provision has been recognized in these financial statements.

26.2 Commitments

	Note	2025	2024
		Rupees	
Letters of credit issued in respect of:			
- import of raw materials		23,625,648	264,433,114
Bank guarantees to Excise and Taxation department		152,475,800	147,475,753
Revolving letter of credit issued in favour of SSGC		91,987,580	91,987,580
Letters of guarantee against:			
- Off the Grid (Captive Power Plants) Levy		7,439,274	-

27. SALES - net			
Local sales	27.1	3,778,902,124	7,321,667,719
Export sales - indirect	27.2	1,026,329,750	3,386,136,961
Export sales - direct		-	575,903,173
Wastage sales	27.3	45,525,833	107,385,654
Raw material sales		42,420,634	-
		<u>4,893,178,341</u>	<u>11,391,093,507</u>
27.1 Local sales			
Local sales revenue - gross		4,475,462,990	8,409,855,371
Less: Sales returns		(15,785,200)	(62,202,500)
		<u>4,459,677,790</u>	<u>8,347,652,871</u>
Less: Sales tax		(680,775,666)	(1,025,985,152)
		<u>3,778,902,124</u>	<u>7,321,667,719</u>
27.2 Export sales - indirect			
Export sales revenue - gross		1,216,241,905	3,871,524,680
Less: Sales returns		(5,172,800)	(60,933,400)
		<u>1,211,069,105</u>	<u>3,810,591,280</u>
Less: Sales tax		(184,739,355)	(424,454,319)
		<u>1,026,329,750</u>	<u>3,386,136,961</u>
27.3 Wastage sales			
Wastage sales - gross		53,720,483	126,716,769
Less: Sales tax		(8,194,650)	(19,331,115)
		<u>45,525,833</u>	<u>107,385,654</u>
27.4 Raw material sales			
Raw material sales - gross		50,056,313	-
Less: Sales tax		(7,635,679)	-
		<u>42,420,634</u>	<u>-</u>
28. COST OF SALES			
Raw materials consumed	28.1	3,540,766,893	7,833,507,259
Conversion costs incurred:			
- Fuel and power	28.2	779,537,766	1,254,343,640
- Stores and spares consumed	28.3	148,099,182	193,232,467
- Packing materials consumed	28.4	57,266,918	143,662,555
- Salaries, wages and other benefits	28.5	574,776,946	780,386,741
- Depreciation	4.1.6	199,381,048	225,093,585
- Repair and maintenance		11,051,279	22,054,029
- Insurance		14,689,717	15,018,220
- Other expenses		9,795,804	22,983,706
		<u>1,794,598,660</u>	<u>2,656,774,943</u>
		<u>5,335,365,553</u>	<u>10,490,282,202</u>
Change in work-in-process inventory:			
- Opening stock		96,935,774	98,450,984
- Closing stock	8	(46,467,934)	(96,935,774)
		<u>50,467,840</u>	<u>1,515,210</u>
Cost of goods manufactured		<u>5,385,833,393</u>	<u>10,491,797,412</u>
Change in finished goods and waste inventories:			
- Opening stock		437,663,740	1,271,338,092
- Closing stock		(403,135,892)	(437,663,740)
		<u>34,527,848</u>	<u>833,674,352</u>
		<u>5,420,361,241</u>	<u>11,325,471,764</u>

28.1	Raw materials consumed			
	Opening		517,595,937	585,319,746
	Add: Purchases		3,470,340,839	7,765,783,450
			3,987,936,776	8,351,103,196
	Closing stock	8	(447,169,883)	(517,595,937)
			3,540,766,893	7,833,507,259
28.2	Fuel and power			
	Gas charges		575,206,179	1,102,856,635
	Electricity charges		204,331,587	142,780,014
	Diesel charges		-	8,706,991
			779,537,766	1,254,343,640
28.3	Stores and spares consumed			
	Opening stock		227,193,581	211,308,104
	Add: Purchases during the year		71,257,580	209,117,944
			298,451,161	420,426,048
	Closing stock		(150,351,979)	(227,193,581)
			148,099,182	193,232,467
			2025	2024
28.4	Packing materials consumed		Rupees	
	Opening		27,418,941	22,886,310
	Add: Purchases		43,330,400	148,195,186
			70,749,341	171,081,496
	Closing stock		(13,482,423)	(27,418,941)
			57,266,918	143,662,555
28.5	These include staff retirement benefits amounting to Rs. 56.37 million (2024: Rs. 52.29 million).			
29.	ADMINISTRATIVE EXPENSES	<i>Note</i>	2025	2024
			Rupees	
	Salaries and other benefits	29.1	58,377,530	59,620,463
	Directors' remuneration	41	8,400,000	8,400,000
	Travelling and conveyance		13,880,179	14,382,525
	Legal and professional		4,143,171	6,084,069
	Fees and subscription		4,317,530	6,443,755
	Rent, rates and taxes		1,383,233	1,812,121
	Electricity, gas and water		13,991,121	9,669,658
	Repairs and maintenance		7,527,977	13,803,266
	Communication expenses		2,611,387	2,544,099
	Printing and stationery		2,491,583	5,190,180
	Motor vehicle expenses		18,723,805	24,113,084
	Advertisement expenses		127,560	144,150
	Entertainment expenses		3,596,016	3,458,133
	Auditor's remuneration	29.2	1,838,000	1,650,000
	Depreciation	4.1.6	25,297,261	26,808,757
	Miscellaneous expenses		2,237,367	1,902,433
			168,943,720	186,026,693
29.1	These include staff retirement benefits amounting to Rs. 4.832 million (2024: Rs. 4.39 million).			
29.2	Auditors' remuneration	<i>Note</i>	2025	2024
			Rupees	
	Fee for annual audit		1,200,000	1,200,000
	Fee for half-yearly review		308,000	308,000
	Fee for review of Code of Corporate Governance		70,000	70,000
	Other certifications		60,000	60,000
	Out-of-pocket expenses		200,000	12,000
			1,838,000	1,650,000

		2025	2024
		Rupees	
30. DISTRIBUTION COSTS	<i>Note</i>		
Sales commission	30.1	37,404,272	83,759,613
Freight and octroi charges		22,140,958	50,220,658
Foreign travelling expense		6,671,500	11,325,000
Export selling expenses		1,478,118	4,294,517
Trailer charges		-	2,782,804
Ocean freight		658,646	1,956,849
Export development charges		171,016	1,428,693
Stamp duty on export sales		-	1,020,415
Export insurance charges		-	561,099
Miscellaneous	30.2	17,081,637	18,638,672
		85,606,147	175,988,320
		2025	2024
		Rupees	
30.1 Sales commission			
Commission charges incurred in relation to:			
- Local sales		37,404,272	78,240,199
- Export sales		-	5,519,414
		37,404,272	83,759,613
30.2			
This includes charges in respect of stamp duty on local sales, letter of credit expenses, sales promotion, export and foreign bank charges and forwarding charges.			
		2025	2024
		Rupees	
31. OTHER INCOME	<i>Note</i>		
Profit on saving accounts		11,734,836	26,456,065
Profit on Term Deposit Receipts (TDRs)		27,399,747	30,602,630
		39,134,583	57,058,695
Reversal of provision for expected credit losses		1,729,491	24,535,145
Realized exchange gain - net		-	13,131,235
Gain on sale of property, plant and equipment - net	44.3	-	651,086
Reversal of WWF		3,832,456	-
		44,696,530	95,376,161
32. OTHER EXPENSES			
Surcharge on late filing of sales tax returns		10,171,898	12,399,169
Provision for expected credit losses		4,700,000	4,249,980
Provision against slow moving store items		-	650,500
Realized exchange loss - net		174,277	-
Loss on disposal of spare parts		1,740,831	-
Loss on sale of property, plant and equipment - net		16,648,759	-
		33,435,765	17,299,649
33. FINANCE COSTS			
Markup on short-term borrowings:			
- Cash finance (CF)		208,166,742	278,303,512
- Running finance (RF)		88,710,643	120,887,145
- Finance against imported merchandise (FIM)		91,903,950	73,335,931
- Finance against packing finance (FPC)		21,471,043	37,978,525
		410,252,378	510,505,113
Markup on long-term financing:			
- Term finance		63,995,287	98,848,703
Premium on discounting of export bills		-	17,811,454
Interest on Workers' Profit Participation Fund		-	65,446
		474,247,665	627,230,716
Bank charges and guarantee commission		32,631,230	49,268,209
		506,878,895	676,498,925

34.	LEVIES			
	Income tax:			
	- Excess of minimum tax over normal tax		48,335,607	47,905,705
	- Final tax		12,829,122	92,863,167
			61,164,729	140,768,872
	Workers' Welfare Fund		-	5,430,991
			61,164,729	146,199,863
			2025	2024
35.	TAXATION	Note	Rupees	
	Current - for the year		-	-
	Deferred	6	(147,573,431)	(79,234,852)
			(147,573,431)	(79,234,852)
35.1	Reconciliation between tax expense and accounting profit			
	In respect of the years ended June 30, 2024 and June 30, 2025, the numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate as required by IAS 12 'Income Taxes' has not been presented in these financial statements since the Company has suffered an accounting loss before tax in both these years and its income subject to taxation under the normal tax regime has attracted the provisions of section 113 of the Income Tax Ordinance, 2001 (Minimum tax).			
			2025	2024
36.	LOSS PER SHARE - BASIC AND DILUTED		Rupees	
36.1	Basic loss earnings per share			
	Loss after taxation		(1,190,942,195)	(961,780,694)
			Number of shares	
	Weighted average number of ordinary shares outstanding		21,266,735	21,266,735
			Rupees	
	Loss per share - basic		(56.00)	(45.22)
36.2	Diluted loss per share			
	There is no dilutive effect on the basic loss per share of the Company, since there were no potential ordinary shares in issue as at June 30, 2025 and June 30, 2024.			
37.	CASH AND CASH EQUIVALENTS			
	For the purpose of the statement of cash flows, cash and cash equivalents comprise of the following:			
			2025	2024
	Note		Rupees	
	Cash and bank balances	14	55,069,879	182,240,917
	Short term borrowings - running finance	25	(563,042,996)	(516,416,980)
			(507,973,117)	(334,176,063)
38.	FINANCIAL INSTRUMENTS			
38.1	Financial risk management			
	The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:			
	- Credit risk			
	- Liquidity risk			
	- Market risk			
38.1.1	Credit risk			
	Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.			
	A financial asset is regarded as credit impaired as and when it falls under the definition of a 'defaulted' financial asset. For the Company's internal credit management purposes, a financial asset is considered as defaulted when it is past due for 90 days or more .			
	The Company writes off a defaulted financial asset when there remains no reasonable probability of recovering the carrying amount of the asset through available means.			

Maximum exposure to credit risk

	Note	June 30, 2025		June 30, 2024	
		Carrying amount	Maximum exposure	Carrying amount	Maximum exposure
		Rupees			
At amortised cost					
- Long term deposits		33,303,456	33,303,456	33,303,456	33,303,456
- Trade debts	(a)	600,094,377	600,094,377	1,504,000,691	1,504,000,691
- Investments		177,307,921	177,307,921	172,307,921	172,307,921
- Loans to staff and workers		682,549	682,549	1,060,403	1,060,403
- Other receivables		23,590,975	23,590,975	35,856,465	35,856,465
- Bank balances	(b)	49,887,243	49,887,243	140,700,247	140,700,247
		884,866,521	884,866,521	1,887,229,183	1,887,229,183

Note (a) - Credit risk exposure on trade debts

To reduce the exposure to credit risk the Company has developed a policy of obtaining advance payments from its customers. The management strictly adheres to this policy.

Export receivables as at year end are not past due. The aging of local trade debts as at the reporting date is as follows:

	June 30, 2025		June 30, 2024	
	Gross carrying amount	Life time expected credit losses	Gross carrying amount	Life time expected credit losses
	Rupees			
Not past due	437,305,500	-	1,047,021,697	-
Past due 1-90 days	117,446,602	-	429,501,617	-
Past due 91-180 days	17,942,999	-	8,853,858	-
Past due 181-270 days	9,429,372	-	2,290,067	-
Past due 271-360 days	16,827,969	-	14,096,579	-
Past due more than 360 days	11,109,420	9,967,485	10,507,958	8,271,085
	610,061,862	9,967,485	1,512,271,776	8,271,085

Note (b) - Credit risk exposure on bank balances

The Company's credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. As of the reporting date, the external credit ratings of the Company's bankers were as follows:

Banks	Short term rating	Credit rating agency	2025	2024
			Rupees	
Sonari Bank Limited	AA-	Pacra	2,091,303	124,829,989
Dubai Islamic Bank Limited	AA	Vis	4,016,076	388,071
Meezan Bank Limited	AAA	Vis	9,455,587	7,100,878
Habib Bank Limited	AAA	Vis	6,545,030	1,369,148
JS Bank Limited	AA	Pacra	51,718	15,108
National Bank of Pakistan	AAA	Pacra	2,525,634	821,540
Bank Al Habib Limited	AAA	Pacra	2,865,413	2,226,302
Bank Muzarafa Limited	BBB-	Vis	352,887	352,887
MCB Bank Limited	AAA	Pacra	16,749	99,743
Bank Islami Limited	AA-	Pacra	11,906,229	222,638
Askari Bank Limited	AA+	Pacra	184,022	98,153
UBL Bank Limited	A-2	Jcr-Vis	-	39,230
Bank Al Falah Limited	AAA	Pacra	30,671	3,111,890
Habib Metropolitan Bank Limited	AA+	Pacra	14,970	14,970
United Bank Limited	AAA	Vis	100,522	-
Bank of Punjab Limited	AA+	Pacra	10,274	9,700
Faysal Bank limited	AA	Pacra	10,067,758	-
			50,234,843	140,700,247

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same party, or when counter parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. As of the reporting date, the Company was exposed to the following concentrations of credit risk:

	June 30, 2025			June 30, 2024		
	Total exposure	Concentration	% of total exposure	Total exposure	Concentration	% of total exposure
	Rupees					
Trade debts	600,094,377	335,018,438	56%	1,504,000,691	312,673,679	21%
Bank balances	49,887,243	11,906,229	24%	140,700,247	124,829,989	89%
		<u>346,924,667</u>			<u>437,503,668</u>	

38.1.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments:

	Carrying amount	Contractual Cash flows	Repayable on demand	Not later than three months	Three to six months	Six months to one year	One to three years	Later than three years
June 30, 2025	Amount in Rs.							
Long term financing including accrued markup	472,795,568	796,413,101	-	40,139,877	64,595,918	104,682,468	485,710,063	101,284,775
Loan from related parties	46,650,000	46,650,000	-	-	-	-	-	-
Loans from directors	139,300,000	139,300,000	139,300,000	-	-	-	-	-
Trade and other payables	713,332,670	713,332,670	-	-	-	-	-	-
Short term borrowings including accrued markup	2,204,138,333	2,204,138,333	-	2,204,138,333	-	-	-	-
	<u>3,576,216,571</u>	<u>3,899,834,104</u>	<u>139,300,000</u>	<u>2,244,278,210</u>	<u>64,595,918</u>	<u>104,682,468</u>	<u>485,710,063</u>	<u>101,284,775</u>

	Carrying amount	Contractual Cash flows	Repayable on demand	Not later than three months	Three to six months	Six months to one year	One to three years	Later than three years
June 30, 2024	Amount in Rs.							
Long term financing including accrued markup	609,739,807	796,413,101	-	40,139,877	64,595,918	104,682,468	485,710,063	101,284,775
Loan from related parties	46,650,000	46,650,000	-	-	-	-	-	-
Loans from directors	139,300,000	139,300,000	139,300,000	-	-	-	-	-
Trade and other payables	1,061,588,517	1,061,588,517	-	-	-	-	-	-
Short term borrowings including accrued markup	2,459,359,506	2,459,359,506	-	2,459,359,506	-	-	-	-
	<u>4,316,637,830</u>	<u>4,503,311,124</u>	<u>139,300,000</u>	<u>2,499,499,383</u>	<u>64,595,918</u>	<u>104,682,468</u>	<u>485,710,063</u>	<u>101,284,775</u>

38.1.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to 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. Market risk comprises of currency risk, interest rate risk and other price risk.

(a) 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 where receivables and payables exist due to transactions entered into foreign currencies. The foreign currency risk of the Company is minimal as the export bills are immediately realized via sale to bank. As of the reporting date, the Company was exposed to currency risk on payables that are denominated in US Dollars as follows:

	June 30, 2025		June 30, 2024	
	Rupees	US Dollars	Rupees	US Dollar
Foreign trade payables	<u>50,439,966</u>	<u>\$ 177,543</u>	<u>23,560,806</u>	<u>\$ 84,508</u>

The following significant exchange rates applied during the year:

	2025		2024	
	Average rate	Reporting date rate	Average rates	Reporting date rate
	Rupees			
PKR to US Dollar	<u>279.98</u>	<u>284.10</u>	<u>283.70</u>	<u>278.80</u>

Sensitivity analysis:

As of the reporting date, 10% strengthening / (weakening) of the Pak Rupee against the US Dollar would have reduced / (increased) the profit before tax of the Company by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	— Rupees —
As at June 30, 2025	<u>5,043,997</u>
As at June 30, 2024	<u>2,356,081</u>

(b) Interest rate risk

Interest rate risk is 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 short and long term borrowings from banks and term deposits with banks.

Fair value sensitivity of fixed-rate financial instruments

As the reporting date, the Company did not hold any fixed-rate financial assets and liabilities. Accordingly, a change in interest rates would not affect the carrying amount of any financial instruments.

Cash flow sensitivity of variable-rate financial instruments

At the reporting date, the profile of the Company's variable-rate financial instruments was as follows:

	Effective interest rate (%)		Carrying amount (Rs.)	
	2025	2024	2025	2024
Financial assets				
Balances held in saving accounts	7.5%-19%	14.25%-20%	28,680,136	118,190,485
Financial liabilities				
Long-term financing	4.5% - 23.24%	4.5% - 25.91%	460,280,627	586,218,166
Short-term borrowings	7.9%-20.24%	22.11%-24.62%	2,122,598,650	2,352,411,500

The following information summarizes the estimated effects of 1% hypothetical increases and decreases in interest rates on cash flows from financial assets and financial liabilities that are subject to interest rate risk. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. The hypothetical changes in market rates do not reflect what could be deemed best or worst case scenarios. Variations in market interest rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant:

	Increase / (decrease) on loss before tax	
	1% increase in interest rate	1% decrease in interest rate
	Rupees	
As at June 30, 2025		
Cash flow sensitivity - Variable-rate financial instruments	25,541,991	(25,541,991)
As at June 30, 2024		
Cash flow sensitivity - Variable-rate financial instruments	28,204,392	(28,204,392)

38.2 Financial instruments by category

	2025	2024
38.2.1 Financial assets		
<i>At amortized cost</i>		
Long term deposits	33,303,456	33,303,456
Trade debts	600,094,377	1,504,000,691
Investments	177,307,921	172,307,921
Loans to staff and workers	682,549	1,060,403
Other receivables	23,590,975	35,856,465
Cash and bank balances	55,069,879	182,240,917
	890,049,157	1,928,769,853
38.2.2 Financial liabilities		
<i>At amortized cost</i>		
Long term financing	460,280,627	586,218,166
Loan from related party	46,650,000	34,450,000
Loan from director	139,300,000	139,300,000
Trade and other payables	713,332,670	1,061,588,517
Accrued mark-up	94,054,624	130,469,647
Short term borrowings	2,122,598,650	2,352,411,500
	3,576,216,571	4,304,437,830

39. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

The carrying amounts of all financial assets and liabilities reflected in the financial statements approximate their fair values.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market.

Level 2: Valuation techniques based on observable inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

Presently, items in the financial statements that are carried at fair value are leasehold land, factory building and non-factory building. On a periodic basis, the Company engages an independent external valuer to carry out a fresh revaluation of these operating fixed assets to ensure that their carrying amounts in the financial statements do not differ materially from that which would be determined using fair value at the end of the reporting period. Such valuation usually involves the use of observable and unobservable inputs; however, the weightage of observable inputs used is considered as significant. Accordingly, the Company classifies the aforesaid classes of operating fixed assets within Level 2 of the fair value hierarchy.

The management considers that the carrying amount of all other assets and liabilities recognised in the financial statements approximate their fair value.

40. CAPITAL MANAGEMENT

The management's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management closely monitors the return on capital along with the level of distributions to ordinary shareholders. The management seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company is not subject to any externally imposed capital requirement.

Following is the quantitative analysis of what the Company manages as capital:

	2025	2024
	----- Rupees -----	
Borrowings:		
Long term financing	460,280,627	586,218,166
	<u>460,280,627</u>	<u>586,218,166</u>
Shareholders' equity:		
Issued, subscribed and paid up capital	212,667,350	212,667,350
Contribution from associated undertaking	340,000,000	340,000,000
Loan from directors	192,000,000	-
Share premium	388,683,536	388,683,536
Unappropriated (loss) / profits	(603,904,877)	573,452,787
	<u>529,446,009</u>	<u>1,514,803,673</u>
Total capital managed by the Company	<u><u>989,726,636</u></u>	<u><u>2,101,021,839</u></u>

41. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2025				2024			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	Rupees							
Managerial remuneration	5,400,000	2,160,000	16,811,130	24,371,130	5,400,000	2,160,000	11,671,992	19,231,992
Other allowances and reimbursable expenses	600,000	240,000	141,270	981,270	600,000	240,000	1,824,727	2,664,727
	6,000,000	2,400,000	16,952,400	25,352,400	6,000,000	2,400,000	13,496,719	21,896,719
Number of persons	1	2	11		1	2	8	

41.1 The Chief Executive and two directors are provided with the Company-maintained cars as well as electricity, gas and telephone connections at their residence.

41.2 The Chief Executive and directors have waived their meeting fees.

42. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of M/s. Nadeem International (Private) Limited, key management personnel (including directors) and their close family members. Detail of transactions entered into, and balances held with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Name of the related party	Basis of relationship	Transactions during the year and year-end balances	2025	2024
			Rupees	
Nadeem International (Private) Limited	Associated company by virtue of common directorship	<i>Transactions during the year</i>		
		Loan received	20,500,000	11,700,000
		Loan repaid	8,300,000	15,450,000
		Weight bridge expenses	-	180,000
		Contribution from associated undertaking	-	-
		<i>Balance outstanding</i>		
		Loan payable	46,650,000	34,450,000
Mr. Zahid Mazhar	Chief Executive Officer	<i>Transactions during the year</i>		
		Loan received	132,000,000	13,000,000
		Loan repaid	-	-
		<i>Balance outstanding</i>		
		Loan payable	227,000,000	95,000,000
Mr. Omer Bin Zahid	Executive Director/CFO	<i>Transactions during the year</i>		
		Loan received	-	-
		Loan repaid	-	-
Mr. Hasan Bin Zahid	Executive Director	<i>Transactions during the year</i>		
		Loan received	-	-
		Loan repaid	-	11,500,000
		<i>Balance outstanding</i>		
		Loan payable	4,300,000	4,300,000
Ms. Naila Zahid	Chairperson	<i>Transactions during the year</i>		
		Loan received	60,000,000	40,000,000
		<i>Balance outstanding</i>		
		Loan payable	100,000,000	40,000,000

43. OPERATING SEGMENT

These financial statements have been prepared on the basis of a single reportable segment as the Company's asset allocation decisions are based on a single, integrated business strategy, and the company's performance is evaluated on an overall basis:

Entity wide information with respect to IFRS-8 "Operating Segments" are stated below:

- (a) Revenue from sales of yarn represents 98.21% (2024: 99.06%) of total revenue whereas remaining represent revenue from sale of waste.
- (b) All non current assets of the Company as at June 30, 2025 are located in Pakistan.
- (c) 21% sales of the company relate to customer outside Pakistan (direct and indirect export) (2024: 35%).
- (d) There is no major customer that amount to more than 10% of the company's revenue excluding sales tax and federal excised duty.

44. GENERAL

2025

2024

44.1 Plant capacity and actual production

Total number of spindles installed	<u>72,234</u>	<u>77,112</u>
Average numbers of spindle worked	<u>23,393</u>	<u>49,612</u>
Number of shifts worked per day	<u>3</u>	<u>3</u>
Installed capacity after conversion into 20/s count (kgs.)	<u>17,938,907</u>	<u>28,132,972</u>
Actual production after conversion into 20/s count (kgs.)	<u>9,221,520</u>	<u>19,833,585</u>
Capacity utilisation	<u>51.41%</u>	<u>70.50%</u>

44.1.1 The present normal capacity of the Company's manufacturing facilities is to produce 49,148 kgs of 20/1 yarn per day. The above disclosed annual production capacity of 17.938 million kgs of yarn is based on 365 operating days a year.

44.1.2 Actual production is less than the installed capacity due to gap between market demand and supply.

2025

2024

44.2 Number of employees

Total employees of the Company at the year end	<u>606</u>	<u>1,575</u>
Average employees of the Company during the year	<u>1,098</u>	<u>1,375</u>

44.3 Reclassification of corresponding figures

In these financial statements, the following corresponding figures have been rearranged and reclassified, for the purposes of comparison and better presentation.

Reclassified from component	Reclassified to component	Rupees
Creditors - Local (Trade and other payable)	Accrued expenses (Trade and other payable)	<u>25,000</u>
Advance to Supplier (Loans and advances)	Creditors - Local (Trade and other payable)	<u>2,354,485</u>
Advance from customer (Trade and other payable)	Other Liabilities (Trade and other payable)	<u>38,654</u>

45. SHARIAH COMPLIANCE STATUS DISCLOSURE

Description	2025		2024	
	Carried under		Carried under	
	Non - shariah arrangement	Shariah arrangements	Non - shariah arrangement	Shariah arrangements
	Rupees			
Statement of financial position				
Advance to employees	-	682,549	-	1,060,403
Advance to suppliers	-	45,052,570	-	27,985,722
Others receivables	9,924,612	13,666,363	22,190,102	13,666,363
Long term deposits	-	33,303,456	-	33,303,456
Bank balances	35,445,647	14,441,596	7,711,588	132,988,639
Long term financing	316,503,717	-	448,453,463	92,584,308
Long term financing - current portion	143,776,910	-	137,764,703	-
Short term borrowings	1,722,598,650	400,000,000	1,982,211,500	370,200,000
Advance from customers	-	4,952,392	-	25,814,114
Loan from associated company	-	46,650,000	-	34,450,000
Accrued markup on short and long term financing	94,054,624	-	130,469,647	-
Loan from directors	-	139,300,000	-	139,300,000
Income				
Revenue Earned	-	4,893,178,341	-	11,391,093,507
Profit on saving accounts	39,134,583	-	57,058,695	-

Relationship with banks

Name of banks	Non Islamic window	Islamic window operations
Sonari Bank Limited	✓	✗
Dubai Islamic Bank Limited	✗	✓
Meezan Bank Limited	✗	✓
Habib Bank Limited	✓	✗
JS Bank Limited	✓	✗
National Bank of Pakistan	✓	✗
Bank Al Habib Limited	✓	✗
Bank Makramah Limited	✗	✓
MCB Bank Limited	✓	✗
Bank Islami Limited	✗	✓
Askari Bank Limited	✓	✗
Bank Al Falah Limited	✗	✓
Habib Metropolitan Bank Limited	✓	✗
United Bank Limited	✓	✓
Bank of Punjab Limited	✗	✓
Faysal Bank limited	✗	✓

45.1 Date of authorization for issue

These financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on November 05, 2025.

45.2 Level of rounding

Figures in these financial statements have been rounded off to the nearest rupee.



Zahid Mazhar
Chief Executive
Karachi: November 05, 2025



Omer Bin Zahid
Director



Omer Bin Zahid
Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2025

NUMBERS OF SHAREHOLDERS	SHARE HOLDING		TOTAL SHARES HELD	PERCENTAGE
	FROM	TO		
18	Shareholding from	1 to 100 shares	127	0.00
15	Shareholding from	101 to 500 shares	6,263	0.03
2	Shareholding from	501 to 1000 shares	1,693	0.01
1	Shareholding from	150001 to 155000 shares	153,852	0.72
1	Shareholding from	175001 to 180000 shares	179,477	0.84
1	Shareholding from	505001 to 510000 shares	506,806	2.38
1	Shareholding from	685001 to 690000 shares	686,352	3.23
1	Shareholding from	710001 to 715000 shares	712,934	3.35
1	Shareholding from	715001 to 720000 shares	715,704	3.37
1	Shareholding from	2305001 to 2310000 shares	2,306,349	10.84
1	Shareholding from	2515001 to 2520000 shares	2,518,197	11.84
1	Shareholding from	4140001 to 4145000 shares	4,144,171	19.49
2	Shareholding from	4665001 to 4670000 shares	9,334,810	43.89
46			21,266,735	100

* Note: The slabs representing NIL holding have been omitted.

SR #	CATEGORIES OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	SHARES HELD	PERCENTAGE
1	Directors, Chief Executive Officer their Spouse and minor children	9	17,427,509	81.95
2	Associated Companies, undertaking and related parties	-	-	-
3	NIT & ICP	-	-	-
4	Bank / Financial Institutions, Non Banking Financial Institutions	-	-	-
5	Modarbas and Mutual Funds	-	-	-
6	Shareholders holding 10%	1	2,306,349	10.84
7	General Public			
	Local	36	1,532,877	7.21
	Foreign	-	-	-
8	Other Companies	-	-	-
		46	21,266,735	100.00

Information required under the Code of Corporate Governance

SR #	Categories of Shareholders	Percentage	No. of Shares held
A)	Associated companies undertakings and related parties	0.00	-
B)	DIRECTORS, CHIEF EXECUTIVE AND THEIR SPOUSES AND MINOR CHILDREN		
	DIRECTORS AND THEIR SPOUSES		
	MR. ZAHID MAZHAR	19.49	4,144,171
	MR. OMER BIN ZAHID	21.94	4,666,020
	MR. HASSAN BIN ZAHID	21.95	4,668,790
	MRS. NAILA ZAHID	11.84	2,518,197
	MRS. ANAM OMER	3.37	715,704
	MRS. SHAFIA HASSAN	3.35	712,934
	MR. NOOR MUHAMMAD	0.00	500
	MR. WAQAR HASSAN SIDDIQUI	0.00	500
	MR. NADEEM AHMED	0.00	693
C)	NIT & ICP	0.00	-
D)	Banks, development financial institutions, non banking financial institutions	0.00	-
E)	MODARABAS AND MUTUAL FUNDS	0.00	-
F)	SHAREHOLDERS HOLDING 10% OR MORE VOTING INTEREST		
	SARAH ZAHID	10.84	2,306,349
G)	GENERAL PUBLIC		
	i) Local	7.21	1,532,877
	ii) Foreign	0.00	-
H)	OTHER COMPANIES	0.00	-
	TOTAL	100.00	21,266,735
I)	SHAREHOLDERS HOLDING 10% OR MORE VOTING INTEREST		
	MR. ZAHID MAZHAR	19.49	4,144,171
	MR. OMER BIN ZAHID	21.94	4,666,020
	MR. HASSAN BIN ZAHID	21.95	4,668,790
	MRS. NAILA ZAHID	11.84	2,518,197
J)	DETAIL OF TRADING IN THE SHARES BY THE DIRECTORS, CEO, COMPANY SECRETARY AND THEIR SPOUSES AND MINOR CHILDREN	NIL	NIL

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Form of Proxy

I/We _____

of _____ being

a member of **NADEEM TEXTILE MILLS LIMITED**

ordinary shares as per Registered Folio No./CDC A/C No. (for members who have shares in CDS

hereby appoint Mr./Mrs./Miss _____

of _____

or failing him/her Mr./Mrs./Miss _____

of _____

who is/are member/s of the Company) to act as my/our Proxy and to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, 27th November, 2025 and/or any adjournment thereof.

Signed/ this _____ day of _____ 2024.

Folio No.	CDC Participant ID No.	CDC Account/ Sub-Account No.	No. of Shares held

Signature on
Rs.50/-
Revenue Stamp

Witness 1

Witness 2

Signature _____

Name _____

CNIC No. _____

Address _____

Signature _____

Name _____

CNIC No. _____

Address _____

Notes:

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

For CDC Account Holders/Corporate Entities:

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

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

تشکیل نیابت داری

میں / ہم -----

ساکن ----- بحیثیت ندیم ٹیکسٹائل ملز لمیٹڈ کے رکن و حامل

عام حصص بمطابق شیئرز رجسٹرڈ فو لیو نمبر ----- اور / یا سی ڈی سی کے شراکتی آئی ڈی نمبر -----

محترم / محترمہ ----- ساکن

یا بصورت دیگر محترم / محترمہ ----- ساکن

کو اپنی جگہ بروز جمعرات ۲۷ نومبر ۲۰۲۵ کو ہونے والے اجلاس عام میں رائے دہندگی کے لئے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

گواہ:

ریونیونکٹ چسپاں کریں

1 دستخط -----

نام -----

پتہ -----

سی این آئی سی یا پاسپورٹ نمبر -----

(دستخط کمپنی میں پہلے سے موجود نمونہ

کے مطابق ہونے چاہیے)

2 دستخط -----

نام -----

پتہ -----

سی این آئی سی یا پاسپورٹ نمبر -----

نوٹ:

نیابت داروں کے موثر ہونے کے لئے ضروری ہے کہ ان کی تفصیل اجلاس شروع ہونے سے 48 گھنٹے قبل کمپنی کو موصول ہو جائے۔
سی ڈی سی شیئرز ہولڈرز اور ان کے نیابت داروں سے گزارش ہے کہ وہ اپنے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ فوٹوکاپی کمپنی کو پیش کرنے قبل اس پر کسی فارم کے ساتھ منسلک کریں۔