



Half Yearly Report  
31 December 2025



RUPALI POLYESTER LIMITED

# Corporate Data

## Board of Directors

**Chairman**  
Shehzad Feerasta

**Chief Executive Officer**  
Nooruddin Feerasta

## Directors

Muhammad Rashid Zahir - Non-Executive  
Zeeshan Feerasta - Non-Executive  
Shahid Hameed - Independent - Non-Executive

Amyna Feerasta - Non-Executive  
Yaseen M. Sayani - Independent - Non-Executive  
Abdul Hayee - Executive

## Audit Committee

Yaseen M. Sayani - Chairman  
Muhammad Rashid Zahir - Member  
Zeeshan Feerasta - Member

## Human Resource & Remuneration Committee

Shahid Hameed - Chairman  
Nooruddin Feerasta - Member  
Zeeshan Feerasta - Member

## Chief Financial Officer

Abdul Hayee

## Company Secretary

S. Ghulam Shabbir Gilani

## Bankers

Askari Bank Limited  
Faysal Bank Limited  
Habib Metropolitan Bank Limited  
Meezan Bank Limited  
Bank Alfalah Limited  
Habib Bank Limited  
MCB Bank Limited  
Soneri Bank Limited  
The Bank of Punjab

## Auditors

RSM Avais Hyder Liaquat Nauman  
Chartered Accountants

## Registered Office

Rupali House, 241-242 Upper Mall Scheme  
Anand Road, Lahore - 54000 PAKISTAN

## Plant

30.2 Kilometer Lahore - Sheikhupura Road  
Sheikhupura - 39350 PAKISTAN

## Directors' Review

We are pleased to present the Company's un-audited financial statements for the second quarter and first half of FY 2025-26, ended 31 December 2025.

### Overview

Pakistan's industrial sector has been facing economic hardships due to vulnerability of overall economic policies. However, it is quite encouraging that the Government is implementing a comprehensive structural reforms programme in order to achieve sustainable economic stability in key sectors including energy. Recent decisions of the Honourable Prime Minister of Pakistan including, mainly the reduction in industrial electricity tariffs by Rs.4.04 per unit when implemented will lessen the energy cost of industrial units to some extent. Despite visible improvement in macro-economic stability, Pakistan's economic outlook remains vulnerable requiring sustained policy discipline and deep structural reforms, especially for the country's industrial sector growth.

Country's Polyester Staple Fiber (PSF) and Polyester Filament Yarn (PFY) manufacturing units are still encountering the menace of dumped PSF and PFY imports, high energy costs and a challenging business environment which hampered the performance of these Units. During the period under review, we faced financial difficulties mainly because of the following factors which were totally beyond our control:

- In December 2025, the entire supply chain in the country was totally suspended for continuous ten days due to strike of transporters. No transport was available for supply of our raw material from Karachi to Plant, nor for transporting our finished goods to downstream consumers.
- In January 2026, we were in the process of digitalization of Sales Invoices as per FBR's requirement, which took more than one week to get streamlined due to their system error. As a result, filing of our Sales Tax Return for the month of November, 2025 was delayed. Since the digitalization process was inter-linked with our downstream consumers in FBR System, their data became inactivated and consequentially our sales revenue was badly affected.
- Indirect Sales to a neighbouring region were suspended during the period under review due to some cross-border tensions which impacted our sales revenues.

Textile sector's competitiveness, export growth and jobs sustainability are under serious threats without stable and supportive policy framework. It is satisfying to see that Government is actively reviewing various issues affecting the cost of doing business for export-oriented industries. For us, energy affordability and reliability are highly important in order to improve efficiency and competitiveness.

Despite these headwinds, the Company adopted strategic pricing and cost optimization measures to mitigate losses. Through these measures, against the gross loss of Rs.378 million in Q2 of last year, the Company earned a gross profit of Rs.2.22 million in Q2 of this year.

### **Polyester Market Conditions**

The market for polyester yarn in Pakistan is part of a broader regional landscape that includes India and China. Pricing analysis clearly indicates a competitive environment with Chinese dumped products. This industry continues to struggle due to an economic downturn, tight liquidity because of severe competition from dumped imports. Domestic manufacturers are continuously facing declining sales volumes, higher production costs, and an eroding competitive position.

The National Tariff Commission (NTC) had imposed Anti-dumping Duties (ADD) on the dumped imports of Drawn Textured Yarn (DTY) exported from China ranging from 5.35% to 20.78% for a period of five years, which have again been challenged by the importers in the Anti-Dumping Appellate Tribunal and various High Courts. Customs Authorities should make some strong measures so that the Duty evasion could be curbed and its collection should be ensured. With imposition of ADD, we envisage positive improvement in our operability and profitability.

### **Super Tax**

Pursuant to the Constitutional Court's Order, Federal Board of Revenue has started immediate recovery of Super Tax which has added to our financial stress apart from elevated electricity and gas tariffs, surging input and energy cost with consequential increase in our production costs. Government should review the recovery plan and provide relief to industrial sectors, and collect Super Tax in instalments spread over three to four years instead of lumpsum recovery.

### **Financial Performance**

Sales revenue for the second quarter of FY 2025-26 declined to Rs.892 million against Rs.2,200 million because of reasons explained above. The Company earned a gross profit of Rs. 2.22 million in Q2 against gross loss of Rs.378 million in same period last year. Sales revenue for the half-year ended 31 December 2025 also remained lower at Rs.1,859 million against Rs.4,643 million in half-year ended 31 December 2024, because of the factors explained above. Finance costs remained lower due to decrease in mark-up rates. Profit before tax and levy in Q2 of FY 2025-26 was Rs.333 million against loss before tax and levy of Rs.546 million. Profit before tax and levy in the half-yearly period ended 31 December 2025 was recorded at Rs.55 million against loss of Rs.777 million. Profit after tax for Q2 closed at Rs.312 million against a loss of Rs.473 million. For the half year ended 31 December 2025, the Company earned profit after tax of Rs. 22 million against a loss of Rs.736 million in same period of last year.

### **Earnings Per Share**

The Company reported earnings per share of Rs.9.15 for Q2 against (Rs. 13.90) and Re. 0.66 for the first half of FY 2025-26 against (Rs. 21.60) for the same period of previous year.

### **Auditors' Review Report**

M/s. RSM Avais Hyder Liaquat Nauman, Chartered Accountants, the Company's external auditors, have issued an unqualified Review Report to the members of the Company on condensed interim financial statements for the half year ended 31 December 2025.

**A Note of Gratitude**

The Board extends its sincere gratitude to our valued shareholders as well as to the Ministries of Finance, Industries and Production, Commerce, Communication and Information Technology, and Textile Industry. We also wish to acknowledge the vital support received from the Federal Board of Revenue, Department of Customs and Central Excise, and the Government of Punjab for their continued support. We also appreciate the trust and collaboration of Development Financial Institutions, Commercial Banks, Customers, and Business Partners.

We also recognize the dedication and hard work of our employees, whose commitment is vital to the Company's resilience. We are also thankful to our stakeholders for their continued faith and trust in the Company Management.

On behalf of the Board,



**Nooruddin Feerasta**  
**Chief Executive Officer**



**Zeeshan Feerasta**  
**Director**

Lahore  
26 February 2026

## سپر ٹیکس

آئینی عدالت کے حکم کے مطابق، فیڈرل بورڈ آف ریونیو نے سپر ٹیکس کی فوری وصولی شروع کر دی ہے جس نے ہماری پیداواری لاگت میں اضافے کے ساتھ ان پٹ اور توانائی کی لاگت میں اضافے کے علاوہ بجلی اور گیس کے نرخوں میں اضافے کے علاوہ ہمارے مالیاتی دباؤ میں اضافہ کر دیا ہے۔ حکومت ریکوری پلان پر نظر ثانی کرے اور صنعتی شعبوں کو ریلیف فراہم کرے اور یکمشت ریکوری کے بجائے تین چار سال کی قسطوں میں سپر ٹیکس وصول کرے۔

## مالیاتی کارکردگی

سال 2025-26 کی دوسری سہ ماہی میں سیلز ریونیو 892 ملین روپے رہا جو کہ سال گذشتہ کے اسی دورانیہ میں 2,200 ملین روپے تھا۔ مالی سال 2025-26 کی ششماہی میں اوپر بیان کی گئی وجوہات کی بنا پر سابقہ سال میں سیلز ریونیو 4,643 ملین روپے سے کم ہو کر 1,859 ملین روپے ہوا۔ مارک اپ میں شرح کی کمی کی وجہ سے مالیاتی اخراجات کم رہے۔ دوسری سہ ماہی میں ٹیکس اور لیوی (Levy) سے قبل 333 ملین روپے کا منافع ہوا اور ششماہی میں ٹیکس اور لیوی (Levy) سے قبل 55 ملین روپے کا منافع رہا۔ دوسری سہ ماہی 2025 میں بعد از ٹیکس 312 ملین روپے کا منافع رہا اور ششماہی میں بعد از ٹیکس 22 ملین روپے کا منافع رہا۔

## فی حصہ آمدنی

کمپنی نے مالی سال 2025-26 کی دوسری سہ ماہی میں 9.15 روپے فی حصہ منافع دکھایا۔ جو کہ گذشتہ سال کی اسی سہ ماہی میں 13.90 روپے فی حصہ نقصان تھا۔ سال رواں کی ششماہی میں 0.66 روپے فی حصہ منافع دکھایا جو کہ سال گذشتہ کی اسی ششماہی میں 21.60 روپے فی حصہ نقصان تھا۔

## آڈیٹر کی جائزہ رپورٹ

کمپنی کے محاسب آرائس ایم او ایس حیدر ریاض نعمان، چارٹرڈ اکاؤنٹنٹس نے 31 دسمبر 2025 کو ختم ہونے والے ششماہی کے لیے عبوری مالیاتی گوشواروں پر کمپنی کے ممبران کے لیے ایک صاف جائزہ رپورٹ جاری کی ہے۔

## اظہار تشکر

بورڈ آف ڈائریکٹرز ہمارے قابل قدر شیئر ہولڈرز کے ساتھ ساتھ خزانہ، صنعت و پیداوار، کامرس، کمیونیکیشن اور انفارمیشن ٹیکنالوجی، اور نیٹسٹائل انڈسٹری کی وزارتوں کا تہہ دل سے شکر یہ ادا کرتا ہے۔ ہم فیڈرل بورڈ آف ریونیو، محکمہ کشمیر اور سنٹرل ایکسائز اور حکومت پنجاب طرف سے ان کی مسلسل حمایت کو بھی تسلیم کرنا چاہتے ہیں۔ ہم ترقیاتی مالیاتی اداروں اور کمرشل بینکوں، صارفین اور کاروباری شرکت داروں کے اعتماد اور تعاون کی بھی تعریف کرتے ہیں۔

ہم اپنے ملازمین کی لگن اور محنت کو بھی تسلیم کرتے ہیں، جن کا عزم کمپنی کی بقا کے لیے بہت ضروری ہے۔ ہم اپنے اسٹیک ہولڈرز کے کمپنی مینجمنٹ پر ان کے مسلسل اعتماد کے لیے بھی شکر یہ گزار ہیں۔

منجانب بورڈ آف ڈائریکٹرز



ذیشان فیراستہ  
ڈائریکٹر



نورالدین فیراستہ  
چیف ایگزیکٹو آفیسر  
لاہور

تاریخ: 26 فروری 2026

## ڈائریکٹران کا جائزہ

ہمیں مالی سال 2025-26 کی 31 دسمبر 2025 کو ختم ہونے والی دوسری سہ ماہی اور پہلی ششماہی مدت کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی ہو رہی ہے۔

### مجموعی جائزہ

پاکستان کا صنعتی شعبہ مجموعی اقتصادی پالیسیوں کے کمزور ہونے کی وجہ سے معاشی مشکلات کا سامنا کر رہا ہے۔ تاہم، یہ کافی حوصلہ افزا ہے کہ حکومت توانائی سمیت اہم شعبوں میں پائیدار اقتصادی استحکام حاصل کرنے کے لیے جامع ڈھانچہ جاتی اصلاحات کے پروگرام پر عمل درآمد کر رہی ہے۔ معزز وزیراعظم پاکستان کے حالیہ فیصلے بشمول بجلی کے نرخوں میں 4.04 روپے فی یونٹ کی صنعتی یونٹوں کی توانائی کی قیمت میں کمی آئے گی۔ میکرو اکنامک استحکام میں واضح بہتری کے باوجود پاکستان کا معاشی منظر نامہ بدستور کمزور ہے جس کے لیے مستقل پالیسی ڈسپلن اور خاص طور پر ملک کے صنعتی شعبے کی ترقی کے لیے گہری ساختی اصلاحات کی ضرورت ہے۔

ملک کے پولی ایسٹریٹھیل فائبر (PSF) اور پولی ایسٹریٹھیل یارن (PFY) کے مینوفیکچرنگ یونٹس کو ابھی بھی IPSF اور PFY کی درآمدات، توانائی کے زیادہ اخراجات اور ایک چیلنجنگ کاروباری ماحول کا سامنا ہے جو ان یونٹس کی کارکردگی میں رکاوٹ ہے۔ زیر جائزہ مدت کے دوران ہمیں بنیادی طور درج ذیل عوامل کی وجہ سے مالی مشکلات کا سامنا کرنا پڑا جو کہ ہمارے قابو سے بالکل باہر تھے۔

- دسمبر 2025 میں ٹرانسپورٹرز کی ہڑتال کی وجہ سے ملک میں پوری سپلائی چین مسلسل دس دنوں تک مکمل طور پر معطل رہی۔ کراچی سے پلانٹ تک ہمارے خام مال کی سپلائی کے لیے کوئی ٹرانسپورٹ دستیاب نہیں تھی اور نہ ہی ہمارے تیار مال کو صارفین تک پہنچانے کے لیے۔
- جنوری 2026 میں ہم FBR کی ہدایت کے مطابق سیلز انوائسز کی ڈیجیٹلائزیشن کے عمل میں تھے، جس کو مکمل ہونے میں FBR کے سسٹم کی خرابی کے باعث ایک ہفتے سے زیادہ کا وقت لگا۔ نتیجے کے طور پر، ہم نومبر 2025 کے مہینے کے لیے اپنا سیلز ٹیکس ریٹرن تاخیر سے فائل کر سکے۔ چونکہ ڈیجیٹلائزیشن کا عمل ایف بی آر سسٹم میں ہمارے صارفین کے ساتھ جڑا ہوا تھا۔ اس لیے ان کا ڈیٹا غیر فعال ہو گیا اور اس کے نتیجے میں ہمارے سیلز ریویو بری طرح متاثر ہوئے۔
- ایک پڑوسی علاقہ میں ہماری بالواسطہ فروخت سرحد پار تناؤ کے باعث معطل ہو گئی۔ جس سے ہماری سیلز آمدنی بہت متاثر ہوئی۔

مستحکم اور معاون پالیسی فریم ورک کے بغیر ٹیکسٹائل سیکٹر کی مسابقت، برآمدات کی نمو اور ملازمتوں کی پائیداری کو شدید خطرات لاحق ہیں۔ یہ دیکھ کر اطمینان ہوتا ہے کہ حکومت برآمدات پر مبنی صنعتوں کے لیے کاروبار کرنے کی لاگت کو متاثر کرنے والے مختلف امور کا فعال طور پر جائزہ لے رہی ہے۔ ہمارے لئے کارکردگی کو بہتر بنانے اور مسابقت کا مقابلہ کرنے کیلئے توانائی کی مناسب قیمت اور قابل اعتماد سپلائی انتہائی اہم ہیں۔

ان مشکلات کے باوجود، کمپنی نے نقصانات کو کم کرنے کے لیے اسٹریٹجک قیمتوں کا تعین اور لاگت کی اصلاح کے اقدامات کو اپنایا۔ ان اقدامات کے ذریعے مالی سال 2024-25 کی اسی مدت میں 378 ملین روپے خام نقصان کے مقابلے میں 2.22 ملین روپے کا خام منافع حاصل کیا ہے۔

### پولی ایسٹریٹھیل مارکیٹ کے حالات

پاکستان میں پولی ایسٹریٹھیل مارکیٹ ایک وسیع تر علاقائی منظر کا حصہ ہے جس میں بھارت اور چین شامل ہیں۔ قیمتوں کے تجزیہ چین سے مسابقتی ماحول کی نشاندہی کرتے ہیں۔ یہ صنعت اقتصادی بد حالی، سخت لیکویڈیٹی اور ڈمپڈ درآمدات سے شدید مسابقت سے جدوجہد جاری رکھے ہوئے ہے۔ گھریلو مینوفیکچررز کو گرتی ہوئی فروخت کے حجم، زیادہ پیداواری لاگت اور مسابقتی پوزیشن سے سخت خطرات کا سامنا ہے۔

نیشنل ٹیرف کمیشن (این ٹی سی) نے چین سے برآمد ہونے والے (DTY) کی ڈمپ شدہ درآمدات پر 5.35 فی صد سے لے کر 20.78 فی صد تک پانچ سال کی مدت کے لیے ایٹمی ڈمپنگ ڈیوٹی (ADD) عائد کی تھی جسے درآمد کنندگان نے ایک بار پھر انسداد ٹریبونل ڈمپنگ اور عدالت ہائے اعلیٰ میں چیلنج کیا ہے۔ کسٹمز حکام کو سخت اقدامات کرنے چاہئیں تاکہ ڈیوٹی کی عدم وصولی سے بچا جاسکے۔ ADD کے نفاذ کے ساتھ کارکردگی اور منافع میں مثبت بہتری دیکھ رہے ہیں۔



RSM Avais Hyder Liaquat Nauman  
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**INDEPENDENT AUDITORS' REVIEW REPORT  
TO THE MEMBERS OF RUPALI POLYESTER LIMITED  
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

**Introduction**

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

**Scope of Review**

We conducted our review in accordance with International Standard 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 procedures. A review is substantially less in scope than an 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.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements were not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Emphasis of Matter.** We draw attention to Note 2.3 to the financial statements which states that the Company has incurred loss during the prior periods and, as at the period end, its accumulated revenue reserves were negative by Rs. 2,638.53 million (June 30, 2025: Rs. 2,661.01 million). Further, the Company's current liabilities exceed its current assets by Rs. 1,302.60 million (June 30, 2025: Rs. 884.70 million).

These events and conditions, along with other matters as set forth in the said note, indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon successful implementation of the plan as disclosed in the said note and continued financial support from the sponsors. Realization of deferred tax asset also depends on the Company's ability to continue as a going concern. Our conclusion is not modified with respect to these matters.

**THE POWER OF BEING UNDERSTOOD**  
ASSURANCE | TAX | CONSULTING

RSM Avais Hyder Liaquat Nauman Chartered Accountants is a Member Firm of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm each of which practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.



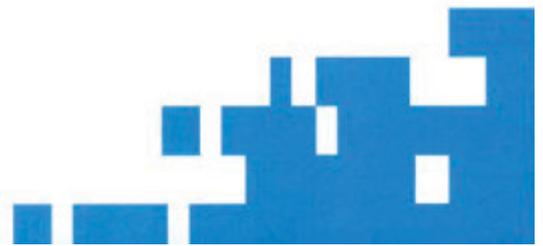
**Other Matter**

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 a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months period ended December 31, 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditors' review report is Inam ul Haque.

  
RSM AVAIS HYDER LIAQUAT NAUMAN  
CHARTERED ACCOUNTANTS  
Place: Lahore  
Date: 12 6 FEB 2026  
UDIN: RR202510226cUCLWVJF9





## Condensed Interim Statement of Financial Position (Un-audited) as at 31 December 2025

(Rupees in '000')	Note	Un-audited 31 December 2025	Audited 30 June 2025
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	7,703,720	7,776,268
Investment properties		850,000	850,000
Long term security deposits		4,481	4,481
Deferred tax asset	5	602,191	600,462
		<u>9,160,392</u>	<u>9,231,211</u>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		1,082,248	1,113,571
Stock in trade		704,985	752,577
Trade receivables - unsecured & considered good		11,172	9,426
Advances, deposits and other receivables	6	717,203	599,862
Tax refunds due from government		169,349	169,714
Cash and bank balances		233,158	138,422
		<u>2,918,115</u>	<u>2,783,572</u>
<b>TOTAL ASSETS</b>		<u><u>12,078,507</u></u>	<u><u>12,014,783</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital:			
35,000,000 ordinary shares of Rs. 10 each		350,000	350,000
Issued, subscribed and paid-up capital			
Capital reserves		340,685	340,685
Share premium		71,490	71,490
Surplus on revaluation of land		6,481,571	6,481,571
Revenue reserves		1,664,125	1,664,125
General reserve		1,664,125	1,664,125
(Accumulated loss)		(2,638,529)	(2,661,011)
		<u>5,919,342</u>	<u>5,896,860</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term loan	7	953,510	1,220,417
Deferred interest income	8	695,609	953,703
Staff retirement gratuity		289,325	275,532
		<u>1,938,444</u>	<u>2,449,652</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	1,064,248	999,135
Short term borrowing	10	2,970,145	2,485,875
Accrued markup on borrowings		91,661	88,593
Unclaimed dividend		4,595	4,596
Provision for taxation-Income tax		90,072	90,072
		<u>4,220,721</u>	<u>3,668,271</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>12,078,507</u></u>	<u><u>12,014,783</u></u>

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



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Abdul Hayee  
Chief Financial Officer



## Condensed Interim Statement of Other Comprehensive Income (un-Audited) for the Half Year ended 31 December 2025

(Rupees in '000')	Half year ended 31 December	
	2025	2024
Profit/ (loss) for the period	22,482	(735,824)
Other comprehensive income	-	-
Total comprehensive Income/ (loss) for the period	22,482	(735,824)

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



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Abdul Hayee  
Chief Financial Officer

## Condensed Interim Statement of Cash Flow (Un-audited) for the Half Year ended 31 December 2025

Half year ended 31 December

(Rupees in '000')

2025

2024

**A) Cash flows from operating activities**

Profit/ (loss) for the period before levy and taxation	55,484	(777,494)
Adjustments for:		
Depreciation on property, plant and equipment	76,180	75,195
Provision for staff retirement benefits	26,646	37,469
(Gain)/ loss on disposal of property, plant and equipment	(411,386)	(16,976)
Interest income	(2,955)	(6,959)
Finance cost	172,846	269,935
	(138,669)	358,664
Cash flow before working capital changes	(83,185)	(418,830)
Working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	31,323	5,805
Stock-in-trade	47,592	1,341,776
Trade receivables	(1,747)	(261)
Advances, deposits and other receivables	(117,341)	172,079
Increase / (decrease) in current liabilities:		
Trade and other payables	65,113	(1,020,227)
	24,940	499,172
Cash flow from operations	(58,245)	80,343
Finance costs paid	(169,778)	(288,325)
Income tax paid	(34,366)	(45,523)
Staff retirement benefits paid	(12,853)	(14,546)
Net cash flow from operating activities	(275,242)	(268,052)

**B) Cash flow from investing activities**

Additions in property, plant and equipment	(136,762)	(21,271)
Proceeds from disposal of operating assets	544,516	18,615
Interest income received	2,955	6,959
Net cash flow from investing activities	410,709	4,303

**C) Cash flows from financing activities**

Short-term borrowings obtained - net	484,270	16,102
Long term loan repayment	(525,000)	-
Dividend paid	(1)	(4)
Net cash flow from financing activities	(40,731)	16,098
Net increase/(decrease) in cash and cash equivalents (A + B + C)	94,736	(247,651)
Cash and cash equivalents at the beginning of the period	138,422	260,598
Cash and cash equivalents at end of the period	233,158	12,947

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



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Abdul Hayee  
Chief Financial Officer

## Condensed Interim Statement of Changes in Equity (Un-audited) for the Half Year 31 December 2025

Issued, subscribed and paid- up capital	Capital Reserves			Revenue Reserves			Total
	Share premium	Surplus on revaluation of land	Sub-total	General reserve	Unappropriated profit/ (Accumulated Loss)	Sub-total	

----- (Rupees in '000) -----

Balance as at July 01, 2024 - Audited	340,685	71,490	5,697,866	5,769,356	1,664,125	(1,166,622)	497,503	6,607,544
Transactions with owners								
Final dividend for the year ended June 30, 2024	-	-	-	-	-	-	-	-
Total comprehensive income								
Loss for the period	-	-	-	-	-	(735,824)	(735,824)	(735,824)
Other comprehensive income	-	-	-	-	-	-	-	-
	-	-	-	-	-	(735,824)	(735,824)	(735,824)
Balance as at December 31, 2024 - Unaudited	<u>340,685</u>	<u>71,490</u>	<u>5,697,866</u>	<u>5,769,356</u>	<u>1,664,125</u>	<u>(1,902,446)</u>	<u>(238,321)</u>	<u>5,871,720</u>
Balance as at July 01, 2025 - Audited	340,685	71,490	6,481,571	6,553,061	1,664,125	(2,661,011)	(996,886)	5,896,860
Profit/(Loss) for the period	-	-	-	-	-	22,482	22,482	22,482
Other comprehensive income	-	-	-	-	-	-	-	-
	-	-	-	-	-	22,482	22,482	22,482
Balance as at December 31, 2025 - Unaudited	<u>340,685</u>	<u>71,490</u>	<u>6,481,571</u>	<u>6,553,061</u>	<u>1,664,125</u>	<u>(2,638,529)</u>	<u>(974,404)</u>	<u>5,919,342</u>

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



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Abdul Hayee  
Chief Financial Officer

## Selected Explanatory Notes to the Condensed Interim Financial Statements (Un-Audited) for the Half Year ended 31 December 2025

### 1 Legal status and nature of business

Rupali Polyester Limited (the Company) was incorporated in Pakistan on 24 May 1980 as a Public Limited Company under the Companies Ordinance, 1984 repealed by the Companies Act, 2017 and is listed on Pakistan Stock Exchange. The Company is principally engaged in manufacture and sale of polyester yarn and polyester staple fibre. The registered office is located at 241-242 Upper Mall Scheme, Anand Road, Lahore, in the province of Punjab and regional office is situated at 1st Floor, Gul Tower, I.I Chundrigar Road, Karachi, in the province of Sindh. The manufacturing facility is situated at 30.2 KM Lahore - Sheikhpura Road, Sheikhpura, in the province of Punjab.

### 2 Significant Accounting Policies

#### 2.1 Statement of compliance

These condensed interim financial statements are un-audited and have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

(i) International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;

(ii) Provisions of or directives issued under the Companies Act, 2017.

In case where the provisions of or directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of or directives issued under the Companies Act, 2017 have been followed.

**2.2** These condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of Companies Act, 2017 and should be read in conjunction with the annual published audited financial statements of the Company for the year ended June 30, 2025.

**2.3** The Company has incurred loss in the prior periods and as at the period end, its accumulated revenue reserves were negative by Rs. 2,638.53 million (June 30, 2025: Rs. 2,661.01 million). Further, the Company's current liabilities exceeded its current assets by Rs. 1,302.60 million (June 30, 2025: Rs. 884.70 million). Production and turnover have significantly reduced during the period / year.

These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, the Company may not be able to realize its assets and discharge its liabilities in the normal course of business.

With the imposition of anti-dumping duty, continued support from the sponsors and other measures to optimize cost and to enhance efficiency, the Company is confident that production, yield and profitability of the Company will improve and the Company will be able to continue as a going concern.

### 3 Material accounting Policy Information

**3.1** The significant accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the published annual audited financial statements of the Company for the year ended June 30, 2025.

**3.2** There are certain amendments to standards that became effective during the period and are mandatory for accounting periods of the Company beginning on or after July 01, 2025 but are considered not to be relevant to the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

There are certain new standards, amendments to standards and interpretations that are effective from different future periods but are considered not to be relevant to the Company's operations, therefore, not disclosed in these condensed interim financial statements.

**3.3** These condensed interim financial statements are presented in Pakistani Rupees which is Company's functional and presentation currency.

#### 3.4 Significant accounting estimates and judgements

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the preparation of the published annual audited financial statements of the Company for the year ended June 30, 2025.

#### 3.5 Financial risk management

Risk management policies and procedures are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2025.

	Note	Unaudited 31 December 2025	Audited 30 June 2025
<b>(Rupees '000)</b>			
<b>4 Property, plant and equipment</b>			
Operating fixed assets - at net book value	4.1	7,687,446	7,763,465
Capital work-in-progress - at cost	4.2	4,180	647
Stores held for capital expenditure - at cost		12,094	12,156
		<u>7,703,720</u>	<u>7,776,268</u>

	<b>Unaudited 31 December 2025</b>	<b>Audited 30 June 2025</b>
	<b>(Rupees '000)</b>	
Opening net book value	7,763,465	6,956,898
Additions during the period / year	3,347	178,470
	7,766,812	7,135,368
Disposals during the period / year	(3,186)	(1,719)
Depreciation charge during the period / year	(76,180)	(153,889)
	(79,366)	(155,608)
Revaluation surplus during the period / year	-	783,705
	7,687,446	7,763,465

	<b>Un-audited 31 December 2025</b>	<b>Un-audited 31 December 2024</b>
	<b>(Rupees '000)</b>	

<b>Additions - at cost</b>		
Building - Office on freehold land	-	3,378
Plant and machinery	2,757	15,658
Furniture and fittings	-	25
Office equipment	486	2,252
Vehicles	104	991
Other assets	-	476
	3,347	22,781
<b>Disposals - at NBV</b>		
Office building	467	-
Factory building	275	-
Furniture & fixture	29	-
Plant and machinery	2,415	1,639
	3,186	1,639

	<b>Un-audited 31 December 2025</b>	<b>Audited 30 June 2025</b>
	<b>(Rupees '000)</b>	

Building - Factory	389	-
Building - Office on freehold land	2,008	647
Plant and machinery	1,524	-
Furniture and fixture	6	-
Office equipment	253	-
	4,180	647

<b>5 Deferred tax asset</b>		
Opening balance	600,462	440,359
Provision/ reversal recognized in;		
Profit or loss	1,729	173,171
Comprehensive income	-	(13,068)
	602,191	600,462

#### 4.1 Operating fixed assets

Note

##### 4.1.1 Additions and disposals of operating fixed assets during the period were as follows:

###### Additions - at cost

Building - Office on freehold land  
Plant and machinery  
Furniture and fittings  
Office equipment  
Vehicles  
Other assets

###### Disposals - at NBV

Office building  
Factory building  
Furniture & fixture  
Plant and machinery

#### 4.2 Capital work-in-progress

Building - Factory  
Building - Office on freehold land  
Plant and machinery  
Furniture and fixture  
Office equipment

#### 5 Deferred tax asset

Opening balance  
Provision/ reversal recognized in;  
    Profit or loss  
    Comprehensive income

	Note	Un-audited 31 December 2025	Audited 30 June 2025
<b>5.1 It comprises of the following:</b>			
Taxable temporary differences in respect of;			
Difference in accounting and tax bases of property, plant and equipment		(240,534)	(248,361)
Deductible temporary differences in respect of;			
Provision for gratuity		83,904	79,904
Tax losses carried forward		735,582	768,919
Minimum tax credit u/s 113		23,239	-
		842,725	848,823
		602,191	600,462
<b>6 Advances, deposits and other receivables</b>			
Considered good			
Advances to employees			
against salary		1	1
against expenses		228	19
Advances to suppliers		3,069	3,053
Advances to related parties		6,389	-
Short term deposit		265	265
Sales tax refundable		597,264	574,177
Accrued interest income		512	481
Other receivables		109,475	21,866
		717,203	599,862
<b>7 Long term loan</b>			
From an Associate:			
Trustees Alnu Trust		933,243	1,182,116
Interest markup on long term loan		20,267	38,301
	7.1	953,510	1,220,417

**7.1** This is unsecured and interest free. Terms of repayment have not been decided so far, however, it is confirmed by the lender that repayment will not be demanded within next twelve months. The loan is accordingly classified as non current. It is carried at amortized cost, with estimated repayment term of 5 years, at an effective interest rate of 12.96% per annum. The unearned interest income is recorded as deferred interest income.

	Note	Un-audited December 31, 2025	Audited June 30, 2025
<b>8 Deferred Interest Income</b>			
Deferred interest income	8.1	715,876	992,004
Unwinding of deferred interest income		(20,267)	(38,301)
		695,609	953,703

**8.1** During the period, some repayment of loan was made by the Company resulting in modification. Previous deferred interest income was derecognized and new deferred interest income was recognized from the date of modification

	Note	Un-audited 31 December 2025	Audited 30 June 2025
<b>9 Trade and other payables</b>			
(Rupees '000)			
Trade payables		690,892	330,870
Accrued liabilities		104,614	153,664
Worker's profit participation fund		93,905	88,091
Advance from customers		23,106	42,716
Gas Infrastructure Development Cess payable	9.1	61,338	61,339
Sales tax payable		20,550	13,141
Withholding tax payables		4,870	1,131
Retention money		1,270	1,296
Provident fund payable		162	159
Others		63,541	306,728
		<b>1,064,248</b>	<b>999,135</b>
<b>9.1</b>	This represents present value of GIDC payable to SNGPL. The amount was payable in 24 equal monthly installments. The payment is suspended at the moment pursuant to stay order granted by the Honorable Sindh High Court.		
<b>10 Short term borrowings</b>			
<b>Secured- from banking companies</b>			
From banking companies - under markup arrangements			
Running finance	10.1	2,394,025	1,976,875
Istisna finance	10.2	276,120	281,000
From Others - unsecured	10.3	300,000	228,000
		<b>2,970,145</b>	<b>2,485,875</b>

**10.1** The aggregate finance facilities available from various commercial banks amounted to Rs. 2,551.2 million (June: 2025: Rs. 2,551.2 million). These carry mark-up at the rates of one month to three month KIBOR plus 0.35% to 2.0% (2024: one month to three month KIBOR plus 0.35% to 1.0% ). Effective Interest rate charged during the year ranged from 11.76% to 13.15% per annum (Dec: 2024: 15.21% to 21.35% per annum) payable on maturity/ quarterly basis in arrears and are secured against hypothecation charge over present and future current assets.

**10.2** The financing facility available amounts to Rs 281.24 million and carry markup at the rate 6 month KIBOR plus 0.5% payable on semi annually basis. The effective markup rate charged during the year ranges from 11.91% to 22.19% per annum. This is secured against first pari passu charge over present and future current assets of the Company.

**10.3** These loans were obtained to meet working capital requirements and have been utilized accordingly. The loan is unsecured, interest free and repayable on demand.

**10.4** Total unfunded financing facilities for opening letters of credit from various commercial banks available to the Company were Rs. 3,482.76 million (June 2025: Rs. 4,982.76 million) which were secured against lien on related import documents.

**11 Contingencies and commitments****Contingencies**

There has been no material change in the status of contingencies as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2025.

Un-audited 31 December 2025	Audited 30 June 2025
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**Commitments**

(Rupees '000)

Under letters of credit for import of stores and raw material	732,489	151,703
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Quarter ended 31 December		Half year ended 31 December	
2025	2024	2025	2024

(Rupees '000)

**12 Cost of goods sold**

Raw and packing materials consumed	748,198	728,727	1,556,257	2,988,551
Stores and spares consumed	12,479	23,989	25,673	53,090
Salaries, wages and amenities	74,955	125,244	163,775	247,440
Fuel and power	165,838	257,848	373,461	813,012
Repairs and maintenance	1,749	13,141	4,014	23,855
Running and maintenance of vehicles	5,068	8,636	13,183	18,955
Insurance	4,640	5,337	9,273	9,937
Depreciation	34,546	33,886	69,060	67,695
Rent, rate and taxes	731	563	1,389	1,220
Other expenses	1,121	713	3,109	1,217
	1,049,325	1,198,085	2,219,194	4,224,971
Add: Opening work in process	-	28,222	25,567	82,883
Less: Closing work in process	(41,007)	(75,408)	(45,454)	(75,408)
	1,008,318	1,150,899	2,199,307	4,232,446
Add: Opening finished goods	616	1,953,359	292,668	1,372,497
Less: Closing finished goods	(119,468)	(526,119)	(451,821)	(526,119)
	889,466	2,578,138	2,040,154	5,078,824

**13 Other Income**

Income from financial assets				
Interest income from banks	1,704	3,013	2,955	6,959
Mark-up income on staff loan	-	-	-	1
	1,704	3,013	2,955	6,959
Income from non-financial assets				
Sale of scrap - net of sales tax	56,383	27,452	110,448	59,514
Gain on disposal of property, plant and equipment	3,755	-	6,744	16,976
Gain on disposal of right of use of leasehold land 13.1	404,643	-	404,643	-
Others	46,910	-	46,910	-
	511,691	27,452	568,745	76,490
	513,395	30,465	571,700	83,449

**13.1** The Company has transferred right to use leasehold land situated at Port Qasim and handed over the physical possession to the buyer, after getting renewal of the lease which acquired in 2015 and cleaning the areas and other relevant dues. Formalities for transfer in the records of Port Qasim authority is in process.

	Quarter ended 31 December		Half year ended 31 December	
	2025	2024	2025	2024
	(Rupees '000)			
<b>14 Levy - Minimum Tax Differential</b>	11,146	27,501	23,239	58,043

**14.1** This represents portion of minimum tax paid under section 113 of the Income Tax Ordinance, representing levy in terms of requirements of IFRIC 21/IAS 37. The comparative has been rearranged accordingly.

	Quarter ended 31 December		Half year ended 31 December	
	2025	2024	2025	2024
	(Rupees '000)			
<b>15 Provision for Taxation</b>				
Current tax				
For the period	(11,495)	-	(11,495)	-
For prior period	-	(90,072)	-	(90,072)
Deferred tax	1,732	(9,641)	1,732	(9,641)
	<u>(9,763)</u>	<u>(99,713)</u>	<u>(9,763)</u>	<u>(99,713)</u>

#### 16 Transactions with related parties

The related parties comprise of major shareholders, associated undertakings, provident fund and key management personnel. Significant transactions with related parties are as follows:

Name of related party and basis of relationship	Nature of Transactions	Quarter ended 31 December		Half year ended 31 December	
		2025	2024	2025	2024
		(Rupees '000)			
Rupafil Limited - Associated company by virtue of common directorship	- Purchases	380,243	6,182	774,646	200,585
	- Sales	486,322	37,715	609,409	42,594
	- Payments	210,861	124,633	490,767	219,000
	- Receipts	256,365	58,444	273,400	62,508
Soneri Bank Limited - Associated Company by virtue of common directorship	- Profit on bank deposits	2,094	3,012	3,151	6,958
Rupali Nylon (Private) Limited - Associated company by virtue of common directorship	- Purchases and payments	-	-	-	3,383
ALNU TRUST	- Loan received	-	100,000	-	300,000
	- Loan repaid	-	-	525,000	-
Provident fund	- Contribution	215	739	452	1,689

Un-audited 31 December 2025	Audited 30 June 2025
(Rupees '000)	

**17 Shariah Compliance Status Disclosure**  
**Disclosure in relation to the condensed interim**  
**Statement of financial position - Liability**

Short term financing as per Islamic mode	276,120	281,000
Account mark-up on conventional loans	75,382	78,312

Un-audited 31 December 2025	Un-audited 31 December 2024
(Rupees '000)	

**Disclosure in relation to the condensed interim**  
**Statement of comprehensive Income**

Profit paid on Islamic mode of financing	9,733	10,269
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**18 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on 26 February 2026 by the Board of Directors of the Company.

**19 GENERAL**

- 19.1** There is no unusual item included in these condensed interim financial statements which is affecting assets, liabilities, loss, comprehensive loss, equity or cash flows of the Company, except sale of right of use of leasehold land. (Refer Note 13.1)
- 19.2** The provision for taxation made in these condensed interim financial statements is subject to adjustment in annual financial statements.
- 19.3** Figures have been rounded off to the nearest thousand Rupees unless stated otherwise.



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Abdul Hayee  
Chief Financial Officer

[rupaligroup.com](http://rupaligroup.com)

**RUPALI POLYESTER LIMITED**

REGISTERED OFFICE

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