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# HALF YEARLY

REVIEWED

REPORT AND ACCOUNT

December 31, 2025

(UNAUDITED)



# COMPANY INFORMATION

## BOARD OF DIRECTORS

CHAIRMAN

Saira Shaffi

CHIEF EXECUTIVE

Arif Shaffi

DIRECTORS

Arshad Javaid  
Adeel Shaffi  
Abdullah Shaffi  
Mohammad Iqbal  
Mohammad Shaffi

SECRETARY

Adeel Shaffi

CHIEF FINANCIAL OFFICER

Asif Shaffi

AUDITORS

Mushtaq & Co., Chartered Accountants

AUDIT COMMITTEE

Arshad Javaid – Chairman  
Mohammad Iqbal – Member  
Mohammad Shaffi – Member

HUMAN RESOURCES &  
REMUNERATION  
COMMITTEE

Arshad Javaid – Chairman  
Mohammad Iqbal – Member  
Mohammad Shaffi – Member

BANKERS

Habib Bank Limited  
MCB Bank Limited  
Faysal Bank Limited

REGISTERED OFFICE

Shaffiabad, Gharo, District Thatta

SHARE REGISTRAR

CORPLINK (PVT) LTD.,  
Wings Arcade, 1 – K, Commercial,  
Model Town, Lahore.

FACTORIES

Shaffiabad, Gharo, District Thatta.  
Sector I – 9, Industrial Area,  
Islamabad.



## کمپنی کی معلومات

	بورڈ آف ڈائریکٹرز
سائبرہ شفیع	چیئرمین
عارف شفیع	چیف ایگزیکٹو ڈائریکٹرز
ارشاد جاوید عدیل شفیع عبدالله شفیع محمد اقبال محمد شفیع	
عدیل شفیع	کمپنی سیکریٹری
آصف شفیع	چیف فنانشل آفیسر
مشتاق اینڈ کمپنی ، چارٹرڈ اکاؤنٹنٹس	آڈیٹرز
ارشاد جاوید - چیئرمین محمد اقبال - رکن محمد شفیع - رکن	آڈٹ کمیٹی
ارشاد جاوید - چیئرمین محمد اقبال - رکن محمد شفیع - رکن	انسانی وسائل & معاوضے کمیٹی
حبیب بینک لمیٹڈ ایم سی بی بینک لمیٹڈ فیصل بینک لمیٹڈ	بینکر
شفیع آباد ، گھارو ، ضلع ٹھٹھہ	منظور شدہ دفتر
سیکٹر 9 - I ، انڈسٹریل ایریا ، اسلام آباد .	بیڈ آفس
CORPLINK (PVT) LTD., Wings Arcade, 1 – K, Commercial, Model Town, Lahore.	حصص رجسٹرار
شفیع آباد ، گھارو ، ضلع ٹھٹھہ ، سیکٹر 9 - I ، انڈسٹریل ایریا ، اسلام آباد .	فیکٹریوں
+9251 – 4430317, +9251 - 4444578	ٹیلی فون
info@shavyl.com	ای میل اڈریس
www.pakistanpvc.com	ویب سائٹ
0001781	کمپنی رجسٹریشن نمبر
0823852 – 9, 07 – 01 – 3900 – 005 – 64	نیشنل ٹیکس نمبر & سیلز ٹیکس نمبر
کمپنی سیکریٹری ٹیلی فون - 4444578 - +9251	شخص کے رابطے کی تفصیلات کی مدد اور بینڈلنگ کے سرمایہ کار شکایات کے لئے نامزد



## **PAKISTAN PVC LIMITED**

### **DIRECTOR'S REPORT TO THE SHAREHOLDERS**

On behalf of my colleagues on the Board, I present the un-audited reviewed accounts for the half year ended December 31, 2025 along with the auditors' review report.

The financial position of your company during the half year ended December 31, 2025 further deteriorated due to financial charges, idle cost and depreciation. As reported previously, Gharo Plant remains closed and there was no production during the period under review. Your management hopes that all old disputes can be resolved amicably.

During the period under review Gharo Plant remains closed and there was no production. The lower production of PVC Pipes & Fittings at Islamabad is due to shortage of funds and prevailing economic conditions in the country.

Sales during the year under review has increased to Rs. 2.030 million as compared to Rs. 5.057 million of the same period last year and net profit during the year was Rs. 2.050 million as compared to a net profit of Rs. 0.237 million during the same period last year.

#### **1. AUDITORS' RESERVATION OF GOING CONCERN**

The auditors have qualified their opinion, since your company has prepared the accounts on the going concern basis. The reason given in their qualification is the continued losses sustained by your company, no improvement/result of the efforts made by the management for obtaining additional capital. The case for the revival of your company remains under active consideration with the Committee for Revival of Sick Industrial Units set up by the Finance Division, Government of Pakistan.

#### **2. AUDITORS' RESERVATION ABOUT DIRECT CONFIRMATION**

As regards confirmations from the lenders of short term loan from Government of Pakistan reflected under current portion of long term financing amounting to Rupees 32.991 million- The company had dispatched the balance confirmation letters several times to lenders of long term loans.

#### **3. AUDITORS' RESERVATION ABOUT LONG OUTSTANDING BALANCES**

As regards balances of very long outstanding balances of Trade and Other Payables in respect of Accrued liability of Rupees 10.000 million towards Privatization Commission, Finance Division we have to state that this balance is appearing in the company's accounts since last many years- And as regards confirmations from the Trade and Other Payables in respect of Accrued liability the company had dispatched the balance confirmation letters to the Trade and Other Payables in respect of Accrued liability and we understand that an over all majority of these have been responded too.



As reported previously, Gharo Plant remains closed and there was no production during the period under review. Your management hopes that all old disputes can be resolved amicably.

**On behalf of the Board of Directors**



**(ARIF SHAFFI)**  
Chief Executive



**(MOHAMMAD SHAFFI)**  
Director

Islamabad: February 20, 2026

## پاکستان پی وی سی لمیٹڈ شیئر ہولڈرز کے لیے ڈائریکٹرز کی رپورٹ

بورڈ میں اپنے ساتھیوں کی جانب سے، میں آپ کے سامنے 31 دسمبر 2025 کو اختتام پذیر ہونے والی نصف سال کا غیر آڈٹ شدہ اکاؤنٹس پیش کر رہا ہوں۔

31 دسمبر 2025 کو اختتام پذیر ہونے والی سہ ماہی کے دوران آپ کی کمپنی کی مالی حالت مزید خراب ہوئی جس کی وجہ مالیاتی چارجز، غیر فعالیت اور قدمیں کمی جیسے عناصر بنے۔ جیسا کہ پہلے بتایا جا چکا ہے، گھارو پلانٹ بند رہا تھا جس کی وجہ سے زیر جائزہ مدت کے دوران کسی قسم کی پیداوار نہیں ہوئی۔ آپ کی کمپنی انتظامیہ پر امید ہے کہ تمام تر پرانے تنازعات دوستانہ انداز میں حل کیے جاسکتے ہیں۔

زیر غور مدت کے دوران، گھارو فیکٹری بند رہی جس کی وجہ سے کوئی پیداوار نہ ہو سکی۔ اس سال کے دوران اسلام آباد میں پی وی سی پائپس اور فٹنگز کی پیداوار میں اضافہ ہوا۔

زیر جائزہ سال کے دوران فروخت بڑھ کر 2.030 ملین روپے ہو گئی ہے گذشتہ برس کے مقابلے میں اسی مدت کے دوران 5.057 ملین روپے۔ زیر جائزہ سال کے دوران خالص منافع 2.050 ملین روپے تھا گذشتہ برس کے مقابلے میں اسی مدت کے دوران خالص منافع 0.237 ملین روپے تھا۔

### 1. گونگ کنسرن کے متعلق آڈیٹرز کا نقطہ نظر

آڈیٹرز نے اپنا نقطہ نظر کوالیفائی کر لیا ہے کیونکہ آپ کی کمپنی نے گونگ کنسرن کی بنیاد پر کھاتہ جات تیار کیے ہیں۔ ان کے نقطہ نظر میں دی گئی وجوہات یہ ہیں کہ آپ کی کمپنی نے مسلسل نقصانات برداشت کیے ہیں جبکہ اضافی سرمایہ حاصل کرنے کے لیے انتظامیہ کی جانب سے کیے جانے والے اقدامات سے کوئی نتیجہ برآمد نہیں ہوا اور نہ ہی کوئی بہتری آئی۔ آپ کی کمپنی کی تجدید کا کیس فنانس ڈویژن حکومت پاکستان کی جانب سے کمزور صنعتی اداروں کی تجدید کے لیے قائم کردہ کمیٹی میں فعال طور پر زیر غور رہا۔

### 2. براہ راست تصدیق کے متعلق آڈیٹرز کا نقطہ نظر

حکومت پاکستان کی جانب سے قلیل مدتی قرض کے قرض دہندگان کی تصدیق کے حوالے سے طویل مدتی فنانسنگ کے موجودہ حصے کے تحت 32.991 ملین روپے کی رقم ظاہر ہوتی ہے۔ کمپنی نے طویل مدتی قرضوں کے قرض دہندگان کو متعدد بار بیلنس کی تصدیق کے خطوط بھیجے تھے۔

### 3. طویل عرصے سے بقایا جات کے متعلق آڈیٹرز کا نقطہ نگاہ

نچکاری کمیشن، فنانس ڈویژن کی طرف 10,000 ملین روپے کی جمع شدہ واجبات کے سلسلے میں تجارت اور دیگر ادائیگیوں کے بہت طویل عرصے سے متوازن توازن کے حوالے سے، ہمیں یہ بیان کرنا ہوگا کہ یہ توازن گذشتہ کئی سالوں سے کمپنی کے کھاتوں میں ظاہر ہو رہا ہے۔ تجارت اور دیگر ادائیگیوں کی تصدیق کے سلسلے میں، کمپنی نے بیلنس کے توثیقی خط بھیجے تھے اور ہم سمجھتے ہیں کہ ان میں سے اکثریت نے جواب دیا ہے۔

زیر غور سال کے دوران گھارو فیکٹری بند رہی جس کی وجہ سے کوئی پیداوار نہیں ہوئی۔ جیسا کہ پہلے بتایا جا چکا ہے، کہ جب تک گھارو پلانٹ فعال نہیں ہو گا تب تک کوئی فائدہ مند نتائج نہیں مل سکتے۔

بورڈ آف ڈائریکٹرز کی جانب سے

اسلام آباد: 20 فروری 2026

  
محمد شفیع  
ڈائریکٹر

  
عارف شفیع  
چیف ایگزیکٹو

***Independent Auditor's review report to the members of Pakistan PVC Limited***

***Report on the Review of the Interim Financial Statements***

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Pakistan PVC Limited (The Company)** as at December 31, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, together with the notes to the financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for preparation and presentation of these interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedure. A review is substantially less in scope than audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Basis for Disclaimer of Conclusion**

1. As shown in this condensed interim financial information the company has accumulated loss of Rupees 420.646 million (June 30, 2025: Rupees 421.709 million) as at December 31, 2025 against the issued subscribed and paid-up capital of Rupees 149.580 million (June 30, 2025: Rupees 149.580 million) turning shareholders' equity to a negative balance of Rupees 34.099 million (June 30, 2025: Rupees 32.557 million). The current liabilities exceed the current assets by Rupees 279.692 million (June 30, 2025: Rupees 280.361 million). Further, the company has not been able to obtain enough finance to revive its Gharo plant operations. These circumstances give rise to significant uncertainty as to the ability of the company to continue operations as going concern in the foreseeable future and therefore, the company may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these interim financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the company be unable to continue as a going concern. The management has not prepared cash flow projections and future plan to revive the operation of Gharo plant closed since 1995.
2. We were unable to verify the existence and correctness of balance of long-term loan payable to Privatization Commission of Pakistan, reflected under current portion of long-term loans amounting to Rupees 32.991 million along with markup accrued thereon amounting to Rupees 119.355 million.

  
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3. We were unable to verify the amount included in trade and other payables in respect of liability towards Privatization Commission, Finance Division, amounted to Rupees 10 million in these interim financial statements.
4. We do not concur with the accounting treatment of leasehold land in these financial statements being violation of the requirements of International Accounting Standards (IAS 40) "Investment Property".
5. As more fully explained in note 8.2 of this condensed interim financial information the impact on the condensed interim financial statements of the disputed CDA plot of land at Islamabad is not determinable.

### Disclaimer of Conclusion

Because of the significance of the matters referred in paragraph 1 to 5 above, we are unable to obtain sufficient and appropriate evidence to form a conclusion on the accompanying interim financial information. Accordingly, we do not express any conclusion on these financial statements.

### Other Matter

Pursuant to the requirement of section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to the limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the quarter ended December 31, 2025 and December 31, 2024 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2025.

The engagement partner on review resulting in this independent auditor's report is Nouman Arshad, ACA.

*Handwritten signature*

Mushtaq & Co.



**MUSHTAQ & CO.**  
Chartered Accountants

Lahore.

Dated: February 20, 2026

UDIN: RR202510724uA4MmS6aR

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**PAKISTAN PVC LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**AS AT DECEMBER 31, 2025**

Note	Un-audited December 31, 2025	Audited June 30, 2025	Note	Un-audited December 31, 2025	Audited June 30, 2025
		-----Rupees-----			-----Rupees-----
<b>SHARE CAPITAL AND RESERVES</b>			<b>NON CURRENT ASSETS</b>		
<b>Authorized capital</b>					
15,000,000 (June 30, 2025: 15,000,000) ordinary shares of Rs.10/- each			Property, plant and equipment		
	150,000,000	150,000,000	9	244,825,387	247,096,098
<b>Issued, subscribed and paid up capital</b>			Long term investments		
14,958,000 (June 30, 2025: 14,958,000) ordinary shares of Rs.10/- each				768,039	708,168
	149,580,000	149,580,000		245,593,426	247,804,266
Accumulated loss					
	(420,645,734)	(421,709,206)			
Surplus on revaluation of fixed assets					
	236,966,959	239,572,058			
	(34,098,775)	(32,557,148)			
<b>CURRENT LIABILITIES</b>			<b>CURRENT ASSETS</b>		
Trade and other payables			Stock in trade		
	86,964,876	88,228,012		839,705	1,039,133
Unclaimed Dividend			Trade debts		
	45,980	45,980		905,494	1,434,514
Accrued interest / mark up			Loans and advances		
5	119,354,658	117,540,153		500,745	626,900
Short term borrowings			Trade deposits		
6	51,930,716	48,141,220		100,000	100,000
Current portion of long term financing			Other receivables		
7	32,991,000	32,991,000		911,225	2,132,125
Provision for taxation - net			Short term investment		
	3,693,259	8,321,083		329,693	310,892
			Tax refunds due from Government		
				11,280,339	9,203,089
	294,980,489	295,267,448	Cash and bank balances		
				421,087	59,382
<b>CONTINGENCIES AND COMMITMENTS</b>				15,288,288	14,906,035
8					
	260,881,714	262,710,301		260,881,714	262,710,301

The annexed notes form an integral part of these condensed interim financial information.

  
**ARIF SHAFFI**  
**CHIEF EXECUTIVE**

  
**MUHAMMAD SHAFFI**  
**DIRECTOR**

  
**ASIF SHAFFI**  
**CHIEF FINANCIAL OFFICER**

**PAKISTAN PVC LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

Note	Quarter Ended		Half Year Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
-----Rupees-----				
Sales - net	987,100	2,056,855	2,030,370	5,056,765
Cost of sales	10 (7,893,436)	(8,864,790)	(15,618,242)	(18,016,459)
<b>Gross Profit / (loss)</b>	<b>(6,906,336)</b>	<b>(6,807,935)</b>	<b>(13,587,872)</b>	<b>(12,959,694)</b>
Other income	11 7,137,188	9,060,918	16,720,591	18,401,154
Distribution cost	(2,071,664)	(1,478,314)	(3,799,376)	(3,481,178)
Administrative expenses	(1,597,597)	(1,749,464)	(3,550,497)	(3,804,045)
Finance cost	(960,855)	(910,944)	(1,868,108)	(1,818,197)
<b>Profit/(Loss) before levies and taxation</b>	<b>(4,399,264)</b>	<b>(1,885,739)</b>	<b>(6,085,262)</b>	<b>(3,661,960)</b>
Levies	(12,339)	(25,711)	(25,380)	(63,210)
<b>Profit/(Loss) before taxation</b>	<b>(4,411,603)</b>	<b>(1,911,450)</b>	<b>(6,110,642)</b>	<b>(3,725,170)</b>
Taxation	4,569,015	3,961,746	4,569,015	3,961,746
<b>Profit/(Loss) for the period</b>	<b>157,412</b>	<b>2,050,296</b>	<b>(1,541,627)</b>	<b>236,576</b>
Earning/ (Loss) per share - basic and diluted	0.01	0.14	(0.10)	0.02

*The annexed notes form an integral part of these condensed interim financial information.*



**ARIF SHAFFI**  
**CHIEF EXECUTIVE**



**MUHAMMAD SHAFFI**  
**DIRECTOR**



**ASIF SHAFFI**  
**CHIEF FINANCIAL OFFICER**

PAKISTAN PVC LIMITED  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Quarter Ended		Half Year Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	-----Rupees-----			
Profit/(Loss) for the period	157,412	2,050,296	(1,541,627)	236,576
Other comprehensive income/(loss) for the period	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>	<b>157,412</b>	<b>2,050,296</b>	<b>(1,541,627)</b>	<b>236,576</b>

The annexed notes form an integral part of these condensed interim financial information.



ARIF SHAFFI  
CHIEF EXECUTIVE



MUHAMMAD SHAFFI  
DIRECTOR



ASIF SHAFFI  
CHIEF FINANCIAL OFFICER

**PAKISTAN PVC LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Issued, subscribed and paid up capital	Revenue Reserve	Capital Reserve	Total
		Accumulated loss	Revaluation Surplus	
<b>Balance as at July 1, 2024- audited</b>	149,580,000	(420,320,294)	245,361,165	(25,379,129)
Profit/ (Loss) for the period	-	236,576	-	236,576
Other Comprehensive income for the period	-	-	-	-
Transfer from revaluation surplus on account of incremental depreciation	-	2,894,554	(2,894,554)	-
<b>Balance as at December 31, 2024- un-audited</b>	149,580,000	(417,189,164)	242,466,611	(25,142,553)
<b>Balance as at July 1, 2025- audited</b>	<b>149,580,000</b>	<b>(421,709,206)</b>	<b>239,572,058</b>	<b>(32,557,148)</b>
Profit/ (Loss) for the period	-	(1,541,627)	-	(1,541,627)
Other Comprehensive income for the period	-	-	-	-
Transfer from revaluation surplus on account of incremental depreciation	-	2,605,099	(2,605,099)	-
<b>Balance as at December 31, 2025- un-audited</b>	<b>149,580,000</b>	<b>(420,645,734)</b>	<b>236,966,959</b>	<b>(34,098,775)</b>

*The annexed notes form an integral part of these condensed interim financial information.*



**ARIF SHAFFI**  
**CHIEF EXECUTIVE**



**MUHAMMAD SHAFFI**  
**DIRECTOR**



**ASIF SHAFFI**  
**CHIEF FINANCIAL OFFICER**

**PAKISTAN PVC LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	December 31, 2025	December 31, 2024
-----Rupees-----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before levies and taxation	(6,085,262)	(3,661,960)
Adjustments for :		
Depreciation	2,860,711	3,148,248
Finance cost	1,868,108	1,818,197
Accrued Interest on investment	(78,672)	(46,722)
Rental income	(16,641,919)	(18,354,432)
	(11,991,772)	(13,434,709)
Operating cash flows before changes in working capital	(18,077,034)	(17,096,669)
(Increase) / decrease in current assets		
Stock in trade	199,428	616,726
Trade debts	529,020	805,377
Loans and advances	126,155	137,622
Tax refunds due from Government - sales tax	(422,998)	(207,682)
	431,605	1,352,043
Increase / (decrease) in current liabilities		
Trade and other payables	(1,263,136)	1,204,292
	(831,531)	2,556,335
Net cash generated from / (used in) operations	(18,908,565)	(14,540,334)
Income tax paid	(1,738,441)	(1,926,044)
Finance cost paid	(53,603)	(3,692)
	(1,792,044)	(1,929,736)
<b>Net cash generated / (used in) operating activities</b>	<b>(20,700,609)</b>	<b>(16,470,070)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Rent received	17,862,818	16,234,322
Purchase of PPE	(590,000)	-
<b>Net cash generated from investing activities</b>	<b>17,272,818</b>	<b>16,234,322</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase/(decrease) in short term borrowings	3,789,496	910,747
<b>Net cash generated from financing activities</b>	<b>3,789,496</b>	<b>910,747</b>
Net increase/(decrease) in cash and cash equivalents	361,705	674,999
Cash and cash equivalent at the beginning of the period	59,382	31,414
<b>Cash and cash equivalent at the end of the period</b>	<b>421,087</b>	<b>706,413</b>

The annexed notes form an integral part of these condensed interim financial information.



**ARIF SHAFFI**  
**CHIEF EXECUTIVE**



**MUHAMMAD SHAFFI**  
**DIRECTOR**



**ASIF SHAFFI**  
**CHIEF FINANCIAL OFFICER**

**PAKISTAN PVC LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

**1 LEGAL STATUS AND OPERATIONS**

- 1.1** Pakistan PVC Limited (the company) was incorporated in Pakistan on October 19, 1963 and is listed on the Pakistan Stock Exchange Limited. It's registered office is located at Shaffiabad, Gharo, District Thatta.
- 1.2** The company is engaged in production and sale of PVC resin, PVC pipes and fittings, PVC compound and Caustic soda. The company has ceased the production at Gharo since 1995. The production at Islamabad plant continues. The company has installed a water purification plant to process and sell mineral water in 2011.
- 1.3** These financial statements are presented in Pak Rupees, which is the company's functional and presentation currency and figures are rounded to the nearest rupee.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial information of the Company for the half year ended December 31, 2025 is un-audited and has been prepared in accordance with the requirements of the International Accounting Standard 'IAS' 34 "Interim Financial Reporting" and provisions of and directives issued by the Securities and Exchange Commission of Pakistan under the Companies Act, 2017. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the company for the year ended June 30, 2025.

These condensed interim financial statements comprise of condensed interim statement of financial position, condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity together with the notes for the half year ended December 31, 2025 which have been subject to a review but not audited. These condensed interim financial statements also include the condensed interim income statement for the quarter ended December 31, 2025.

**2.2 Basis of measurement**

These financial statements have been prepared under the historical cost convention, except that certain fixed assets that have been stated at revalued amounts.

**2.2.1 Going Concern Assumption**

The company has accumulated loss of Rupees. 420.646 million (June 30, 2025: Rupees. 421.709 million) as at December 31, 2025 against the issued subscribed and paid up capital of Rupees. 149.580 (June 30, 2025: Rupees. 149.580) million turning shareholders equity to a negative balance of Rupees. 34.099 million (June 30, 2025: Rupees. 32.557 million). The current liabilities exceed the current assets by Rupees. 279.692 million (June 30, 2025: Rupees. 280.361 million). Further the company has not been able to obtain enough finance to revive its operations.

These circumstances give rise to significant uncertainty as to the ability of the company to continue operations as going concern in the foreseeable future. However, these financial statements do not include any adjustment relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the company be unable to continue as a going concern.

**3 MATERIAL ACCOUNTING POLICY INFORMATION**

The accounting policies and methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2025, except of change referred to in note 4.

**4 CHANGE IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING**

There are certain amendments and an interpretation to approved accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.

**5 ACCRUED INTEREST / MARKUP**

	<b>Un-audited December 31, 2025</b>	Audited June 30, 2025
	-----Rupees-----	
Interest / markup on:		
Long term financing	<b>119,354,658</b>	117,540,153
	<b>119,354,658</b>	117,540,153

**6 SHORT TERM BORROWINGS**

	<b>Un-audited December 31, 2025</b>	Audited June 30, 2025
	-----Rupees-----	
From related parties and directors - unsecured		
Related parties	<b>23,382,509</b>	23,376,509
Directors	<b>23,773,797</b>	21,969,797
Book over draft - unsecured	<b>4,774,410</b>	2,794,914
	<b>51,930,716</b>	48,141,220

## 7 CURRENT PORTION OF LONG TERM FINANCING

The entire amount of the loan remains overdue and unpaid.

## 8 CONTINGENCIES AND COMMITMENTS

- 8.1** The Securities and Exchange Commission of Pakistan (SECP) had appointed an inspector to investigate into the affairs of the company under Section 231 of the Repealed Companies Ordinance, 1984. The inspector has submitted report on his findings to the SECP. The report concluded that the matter may be referred to FBR being the relevant authority to probe into the matter under the Benami Transactions (Prohibition) Act, 2017. Subsequently, The Company filed an appeal with SECP dated June 21, 2023. The appeal was declined by Appellate Bench Registry of SECP as it was not maintainable based on the fact that the impugned investigation report was an administrative direction and the same is not penal in nature. However, SECP issued show cause notice regarding misstatement of financials statements from the year 1999 till year end June 30, 2003 due to non compliance with the requirements of IAS 38 and penalty of Rs.500,000 was imposed on the company in an order dated November 21, 2023. Company filed an appeal in appellate tribunal against the order and status of the case is pending. However, outcome is expected to be in favour of the company.
- 8.2** Title of plot of land of the company situated at Islamabad is in dispute. The company has started negotiations with CDA. As a result, company has committed to pay outstanding dues to CDA for the leasehold land. CDA has not confirmed the amount therefore the amount of the obligation can not be measured with sufficient reliability. However, outcome is expected to be in favour of the company with no liability on the company.
- 8.3** The Privatization Commission of Pakistan had filed a suit in honorable Islamabad High Court, C.O.S No 07/2002, against the company for recovery of amount repayable to the Privatization commission against principal amount of Government loan assumed at time of privatization of Rs.32,991,000 along with the markup thereon amounting to Rs. 119,354,658 aggregating to Rs.152,345,658. During year 2020, the case was dismissed because no one tendered appearance on behalf of Plaintiff before the Court on the day of hearing. However appeal was filed by Privatization Commission to restore the case. The Appeal was accepted by the Islamabad High Court, written statements were filed by the both parties and the now the same is at evidence stage, wherein evidence is being recorded of both defendants. Due to ongoing dispute with the Privatization Commission on various issues the amount is yet to be finalized. However, outcome is expected to be in favour of the company with no liability on the company.
- 8.4** Written Petition (No.2417/2020) & Written Petition (No. 151/2023) has been filed against the cancellation of the plot allotted to Pakistan PVC Limited by Gadoon Amazon, which was cancelled by Khyber Pakhtunkhwa Economic Zone Development and Management Company (Previously named as Sarhad Development Authority). Reply has been submitted by both defendants and the case was fixed on 14th October 2023 for final arguments. However, petition was dismissed by Peshawar High Court. The company has filed an appeal in the Supreme Court through C.P.L.A No.546/2025 and 547/2025 and the case is not fixed for hearing yet. However, outcome is expected to be in favour of the company with no liability on the company.

## 9 PROPERTY, PLANT AND EQUIPMENT

	Note	Un-audited December 31, 2025	Audited June 30, 2025
-----Rupees-----			
Operating assets	9.1	125,350,814	125,636,337
Non operating assets	9.2	119,474,573	121,459,761
		<b>244,825,387</b>	<b>247,096,098</b>
<b>9.1 Operating assets</b>			
Opening book value		125,636,337	127,521,300
Add: Addition/Disposal during the period / year		590,000	-
Less: Depreciation charged during the period / year		(875,523)	(1,884,963)
Add/Less: Surplus/ (Deficit)		-	-
		<b>(285,523)</b>	<b>(1,884,963)</b>
Closing book value		<b>125,350,814</b>	<b>125,636,337</b>
<b>9.2 Non operating assets</b>			
Opening book value		121,459,761	125,871,290
Add: Addition/Disposal during the period / year		-	-
Less: Depreciation charged during the period / year		(1,985,188)	(4,411,529)
Add/Less: Surplus/ (Deficit)		-	-
		<b>(1,985,188)</b>	<b>(4,411,529)</b>
Closing book value		<b>119,474,573</b>	<b>121,459,761</b>
		<b>Unaudited</b>	
		<b>Half Year Ended</b>	
		December 31, 2025	December 31, 2024
-----Rupees-----			
Opening finished goods		668,556	542,828
Purchases of pipes and fittings		-	-
Cost of goods manufactured		15,548,546	17,763,327
		<b>16,217,102</b>	<b>18,306,155</b>
Closing finished goods		(598,860)	(456,913)
		<b>15,618,242</b>	<b>17,849,242</b>

## 10 COST OF SALES

