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A YOUSUF DEWAN COMPANY

ANNUAL REPORT 2025



RISING TO
THE CHALLENGE

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Company Information

BOARD OF DIRECTORS

Executive Director

Mr. Waseem-ul- Haque Ansari Chief Executive Officer

Non-Executive Directors

Mr. Ghazanfar Baber Siddiqi Chairman Board of Directors

Mr. Mehmood-ul-Hassan Asghar

Mr. Abdul Basit

Mr. Muhammad Hanif German

Mrs. Nida Jamil Female Director

Independent Director

Mr. Aziz-ul-Haque

AUDIT COMMITTEE

Mr. Aziz-ul-Haque Chairman

Mr. Ghazanfar Baber Siddiqi Member

Mr. Abdul Basit Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Aziz-ul-Haque Chairman

Mr. Waseem-ul- Haque Ansari Member

Mr. Abdul Basit Member

CHIEF FINANCIAL OFFICER

Mr. Muhammad Farooq Khan

COMPANY SECRETARY

Mr. Muhammad Hanif German

REGISTERED OFFICE

Dewan Centre, 3-A, Lalazar,
Beach Luxury Hotel Road, Karachi, Pakistan

FACTORY

Jilaniabad, Budhu Talpur, District Sajawal, Sindh.

AUDITORS

Faruq Ali & Co., Chartered Accountants

LEGAL ADVISOR

A.K.Brohi & Co.

SHARES REGISTRAR / TRANSFER AGENT

BMF Consultants Pakistan (Pvt.) Limited

BANKERS

Allied Bank of Pakistan Limited Saudi Pak Industrial and Agricultural

Askari Bank Limited Investment Co. (Pvt.) Limited

Faysal Bank Limited Standard Chartered Bank

Habib Bank Limited Summit Bank Limited

Meezan Bank Limited The Bank of Khyber

National Bank of Pakistan The Bank of Punjab

Silk Bank Limited United Bank Limited

Vision

To be the No. 1 automobile company in Pakistan

Mission Statement

- ✿ To assume leadership role in the technological advancement of the industry and to achieve the highest level of quantitative indigenization.
- ✿ To offer high value, economical and qualitative solutions to address the commuting needs of a diverse range of customers.
- ✿ To seek long-term and good relations with our suppliers and dealers with fair, honest and mutually profitable dealings.
- ✿ To be a totally customer oriented company and to achieve Total Customer Satisfaction.
- ✿ To create a work environment, which motivates recognizes and rewards achievements at all levels of the organization.
- ✿ To produce environment friendly vehicles.
- ✿ To be a contributing corporate citizen for the betterment of society, and to exhibit a socially responsible behavior.

Notice of Annual General Meeting

Notice is hereby given that 27th Annual General Meeting of **Dewan Farooque Motors Limited** will be held at Dewan Cement Limited Factory Site, at Deh Dhando, Dhabeji, District Malir, Karachi, Pakistan on Wednesday, April 22, 2026 at 12:00 p.m. to transact the following businesses;

1. To confirm the minutes of the preceding Extra Ordinary General Meeting of the Company held on Friday, December 19, 2025;
2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2025, together with the Directors' and Auditors' Reports thereon;
3. To confirm the appointment of the Statutory Auditors of the Company for the year ended June 30, 2026, and to fix their remuneration;
4. To consider any other business with the permission of the Chair.

By order of the Board

Karachi

Dated: April 1, 2026



Muhammad Hanif German
(Director & Company Secretary)

Notes:

- a. The share transfer books of the company will remain closed from April 15, 2026 to April 22, 2026 (both days inclusive). Transfers received in order at the share registrar office M/s. BMF Consultants Pakistan (Private) Limited, Located at Anum Estate Building, Room No.310 & 311,3rd Floor,49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi, Pakistan.
- b. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for his/her behalf. proxies in order to be effective must be received at the Shares Registrar Office duly stamped and signed not less than 48 hours (Working days only) before the time of holding of the meeting.

CDC Account Holder will further have to follow the guidelines as laid down in Circular 1 dated January 26,2000 issued by Securities and Exchange commission of Pakistan for attending the meeting and appointment of proxies.

c. Video Conference Facility:

Pursuant to the provisions of the Companies Act, 2017, member can avail video conference facility to participate in this Annual General Meeting provided that the company receives consent from the members holding in aggregate 10% or more shareholding, residing in a city, at least seven (7) days prior to the date of meeting. Subject to the fulfillment of the above conditions, members shall be informed of the venue along with complete information necessary to access the facility. Format of request form has been placed on the Company's website.

d. Attendance through Zoom:

The members may attend the AGM online through ZOOM, by following the below guidelines:

- (i) The member shall get himself/herself registered by sending his/her request to the Company at e-mail ID dfml.corp@yousufdewan.com as per Standard Request Form available on the Company's website (<http://www.yousufdewan.com/DFML/index.html>) or can send his/her request to the Company Secretary at Dewan Centre, 3-A Lalazar Beach Hotel Road Karachi along with a legible copy of CNIC not later than April 20, 2026.
- (ii) Zoom link shall be sent by the Company only on email ID or Mobile/WhatsApp Number mentioned in Standard request Form.

e. Deposit of physical Shares into CDC Account;

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 Act i.e May 30, 2017.

The physical Shareholders having physical shareholding are encouraged to open CDC Investor Account with CDC or CDC Sub-Account with any of the brokers to place their physical shares into Script less form.

f. E-Voting Procedure

- (a) Details of the e-voting facility will be shared through an email with those members of the Company who have their valid CNIC numbers, cell numbers, and email addresses available in the register of members of the Company within due course.
- (b) The web address, login details, will be communicated to members via email.
- (c) Identity of the members indenting to cast vote through E-voting shall be authenticated through authenticated login.
- (d) E-Voting lines will start from April 15, 2026 at 10 a.m. and shall close on April 21, 2026 at 5 p.m. Members can cast their votes any time in the period.

g. Procedure for Voting Through Postal Ballot

For voting through Postal Ballot members may exercise their right to vote as per provisions of the Companies (Postal Ballot) Regulations, 2018 subject to the requirement of Section 143 and 144 of the Companies Act, 2017. Further details in this regard will be communicated to the shareholders within the legal time frame as stipulated under these said Regulations, if required.

The members shall ensure that duly filed and signed ballot paper along with copy of CNIC should reach the Chairman of the meeting through post on the Company's Registered office or email at dfml.corp@yousufdewan.com one day before the Annual General Meeting i.e. April 21, 2026 during the working hours. The signature on the ballot paper shall match with the signature on CNIC or Company records.

h. Appointment of Scrutinizer.

In accordance with the regulation 11 of the Companies (Postal Ballot) regulation, 2018 (the Regulation), the Board of Directors of the Company has appointed M/s. Faruq Ali & Co. Chartered Accountants, a QCR rated audit firm, to act as scrutinizer of the Company for election of directors in the meeting and to undertake other responsibilities as defined in regulation 11A of the Regulation.

i. Particulars of Physical Shareholders:

According to section 119 of the Companies Act, 2017 and Regulation 19 of the Companies (General Provisions and Forms) Regulations, 2018, all physical Shareholders are advised to provide their mandatory information such as CNIC number, address, email address, contact mobile/telephone number, International Bank Account Number (IBAN), etc. to Company's Share Registrar at their address M/s. BMF Consultants Pakistan (Private) Limited, Located at Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi, email (bmfconsultantspakistan@gmail.com) immediately to avoid any non-compliance of law or any inconvenience in future.

j. Updating of Particulars:

The Shareholders are requested to promptly notify change in their address, if any, to the Company's Share Registrar. In case of corporate entity, the shareholders are requested to promptly notify change in their particulars of their authorized representative, if applicable.

k. Restriction on Distribution of Gifts:

In accordance with the directive issued by the SECP Vide SRO 452 (1)/2025 dated 17th March 2025 the Company would like to inform all the shareholders that no gifts will be distributed at the AGM.

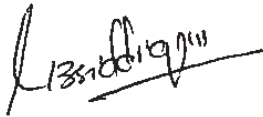
Chairman's Review

I am pleased to present a report on the overall performance of the Board of Directors and effectiveness of the role played by the board in achieving the Company's objectives. The board of directors is responsible for the management of the company, which formulates all significant policies and strategies. The board is governed by relevant laws & regulations and its obligation, rights, responsibilities and duties as specified and prescribed therein.

The Board of Directors comprises of individuals with diversified knowledge who endeavour to contribute towards the aim of the Company with the best of their abilities.

An annual self-evaluation of the Board of Directors of the Company is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

During financial year ended 30 June 2025, four board meetings were held. The Board of Directors of the Company received agendas and supporting material in sufficient time prior to the board and its committee meetings. All the directors are equally involved in important decisions. the Board's overall performance and effectiveness for the year under review was satisfactory.



Ghazanfar Babar Siddiqui
Chairman Board of Directors

March 24, 2026

Directors' Report

The Board of Directors of Dewan Farooque Motors Limited is pleased to present its annual report along with the Company's audited Financial Statements for the year ended 30 June 2025 and welcomes you to the 27th Annual General Meeting.

Industry Overview

The Pakistan's automotive industry recovered strongly in the financial year ended 30 June 2025 after a difficult previous year. According to the Pakistan Automotive Manufacturers Association (PAMA), total sales of passenger cars, SUVs, and LCVs increased by 43%, reaching 148,023 units, compared to 103,829 units in financial year 2024. While passenger car sales grew significantly, the commercial vehicle segment also performed well. Truck sales increased by 103.2% to 4,444 units. However, the agricultural sector faced challenges, with tractor sales declining by 36.4% due to climate issues and weak farm economics.

This recovery was mainly supported by a more stable economy, declining inflation and the central bank's policy rate's sharp declined to 11% by June 2025.

Company's performance

The summary of financial performance of the Company for the year, along with the comparative figures is as follows:

| | 30 June 2025 | 30 June 2024 |
|--------------------|----------------------------------|---------------------|
| | ----- (Rupees in thousand) ----- | |
| Gross Sales | 1,716,022 | 11,980 |
| Gross loss | (300,872) | (282,880) |
| Operating loss | (431,003) | (427,666) |
| Net loss after tax | (578,443) | (457,847) |

During the year, Company continued commercial production of "the Kia SHEHZORE" Standard variant, along with the assembly of other variants namely; King Cabin and Crew Cabin. Furthermore, from August 2024, the Company commenced production of electric vehicles (Honri VE 2.0 and VE 3.0) of its sister concern - Eco-Green Motors Limited (EGML) under toll manufacturing arrangement.

Following the restart of operations last year, the Company delivered 391 vehicles, increasing sales to Rs. 1.405 billion due to improved market demand. Company while not having working capital lines, could only managed to operate on limited scale and had to suffer net loss due to unabsorbed expenses in the initial period of Company's operations. Management is optimizing the supply chain and availability of working capital to improve future profitability.

In response to historical financial constraints and absence of working capital lines, the Company has continued to receive support from its sponsors to enable the production of its vehicles. In order to have better cashflows by retaining such funds, the Company converted Rs. 1.612 billion of sponsors' loans into equity; this conversion was completed subsequent to the year-end and reflects the sponsors' commitment to keep the Company in operations and portrays their strong confidence in the Company's future performance.

The Board sincerely regrets the delay in disseminating financial results due to a temporary disruption of the Company's information technology system due to malware attack. Following a rigorous data restoration and verification process, the Company has implemented enhanced technical safeguards and IT security protocols to prevent future recurrences.

Future Outlook

The outlook for the Company is anchored by the strategic revival and market expansion of the KIA Commercial brand, which is a market leader in South Korea and is gradually making inroads in the Pakistan domestic light commercial vehicle segment.

Together with the strong support of the KIA management, DFML has embarked on a product offensive which will enable the KIA Shehzore to increase market share in the 1-ton to 3-ton segments. This product line extension will enable the company to cater to the wider LCVs customers' requirements. By prioritizing cost-efficient local assembly and enhancing after-sales support, the Company is well-positioned to navigate macroeconomic volatility and restore the legendary Shehzore brand to its previous glory.

Beyond our core commercial operations, the Company is aligning its long-term strategy with the evolving landscape of Pakistan's automotive industry. Under the New Energy Vehicle Policy (2025-30), the sector is transitioning toward a more competitive, market-driven environment focused on sustainability and localization. By embracing this shift toward modern mobility and leveraging favorable regulatory incentives, the Company is strategically positioned to adapt to emerging market trends and capitalize on the growing demand for diversified transportation solutions.

Observation in the Auditors' Report:

The Auditors have qualified their report due to significance of the matter as referred in Para (a) of the Auditors' Report.

Non-provision of mark-up:

The management approached its lenders for restructuring of its debts and is confident that the Company's restructuring proposals without markup will be accepted by the financial institutions / Banks. Therefore, the Company has not made any provision of mark-up as the same will not be payable as per the proposed restructuring terms and this reflects present commercial reality of financial position of the Company.

Emphasis of matter on Going concern assumption:

The Board is fully committed to ensure the Company's continued operations with growth. Production of the KIA Shehzore with three variants and the assembly of electric vehicles Honri-VE 2.0 & 3.0 have enabled the Company to generate revenues and new business opportunities.

Although the auditors highlighted past losses and cash flow pressures which were mainly attributed to the periods when the operations were closed, the Company is actively addressing these issues by taking various measures. A key milestone was obtaining loan from the sponsors and its conversion of Rs. 1.612 billion into equity, subsequent to the year end, which reflected the strong support of sponsors and the improved financial position of the Company. We strongly believe that all these conditions are temporary and would reverse in future. Upon finalization of restructuring of existing debt coupled with the introduction of new vehicle models, the Board is confident that the Company will be in a position to procure working capital lines and move towards stable, profitable and sustainable growth.

Board of Directors

The Board Comprises of one independent Director, one Executive and five Non-Executive Directors. The following are the names of Directors:

- Mr. Abdul Basit
- Mr. Waseem-ul-Haque Ansari
- Mr. Mehmood -ul-Hassan Asghar
- Mr. Muhammad Hanif German
- Mr. Ghazanfar Baber Siddiqi
- Mr. Aziz-ul-Haque
- Mrs. Nida Jamil

During the year no casual vacancy occurred on the board.

Gender pay-gap disclosure

In line with the Securities and Exchange Commission of Pakistan's disclosure requirements, we assessed our remuneration practices to identify and address any gender-based pay disparities.

The gender pay gap reflects the difference in average earnings between male and female employees, influenced by factors such as occupational segregation, tenure, representation in senior roles, and unconscious bias.

| | | |
|-----------------------|---|-----|
| Mean Gender Pay Gap | : | 15% |
| Median Gender Pay Gap | : | 19% |

Principal Activities of the Company

Dewan Farooque Motors Limited was incorporated in Pakistan as a public limited Company and is listed on the Pakistan Stock Exchange. The Company's principal activity is the assembly/contract assembly, progressive manufacturing and sale of vehicles.

Principal Risks and Uncertainties

The Company considers the following as key risks:

- Sustained competition from newer players including Chinese-backed assemblers is capturing the SUV and LCV segments where DFML historically held a stronger foothold.
- Intensifying EV competition due to government's push for electric vehicle adoption
- Depreciation of Pak Rupee against US Dollar;
- Non-availability of banking lines.

The Company is endeavoring internally as well as externally to cater with and mitigate the impact of aforesaid risks and uncertainties.

Corporate Social Responsibility

The Company conducts its business in a responsible manner looking after its stakeholders and the environment. The Company mainly focuses providing on job training to fresh hired work force enabling them to develop adequate skills. While employing work force, the Company encourages under-privileged people residing close to the plant, thereby increasing their standard of living. Moreover, health and safety of employees is another area of focus. The Company complies with all applicable rules and regulations in the manufacturing process to ensure environmental protection. Standard Operating Procedures have been laid down to ensure protecting the health and safety of employees. The Company is also involved in providing medical facilities to people residing in the surrounding area.

Subsequent Events

As stated above, subsequent to the year end loans from the sponsors have been converted into shares. Other than this conversion, no material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this report.

Statement of Corporate and financial reporting framework:

- The Financial Statements for the year ended 30 June 2025, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flow and changes in equity;
- Proper books of account of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of Financial Statements for the year ended 30 June 2025 and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS) as applicable in Pakistan, have been followed in preparation of Financial Statements and departure there from, if any, has been adequately disclosed in the Financial Statements;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- The Management has explained their views in detail regarding the going concern ability of the Company in note 2 and non-provisioning of mark-up in note 28 to the annexed audited Financial Statements.
- There has been no material departure from the best practices of the corporate governance, as detailed in the listing regulations of the stock exchange of Pakistan;
- Summarized key operating and financial data of last six years is enclosed with the report;
- All taxes have been paid and nothing is outstanding, except as disclosed in note 19 to the annexed audited Financial Statement;
- The fair value of the Provident Fund's Investment as at 30 June 2025 is Rs.51.424 (2024: Rs.39.203) million.
- The Board of Directors comprise of individuals with diversified knowledge who endeavor to contribute towards the aim of the Company with the best of their abilities. During the year, six meetings of the Board were held. The attendance of directors was as follows:

| Name of Director | No. of meetings attended |
|------------------------------|---------------------------------|
| Mr. Mehmood-ul Hassan Asghar | 4 |
| Mr. Aziz-ul-Haque | 4 |
| Mr. Waseem-ul-Haq Ansari | 4 |
| Mr. Muhammad Hanif German | 4 |
| Mr. Ghazanfar Baber Siddiqi | 4 |
| Mrs. Nida Jamil | 4 |
| Mr. Abdul Basit | 4 |

Leave of absence was granted to directors who could not attend Board meetings.

The audit committee comprises of three directors, one of them is an independent director and two are non-executive directors. During the year, four meeting were held, members' attendance in these meetings is as under:

| Name of Director | No. of meetings attended |
|-----------------------------|---------------------------------|
| Mr. Aziz-ul-Haque | 1 |
| Mr. Ghazanfar Baber Siddiqi | 1 |
| Mr. Abdul Basit | 1 |

During the year one meeting of the human resource & remuneration committee was held, members' attendance meeting is as under:

| Name of Director | No. of meetings attended |
|----------------------------|---------------------------------|
| Mr. Aziz-ul-Haque | 1 |
| Mr. Waseem-ul-Haque Ansari | 1 |
| Mr. Abdul Basit | 1 |

Auditors:

The present Auditors M/s. Faruq Ali & Co., Chartered Accountants have retired and offers themselves for re-appointment.

The Board of Director on recommendation of the Audit committee has recommended the re-appointment of M/s. Faruq Ali & Co., Chartered Accountants.

Loss per share

The loss per Share is Rs. 4.17 (2024 Rs. 3.30)

Dividend

On account of the loss for the year, the Board is not in a position to recommend dividends for the period under review.

Pattern of Shareholding:

The Pattern of Shareholding of the Company as at 30 June 2025 is annexed. Trading in Company Shares

None of the Directors, CFO, Company Secretary, their spouses and minor children have traded in the shares of the Company during the year other than that has already been disclosed in the pattern of shareholding.

Vote of Thanks:

On behalf of the Board, I thank you, the valued Shareholders, Federal and Provincial Governments and their functionaries, banks, development financial institutions, leasing companies, dealers, vendors and customers for their continued support and patronage.

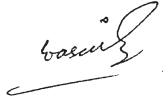
The Board would also like to appreciate the valuable services, loyalty and efforts rendered by the executives, staff members and workers of the Company, during the year under review.

Conclusion:

In conclusion, we bow, beg and pray to Almighty Allah, Al-Rahman, Al-Rahim, in the name of his beloved Prophet, Muhammad, peace be upon him, for continued showering of His blessings, guidance, strength, health and prosperity to us, our Company, country and nation and also pray to Almighty Allah to bestow peace, harmony, brotherhood and unity in true Islamic spirit to whole of Muslim Ummah, Ameen, Summa Ameen.

LO-MY LORD IS INDEED HEARER OF PRAYER (AL-QURAN)

Under / By Authority of Board of Directors



Waseem-ul-Haque Ansari
Chief Executive



Ghazanfar Babar Siddiqui
Chairman Board of Directors

Karachi: March 24, 2026

Key Operating and Financial Data

| PARTICULARS | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|--------------------------|-------------|-------------|-------------|-------------|-------------|
| | Rs. in '000' | | | | | |
| Gross sales | 1,716,022 | 11,980 | 212 | 169 | 1,846 | 293 |
| Net sales | 1,405,314 | 9,953 | 180 | 144 | 1,548 | 250 |
| Gross (loss) | (300,872) | (282,880) | (141,248) | (83,129) | (80,987) | (102,190) |
| Operating (loss) | (431,003) | (427,666) | (181,513) | (98,134) | (95,031) | (122,360) |
| (Loss) before tax | (560,708) | (457,723) | (230,803) | (176,823) | (189,229) | (292,518) |
| (Loss) after tax | (578,443) | (457,847) | (230,805) | (176,830) | (189,252) | (292,522) |
| Retained earnings | (5,665,683) | (5,087,240) | (4,629,393) | (4,398,588) | (4,221,758) | (4,032,506) |
| Share capital | 1,387,353 | 1,387,353 | 1,387,353 | 1,387,353 | 1,387,353 | 1,387,353 |
| Shareholders equity | (4,278,330) | (3,699,887) | (3,242,040) | (3,011,235) | (2,834,405) | (2,645,153) |
| Fixed assets | 1,038,865 | 1,034,455 | 744,984 | 765,959 | 819,033 | 877,147 |
| Total assets | 4,267,399 | 3,963,684 | 2,879,313 | 2,891,500 | 3,024,707 | 3,184,146 |
| FINANCIAL ANALYSIS | | | | | | |
| Profitability Ratios | | | | | | |
| Gross (Loss) / Profit Margin | (21.41)% | (2,842)% | (78,471)% | (57,728)% | (5,231)% | (40,876)% |
| Operating (loss) / profit Margin | (30.67)% | (4,297)% | (100,841)% | (68,149)% | (6,138)% | (48,944)% |
| (Loss) / profit before tax | (39.90)% | (4,599)% | (128,224)% | (122,794)% | (12,222)% | (117,007)% |
| (Loss) / profit after tax | (41.16)% | (4,600)% | (128,225)% | (122,799)% | (12,223)% | (117,009)% |
| Return on Investment | | | | | | |
| (Loss) per share before tax (Rs./share) | (4.04) | (3.30) | (1.66) | (1.27) | (1.36) | (2.11) |
| (Loss) per share after tax (Rs./share) | (4.17) | (3.30) | (1.66) | (1.27) | (1.36) | (2.11) |
| Activity Ratios | | | | | | |
| Sales to total assets (Times) | 0.402 | 0.003 | 0.000 | 0.000 | 0.001 | 0.000 |
| Sales to fixed assets (Times) | 1.652 | 0.012 | 0.000 | 0.000 | 0.002 | 0.000 |
| Liquidity Ratios | | | | | | |
| Current ratio (excluding current maturity of LTL) | 0.35 | 0.33 | 0.26 | 0.25 | 0.25 | 0.26 |
| Current ratio (including current maturity of LTL) | 0.30 | 0.28 | 0.21 | 0.21 | 0.21 | 0.21 |
| Book value per share (Rs.) | (30.84) | (26.67) | (23.37) | (21.70) | (20.43) | (19.07) |

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

For the Year Ended June 30, 2025

The company has complied with the requirements of the Regulations in the following manner:

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

| | | |
|-----------|---|---|
| a) Male | : | 6 |
| b) Female | : | 1 |

2. The composition of board is as follows:

| | | |
|----------------------------------|---|--|
| a) Independent Director | : | Mr. Aziz-ul-Haque |
| b) Other Non-executive Directors | : | Mr. Ghazanfar Baber Siddiqi Mr. Mehmood-ul-Hassan Asghar Mr. Abdul Basit Mr. Muhammad Hanif German Mrs. Nida Jamil |
| c) Executive Director | : | Mr. Waseem-ul-Haque Ansari |

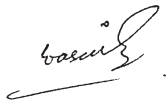
3. Six Directors have confirmed that they are not serving as Director in more than seven listed Companies including this Company, however, one Director is serving as Director in more than seven listed Yousuf Dewan Companies.
4. The company has prepared a Code of Conduct and has ensured that appropriate 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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decision on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with requirements of Act and the regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Three Directors are qualified under the directors training program. During the year the board did not arrange training program. However, we will arrange the same in the next coming session.

10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:
 - a) Audit Committee : Mr. Aziz-ul-Haque Chairman
Mr. Ghazanfar Baber Siddiqi Member
Mr. Abul Basit Member
 - b) HR and Remuneration Committee : Mr. Aziz-ul-Haque Chairman
Mr. Waseem-ul-Haque Ansari Member
Mr. Abdul Basit Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:
 - a) Audit Committee : 1 meeting during the financial year ended June 30, 2025
 - b) HR and Remuneration Committee : 1 annual meeting held during the financial year ended June 30, 2025
15. The board has set up an effective internal audit function. The staffs 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 ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
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 other requirements of the Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with; and

DEWAN FAROOQUE MOTORS LIMITED

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

| S. No. | Non-Mandatory Requirement | Reg No. | Explanation |
|--------|--|---------|--|
| 1 | <p>Directors' Training.-</p> <p>It is encouraged that by June 30, 2022 all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.</p> | 19 | Currently, three Directors are qualified under the directors training program. The Company is encouraging and planning to arrange DTP certification for the remaining Directors. |



Waseem-ul-Haque Ansari
Chief Executive



Ghazanfar Babar Siddiqui
Chairman Board of Directors

Independent Auditor's Review Report to The Members of Dewan Farooque Motors 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 Dewan Farooque Motors 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.

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

- a) The composition of board includes one independent director Mr. Aziz ul Haque, whereas in our opinion he does not meet the criteria of independence due to his cross-director ship in associated Companies.
- b) The chairman of Audit committee and Human Resource and Remuneration Committee shall be an independent director, whereas in our view Mr. Aziz ul Haque does not Complied with the criteria of independence as the reason reflects in para (a) above.
- c) The Company is required at least two or one third members of the Board, whichever is higher, as independent directors on its board. However, the Company includes only one independent director as disclosed in Paragraph 2 of Statement of Compliance.

Based on our review, except for the above instances of non-compliance, 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-compliances with the requirements of the Code as reflected in the Paragraph reference where these are stated in the Statement of Compliance:

1. One of the Director of the company is serving as directors in more than seven listed Companies as reflected in Paragraph 3 of statement of Compliance
2. Three of the directors are qualified under the Directors' Training Program as reflect in Paragraph 9 of statement of Compliance as on June 30, 2025 as required by the Code all the directors are required to acquire Prescribed Certification. 95



CHARTERED ACCOUNTANTS

Dated: 26 MAR 2026

Karachi

UDIN: CR202510178mosb42jv8

Engagement partner: Muhammad Faisal Nini

INDEPENDENT AUDITOR'S REPORT

To the members of Dewan Farooque Motors Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the annexed financial statements of Dewan Farooque Motors Limited (the Company), which comprise the Statement of financial position as at June 30, 2025, and the Statement of profit or loss, 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 material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in Basis for Qualified opinion Paragraph of our report, the statement of financial position, the statement of profit or loss, 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, 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 and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Qualified Opinion

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

- a) The company has not made provision of markup for the year amounting to Rs. 682.132 million (2024: Rs. 1,120.876 million) (refer note 28) on account of restructuring proposal offered to the lenders as described in note 2 to the financial statements. We do not concur with the management's view of non-provisioning of markup. Therefore, the provision of markup should have been made in these financial statements. Had the provision of markup been made in the financial statements, the loss before taxation for the year would have been higher by Rs. 682.132 million (2024: Rs. 1,120.876 million) and markup payable would have been higher and shareholder's equity would have been lower by Rs. 9.996 billion (2024: Rs. 9.313 billion).

Material Uncertainty Relating to Going Concern

We draw attention of the members to note 2 to the financial Statements for the year ended June 30, 2025 which indicates loss after taxation of Rs. 578.442 (2024: Rs. 457.847) million and as of that date it has accumulated losses of Rs. 5.666 (2024: Rs. 5.087) billion which resulted in net capital deficiency of Rs. 4.278 (2024: Rs. 3.700) billion and its current liabilities exceeded its current assets by Rs. 5.925 (2024: Rs. 5.475) billion and total assets by Rs. 4.255 (2024: Rs. 3.679) billion without providing the markup as refer in above para (a). The company has been unable to ensure timely repayments of debts owing to financial institutions due to liquidity

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problems and also short-term finance facilities have expired and not been renewed by banks as disclosed in note 21 to the financial statements. Further, balance confirmations from financial institutions have not been received as the Company is in litigation with the financial institutions. Following course, lenders have gone into litigation for repayment of liabilities through attachment and sale of company's hypothecated / mortgaged properties as disclosed in note 22.3 to the financial Statements. These conditions, along with other matters as set forth in note 2 indicates the existence of material uncertainty which may cast significant doubt about Company's ability to Continue as going concern therefore the company may be unable to realize its assets and discharge its liabilities in normal course of business. The amounts of the current liabilities and loss reported in said note do not include the effect of matters discussed in the basis for qualified opinion paragraph. Our opinion is not qualified 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 year. 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. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report Following are the Key Audit Matters:

| Key Audit Matters | How the matter was addressed in our audit |
|--|--|
| <p>Stock-in-trade</p> <p>(Refer note 4.3 and 9 to the financial statements)</p> <p>The Company has stock-in-trade aggregating Rs.1,006.861 million comprising raw materials, finished goods and work in progress. We identified this area as a key audit matter because stock-in trade constitutes 23.59% of the total assets of the Company as at June 30, 2025 and determining an appropriate write down as a result of net realizable value (NRV) and provision for slow moving inventories involves management judgment and estimation.</p> | <p>Our audit procedures in respect of this area included:</p> <p>Attended physical inventory count performed by the Company on 31 July 2025 to gain comfort over the existence and condition of inventories as our appointment as auditors was subsequent to the year end;</p> <p>Worked back to ascertain the quantity of stock and reconciled the balances as on 30 June 2025.</p> <p>Carried out a quantitative reconciliation of the stock produced and sold during the year and balance of stock at year end;</p> <p>Vouched on a sample basis specific purchases and directly attributable cost with underlying supporting documents;</p> <p>Compared the NRV, on a sample basis, with the cost of finished goods to assess whether any adjustments are required to value stocks in accordance with applicable accounting and reporting standards;</p> |

| | |
|--|---|
| | <p>Assessed the provision for slow moving as at year end is in accordance with the Company policy and relevant accounting standard; and</p> <p>We also considered the adequacy of the related disclosures and assessed these are in accordance with the applicable financial reporting standards and the Companies Act, 2017.</p> |
|--|---|

Other Matter

The financial statements of Dewan Farooque Motors Limited ('the Company'), for the year ended 30th June 2024 were audited by another auditor who expressed a qualified opinion on those financial statements on 07 November 2024.

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

Management is responsible for the other information. The other information comprises the information 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 concluded that the other information is materially misstated for the same reason with respect to the matters described in the basis for Qualified Opinion section and in the Material Uncertainty Related to Going Concern section.

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 Accounting and Reporting Standards as applicable in Pakistan and 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.

The 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

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opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

We also provide 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 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 except for the matter discussed in basis for qualified opinion section, 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;
- b) the statement of financial position, the statement of profit or loss, 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 were for the purpose of the Company's business;
- d) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Faisal Nini.



CHARTERED ACCOUNTANTS

Place: Karachi

Dated: 26 MAR 2026

UDIN: AR202510178H2ahvI35R

Statement of Financial Position

As at June 30, 2025

| | Note | June 30, 2025 | June 30, 2024 |
|---|------|--------------------|--------------------|
| ————(Rs. in '000)———— | | | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 5 | 1,035,846 | 1,030,042 |
| Intangible assets | 6 | 3,019 | 4,413 |
| Investment | 7 | 630,870 | 761,521 |
| | | <u>1,669,735</u> | <u>1,795,976</u> |
| CURRENT ASSETS | | | |
| Stores and spares | 8 | 57,466 | 68,176 |
| Stock-in-trade | 9 | 1,006,861 | 889,279 |
| Trade debts - Considered good | 10 | 672 | 672 |
| Advances, deposits, prepayments and other receivables - Considered good | 11 | 1,274,917 | 1,037,785 |
| Taxation - Net | 12 | 43,684 | 26,934 |
| Cash and bank balances | 13 | 214,064 | 144,862 |
| | | <u>2,597,664</u> | <u>2,167,708</u> |
| | | <u>4,267,399</u> | <u>3,963,684</u> |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorised share capital | | | |
| 150,000,000 (2024: 150,000,000) Ordinary shares of Rs.10 each | | 1,500,000 | 1,500,000 |
| Issued, subscribed and paid-up share capital | 14 | 1,387,353 | 1,387,353 |
| Accumulated losses | | (5,665,683) | (5,087,240) |
| | | <u>(4,278,330)</u> | <u>(3,699,887)</u> |
| NON-CURRENT LIABILITIES | | | |
| Long term loans - secured | 15 | -- | -- |
| Long term security deposits | 16 | 18,700 | 16,800 |
| Deferred liabilities | 17 | 4,231 | 4,231 |
| | | <u>22,931</u> | <u>21,031</u> |
| CURRENT LIABILITIES | | | |
| Short term loan from related parties | 18 | 2,116,185 | 1,696,185 |
| Trade and other payables | 19 | 1,211,969 | 674,066 |
| Unclaimed dividend | 20 | 1,802 | 1,802 |
| Short term finances and book over draft - secured | 21 | 4,095,913 | 4,173,558 |
| Current maturity of long term loans | 15 | 1,096,929 | 1,096,929 |
| | | <u>8,522,798</u> | <u>7,642,540</u> |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 22 | -- | -- |
| | | <u>4,267,399</u> | <u>3,963,684</u> |

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



Muhammad Farooq Khan
Chief Financial Officer



Waseem-ul-Haque Ansari
Chief Executive



Mehmood-ul-Hassan Asghar
Director

Statement Of Profit Or Loss

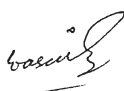
For the year ended June 30, 2025

| | Note | 2025 | 2024 |
|--|------|-----------------------|------------------|
| | | ————(Rs. in '000)———— | |
| Sales - Net | 23 | 1,405,314 | 9,953 |
| Cost of sales | 24 | (1,706,186) | (292,833) |
| Gross loss | | (300,872) | (282,880) |
| Operating expenses | | | |
| Marketing and distribution expenses | 25 | (67,183) | (106,693) |
| Administration and general expenses | 26 | (62,948) | (38,093) |
| Operating loss | | (431,003) | (427,666) |
| Other (loss) | 27 | (129,152) | (29,856) |
| Finance cost | 28 | (553) | (200) |
| Loss before income tax and levies | | (560,708) | (457,723) |
| Levies | 29 | (17,566) | (124) |
| Loss before income tax | | (578,274) | (457,847) |
| Taxation - Net | 30 | (169) | -- |
| Loss for the year | | (578,443) | (457,847) |
| Loss per share - Basic and diluted | 31 | (4.17) | (3.30) |

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



Muhammad Farooq Khan
Chief Financial Officer



Waseem-ul-Haque Ansari
Chief Executive



Mehmood-ul-Hassan Asghar
Director

Statement of Comprehensive Income

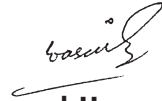
For The Year Ended June 30, 2025

| | 2025 ——(Rs. in '000)—— | 2024 ——(Rs. in '000)—— |
|--|---------------------------|---------------------------|
| Loss for the year | (578,443) | (457,847) |
| Other comprehensive income | -- | -- |
| Total comprehensive loss for the year | <u>(578,443)</u> | <u>(457,847)</u> |

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



Muhammad Farooq Khan
Chief Financial Officer



Waseem-ul-Haque Ansari
Chief Executive



Mehmood-ul-Hassan Asghar
Director

Statement Of Changes In Equity

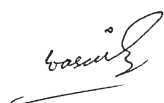
For The Year Ended June 30, 2025

| | Issued, subscribed and paid-up share capital | Revenue Reserves | | Total |
|---------------------------------------|---|-----------------------|--------------------|--------------------|
| | | Accumulated losses | Total Reserves | |
| ------(Rs. in '000)----- | | | | |
| Balance as at 1 July 2023 | 1,387,353 | (4,629,393) | (4,629,393) | (3,242,040) |
| Total comprehensive loss for the year | -- | (457,847) | (457,847) | (457,847) |
| Balance as at 30 June 2024 | 1,387,353 | (5,087,240) | (5,087,240) | (3,699,887) |
| Total comprehensive loss for the year | -- | (578,443) | (578,443) | (578,443) |
| Balance as at 30 June 2025 | 1,387,353 | (5,665,683) | (5,665,683) | (4,278,330) |

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



Muhammad Farooq Khan
Chief Financial Officer



Waseem-ul-Haque Ansari
Chief Executive



Mehmood-ul-Hassan Asghar
Director

Statement Of Cash Flow

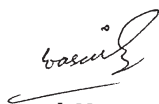
For the year ended June 30, 2025

| Note | 2025 | 2024 |
|---|-----------------------|-------------|
| | ————(Rs. in '000)———— | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Loss before taxation | (560,708) | (457,723) |
| Adjustment for non-cash and other items: | | |
| Depreciation | 85,205 | 62,881 |
| Amortization of intangible asset | 1,394 | 1,394 |
| Loss due to change in valuation of investment in associates | 130,651 | 68,811 |
| Financial charges | 553 | 200 |
| | 217,803 | 133,286 |
| | (342,905) | (324,437) |
| Movement in working capital: | | |
| (Increase) / decrease in current assets | | |
| Stores and spares | 10,710 | (13,083) |
| Stock-in-trade | (117,582) | (866,307) |
| Advances, deposits, pre-payments & other receivables | (237,132) | 25,898 |
| Increase / (decrease) in current liabilities | | |
| Trade and other payables | 537,903 | 231,250 |
| Long term security deposits | 1,900 | 5,100 |
| Net changes in working capital | 195,799 | (617,142) |
| Cash used in operation | (147,106) | (941,579) |
| Payments for: | | |
| Taxes | (34,485) | (3,131) |
| Financial cost | (553) | (200) |
| Net cash outflows from operating activities | (182,144) | (944,910) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Capital expenditures incurred | (91,009) | (353,746) |
| Net cash outflows from investing activities | (91,009) | (353,746) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Short term loan from Related Parties | 420,000 | 1,227,163 |
| Net cash inflows from financing activities | 420,000 | 1,227,163 |
| Net increase / (decrease) in cash and cash equivalents | 146,847 | (71,493) |
| Cash and cash equivalents at the beginning of the year | (1,910,807) | (1,839,314) |
| Cash and cash equivalents at the end of the year | (1,763,960) | (1,910,807) |

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



Muhammad Farooq Khan
Chief Financial Officer



Waseem-ul-Haque Ansari
Chief Executive



Mehmood-ul-Hassan Asghar
Director

Notes to the Financial Statements

For The Year Ended June 30, 2025

1 THE COMPANY AND ITS OPERATIONS

Dewan Farooque Motors Limited (the Company) was incorporated in Pakistan on 28 December 1998 as a public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The shares of the Company are quoted on the Pakistan Stock Exchange. The principal activity of the Company is the assembly, progressive manufacturing and sale of vehicles in Pakistan.

The Company commenced commercial production through the interim facility from 01 January 2000 and main facility came into commercial operation from 01 January 2001.

The Company signed Technical Licence Agreement (TLA) on 07 November 2022 with KIA Corporation for assembly / progressive manufacturing of Commercial Vehicles, accordingly the production has been commenced during the year from June 2024 with brand name of KIA Shehzore.

The registered office of the Company is situated at Dewan Centre, 3-A Lalazar, Beach Hotel Road, Karachi, while its manufacturing facilities are situated at Jilianabad, Budhu Talpur, District Sajawal, Sindh.

2 GOING CONCERN ASSUMPTION

The Company has incurred a loss after taxation of Rs.578.442 (2024: Rs.457.848) million during the year ended 30 June 2025. As of the reporting date, it has accumulated losses of Rs.5.666 (2024: Rs.5.087) billion and its current liabilities exceeded its current assets by Rs.5.925 (2024: Rs.5.475) billion. Furthermore, cumulatively the Company has not provided markup on its borrowings from banks and financial institution amounting to Rs.9.996 (2024: Rs.9.314) billion. Further the Company has been unable to ensure timely repayments of debts owing to financial institutions due to liquidity problems and the short term facilities have not been renewed by banks/financial institutions. Following course most of the lenders have gone into litigation for recovery of loans through attachment and sale of Company's hypothecated / mortgaged properties. These conditions indicate the existence of material uncertainty, which may cast significant doubt about Company's ability to continue as going concern.

These financial statements have been prepared on going concern assumptions because the conditions being faced by the Company are temporary and would reverse in foreseeable future. As the company has successfully resumed its operations of manufacturing and sale of vehicles consequent to the execution of TLA. Moreover, Company is also manufacturing electric vehicles on toll basis for its associated concern. The management is confident that resumption of manufacturing operations will bring about improved results in future. Furthermore, the Company is defending its legal cases successfully and restructuring of company's debt is in advanced stage and expected to be concluded in ensuing financial year. Management is also hopeful that all the outstanding markup will be waived therefore no provision of markup has been made in these financial statements. The company's ability to arrange funds from its associates / sponsors is yet another positive factor which mitigates the risks involved. All these mitigating factors reduce the risks relating to company's ability to continue as going concern, accordingly preparation of these financial statements using the going concern assumption is justified.

Notes to the Financial Statements

For The Year Ended June 30, 2025

3 BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan with the exception of departure of IFRS as mentioned in note 28 to the financial statements, for which the management concludes that provisioning of mark-up would conflict with the objectives of the financial statements. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

3.2 Accounting Convention

These financial statements have been prepared on historical cost convention except as otherwise stated in respective accounting policies.

3.3 Changes in accounting standards, interpretations and amendments to accounting and reporting standards

Amendments to accounting and reporting standards and interpretations / guidance that became effective during the year

There were certain amendments to accounting and reporting standards that became applicable to the Company during the year. These do not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

New and Revised Standards, interpretation and amendments to approved accounting standards that are not yet effective

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

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | |
|---|-----------------------|
| Amendments to IAS 21 'The effects of changes in foreign exchange rates' - Lack of exchangeability | 1 July 2025 |
| Amendments IFRS 9 and IFRS 7 regarding the power purchase agreements | 1 January 2026 |
| Annual Improvements to IFRS Accounting Standards -Volume 11 | 1 January 2026 |
| IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information | 1 July 2026 |
| IFRS S2 Climate-related Disclosures | 1 July 2026 |
| Amendments to IFRS 7 'Financial instruments - Disclosures' and IFRS 9 'Financial Instruments' - classification and measurement of financial instruments | 1 January 2026 |
| Standard IFRS 17 'Insurance Contract' | 1 January 2027 |
| Amendment to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred indefinitely |

Other than the aforesaid amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 'First Time Adoption of International Financial Reporting Standards'
- IFRS 18 'Presentation and Disclosures in Financial Statements'
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures'

3.4 Functional and presentation currency

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

Notes to the Financial Statements

For The Year Ended June 30, 2025

3.5 Critical accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires management to exercise judgement in application of the company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and 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 revision and future periods if the revision affects both current and future periods.

Significant accounting estimates and areas where judgements were exercised by management in the application of accounting policies in the financial statements are as follows:

- Useful lives of Property, Plant and equipment (notes 4.1 and 5.1)
- Provision for doubtful trade debts (note 4.5)
- Income taxes (note 4.5)
- Classification and valuation of investments (note 4.10)
- Provision for Slow moving stores and spares (note 4.2)
- Provision for Slow moving stock in trade (note 4.3)

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

4.1 Property Plant and Equipment

4.1.1 Operating fixed assets

These are stated at cost less accumulated depreciation except for land and capital work-in-progress which are stated at cost.

Depreciation is charged to income using the reducing balance method whereby the cost of an asset is written off over its estimated useful life. The rates of depreciation are stated in note 5.1 to the accounts. Depreciation is charged in proportion to the use of assets in the respective year of addition.

The assets' residual values and useful lives are reviewed at each financial year end, and adjusted, if appropriate, at each statement of financial position date.

Maintenance and normal repairs are charged to income as and when incurred whereas major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Notes to the Financial Statements

For The Year Ended June 30, 2025

Gains and losses on disposal are determined by comparing proceeds with the carrying amount of the relevant assets. These are included in the statement of profit or loss.

4.1.2 Capital work-in-progress

All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when assets are available for use.

4.1.3 Right-of-use asset and lease liability

The Company accounts for property, plant and equipment acquired under lease agreement by recording the right of use asset and related lease liability.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is depreciated on a reducing balance method over the shorter of lease term or assets economic life. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Initially on lease commencement date, the lease liability is measured at the present value of unpaid lease payments. These unpaid lease payments are discounted using interest rate implicit in the lease, if readily determinable. If that rate cannot be readily determined then the incremental borrowing rate is used.

The lease liability is subsequently measured (at amortised cost) by increasing the carrying amount to reflect interest on the lease liability using the effective interest method and by reducing the carrying amount to reflect the lease payments made. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the income and expenditure account.

For short term leases and leases of low / immaterial value assets, the Company's recognises the lease payments as an expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Notes to the Financial Statements

For The Year Ended June 30, 2025

4.2 Stores and spare parts

These are valued at cost determined on weighted average basis. Items in transit are valued at cost comprising of invoice values plus other charges incurred thereon accumulated to the statement of financial position date.

Stores, spares and loose tools are regularly reviewed by the management and any obsolete items are brought down to their net realisable value.

4.3 Stock-in-trade

Raw materials and components are valued at cost. Those in transit are stated at invoice price plus other charges paid thereon upto the statement of financial position date. Cost is determined on a moving average basis.

Work-in-process is valued at material cost consisting of CKD kits, local vendor parts and consumables.

CBU (finished goods) in hand are valued at the lower of cost and net realizable value. Cost is determined on moving average basis.

Goods-in-transit are valued at purchase price, freight and other charges incurred thereon upto the statement of financial position date.

Stock-in-trade is regularly reviewed by the management and any obsolete items are brought down to their net realisable value.

Net realisable value signifies the estimated selling price in the ordinary course of business less cost necessary to make sale.

4.4 Provisions

Provisions are recognized when the company has present obligation, legal or constructive, as a result of a past event, 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 reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

4.5 Taxation

Current

The charge for current taxation is based on taxable income at current rates of taxation after taking into account tax rebates and credits available, if any, or one percent of turnover or Alternate Corporate Tax whichever is higher. Alternate Corporate Tax is calculated in accordance with the provisions of Section 113C of Income Tax Ordinance.

Notes to the Financial Statements

For The Year Ended June 30, 2025

Deferred

Deferred tax is provided, using the liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled, based on tax rates that have been enacted or substantially enacted by the statement of financial position date.

Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income, which is not adjustable against the future tax liability, is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/IAS 37.

4.6 Share capital

Share capital is classified as equity and recognised at face value.

4.7 Revenue recognition

Sales are recognized as revenue when goods are invoiced to customers.

Return on bank deposits are on an accrual basis.

Markup on loan to associated undertaking is recognized on an accrual basis.

Agency commission is recognized when shipments are made by the principal.

Unrealized gains / loss arising on re-measurement of investments classified as "financial assets at fair value through "profit or loss" are included in the profit and loss account in the period in which these arise.

Realised capital gains / loss on sale of investments are recognized in the profit and loss account at the time of sale.

Notes to the Financial Statements

For The Year Ended June 30, 2025

Dividend income is recognised when the right to receive the dividend is established.

Revenue from contracts with customers is recognized when the control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods according to the negotiated contractual terms. The Company has generally concluded that it acts as a principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Performance obligations held by the Company are not separable, and are not partially satisfied, since they are satisfied at a point in time, when the customer accepts the products. Moreover, the payment terms identified in most sources of revenue are short-term usually 30 to 60 days upon delivery, without any variable considerations, financing components and guarantees.

The Company recognizes an account receivable when the performance obligations have been met, recognizing the corresponding revenue. Moreover, the considerations received before satisfying the performance obligations are recognized as advances from customer.

4.8 Advance from customers

Advance from customers is the obligation to transfer goods or services to the customers for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, it is recognised when the payment is made or the payment is due (whichever is earlier). Advance from customers is recognised as revenue when the Company performs under the contract.

4.9 Staff retirement benefits

The Company operated Unfunded Gratuity Scheme till December 2003, Effective from 01 January 2004, the Company has established a recognized provident fund (Defined Contribution Plan) for its permanent employees. Equal contributions are being made of by the Company and its employees in accordance with the terms of the fund.

4.10 Financial instruments

4.10.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); and
- Measured at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Notes to the Financial Statements

For The Year Ended June 30, 2025

Subsequent measurement

Debt Investments at FVOCI

These assets are subsequently measured at fair value. Interest / mark-up income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

Equity Investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the statement of profit or loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest / mark-up or dividend income, are recognised in the statement of profit or loss.

Financial assets measured at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss.

4.10.2 Non-derivative financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

Notes to the Financial Statements

For The Year Ended June 30, 2025

4.10.2.1 Trade debts, advances and other receivables

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

4.10.2.2 Cash and cash equivalents

For the purpose of presentation in statement of cash flow, cash and cash equivalents includes cash in hand, balances with banks and investments with maturities of less than three months or less from acquisition date that are subject to insignificant risk of changes in fair value and short term borrowings availed by the Company, which are repayable on demand and form an integral part of the Company's cash management.

4.10.3 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings and trade and other payables. The Company derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

4.10.3.1 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost, while the difference between the cost (reduced for periodic payments) and redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the relevant asset.

4.10.3.2 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised costs.

4.10.4 Derivative financial instruments - Other than hedging

Derivatives that do not qualify for hedge accounting are recognised in the statement of financial position at estimated fair value with corresponding effect to statement of profit or loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

Notes to the Financial Statements

For The Year Ended June 30, 2025

4.10.5 Derivative financial instruments - Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in fair value of the derivative is recognised in other comprehensive income and accumulated in hedging reserve. Any ineffective portion of changes in fair value of derivative is recognised immediately in the statement of profit or loss. The amount accumulated in equity is removed therefrom and included in the initial carrying amount of non-financial asset upon recognition of non-financial asset.

The fair value of forward exchange contracts is estimated using appropriate valuation techniques. These are carried as assets when the fair value is positive and liabilities when the fair value is negative.

4.10.6 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has currently legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

4.11 Foreign currency translations

Foreign currency transactions are translated into Pak Rupees at exchange rates prevailing on the date of transaction. All monetary assets and liabilities in foreign currencies are translated at the rate of exchange prevailing at the statement of position date except for liabilities covered under forward exchange contracts, if any, which are translated at the contracted rates. Exchange differences on foreign currency translations are included in income along with any related hedge effects.

4.12 Warranty obligations

These are accounted for on the basis of claims lodged on the company.

4.13 Dividend and other appropriations

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

Notes to the Financial Statements

For The Year Ended June 30, 2025

4.14 Earnings per share

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

4.15 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and 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
- there is a present 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.

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

4.16 Segmental reporting

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker (CODM). The Company considers Chief Executive as its CODM who is responsible for allocating resources and assessing performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment.

| | Note | 2025 | 2024 |
|--|------|--------------------------|-----------|
| | | ------(Rs. in '000)----- | |
| 5 PROPERTY, PLANT AND EQUIPMENT | | | |
| Operating fixed assets - at cost less accumulated depreciation | 5.1 | 1,035,364 | 1,030,042 |
| Capital work-in-progress | | 482 | - |
| | | 1,035,846 | 1,030,042 |

Notes to the Financial Statements

For The Year Ended June 30, 2025

5.1 Operating fixed assets

| | ----- 2025 ----- | | | | | | | |
|-----------------------|------------------------------|---------------------------|--------------------|-------------------|---------------------|--------------------|---------------------------------------|--------|
| | Cost | | | Depreciation | | | Written down value as at 30 June 2025 | Rate % |
| | As at 1 July 2024 | Additions during the year | As at 30 June 2025 | As at 1 July 2024 | Charge for the year | As at 30 June 2025 | | |
| | ----- (Rupees in '000) ----- | | | | | | | |
| Land | 78,033 | - | 78,033 | - | - | - | 78,033 | |
| Building | 1,136,347 | - | 1,136,347 | 745,060 | 19,549 | 764,609 | 371,738 | 5 |
| Plant and machinery | 1,943,685 | 26,069 | 1,969,754 | 1,450,400 | 50,881 | 1,501,281 | 468,473 | 10 |
| Furniture and fixture | 165,150 | - | 165,150 | 144,103 | 2,107 | 146,210 | 18,940 | 10 |
| Vehicle | 342,856 | 58,677 | 401,533 | 314,402 | 10,605 | 325,007 | 76,526 | 20 |
| Office equipment | 95,328 | 5,781 | 101,109 | 77,392 | 2,063 | 79,455 | 21,654 | 10 |
| | 3,761,399 | 90,527 | 3,851,926 | 2,731,357 | 85,205 | 2,816,562 | 1,035,364 | |

| | ----- 2024 ----- | | | | | | | |
|-----------------------|------------------------------|---------------------------|--------------------|-------------------|---------------------|--------------------|---------------------------------------|--------|
| | Cost | | | Depreciation | | | Written down value as at 30 June 2024 | Rate % |
| | As at 1 July 2023 | Additions during the year | As at 30 June 2024 | As at 1 July 2023 | Charge for the year | As at 30 June 2024 | | |
| | ----- (Rupees in '000) ----- | | | | | | | |
| Land | 78,033 | - | 78,033 | - | - | - | 78,033 | |
| Building | 1,136,347 | - | 1,136,347 | 724,482 | 20,578 | 745,060 | 391,287 | 5 |
| Plant and machinery | 1,606,127 | 337,558 | 1,943,685 | 1,417,710 | 32,690 | 1,450,400 | 493,285 | 10 |
| Furniture and fixture | 165,150 | - | 165,150 | 141,764 | 2,339 | 144,103 | 21,047 | 10 |
| Vehicle | 332,192 | 10,664 | 342,856 | 308,621 | 5,781 | 314,402 | 28,454 | 20 |
| Office equipment | 89,804 | 5,524 | 95,328 | 75,899 | 1,493 | 77,392 | 17,936 | 10 |
| | 3,407,653 | 353,746 | 3,761,399 | 2,668,476 | 62,881 | 2,731,357 | 1,030,042 | |

5.1.1 The above operating fixed assets are mortgaged with the financial institutions / banks as disclosed in note no 2, 15, 21 and 22.3 to the financial statements.

5.1.2 Freehold land represents 73.47 acres situated at Jilaniabad, Budhu Talpur, District Sujawal. The value of freehold land is Rs. 69.721 million (2024: Rs. 69.721 million) and leasehold land is of Rs. 8.311 million (2024: Rs. 8.311 million).

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | 2025 | 2024 |
|---|----------------------------------|----------------|
| | ----- (Rs. in '000) ----- | |
| 7 INVESTMENT | | |
| Investment in Ordinary shares of Dewan Cement Limited (DCL) - Related party | | |
| 65,375,455 (2024: 65,375,455) | | |
| Ordinary shares of Rs. 10 each at cost | 804,131 | 804,131 |
| Share of (loss) | (173,261) | (42,610) |
| | <u>630,870</u> | <u>761,521</u> |
| Fair value as per market price quoted in Pakistan Stock Exchange | <u>929,639</u> | <u>558,306</u> |
| Market value (rupees per share) | <u>14.22</u> | <u>8.54</u> |
| Percentage of equity held | <u>13.50%</u> | <u>13.50%</u> |

7.1 The summarized financial information of the associates over which the Company exercises significant influence based on audited financial statements for the year ended 30 June 2025 are as follows:

| | | |
|--------------------------------------|------------|------------|
| Total assets | 47,240,516 | 48,772,185 |
| Total liabilities | 22,763,542 | 21,800,507 |
| Revenues | 21,413,394 | 22,319,082 |
| Loss after taxation | (967,788) | (509,712) |
| Un-appropriated profit up to June 30 | 2,620,443 | 3,197,283 |

| | Note | 2025 | 2024 |
|---|----------------------------------|---------------|---------------|
| | ----- (Rs. in '000) ----- | | |
| 8 STORES AND SPARES | | | |
| Stores | | 16,519 | 16,833 |
| Spares | | 58,094 | 68,490 |
| | | <u>74,613</u> | <u>85,323</u> |
| Provision for obsolescence / slow moving stocks | | (17,147) | (17,147) |
| | | <u>57,466</u> | <u>68,176</u> |

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | Note | 2025 ----- (Rs. in '000) ----- | 2024 |
|---|------|-----------------------------------|----------------|
| 9 STOCK-IN-TRADE | | | |
| Manufacturing stock | | | |
| Raw materials and components | | 550,031 | 442,536 |
| Work-in-process | | 331,743 | 109,191 |
| Finished goods | 9.1 | 261,212 | 508,196 |
| Less value written down to net realisable value | | (1,673) | (36,318) |
| Net realisable value | | 259,539 | 471,878 |
| Trading stock | | | |
| Trading stock | | 25,396 | 25,521 |
| | | 1,166,709 | 1,049,127 |
| Provision for obsolescence / slow moving stocks | | (159,848) | (159,848) |
| | | <u>1,006,861</u> | <u>889,279</u> |

9.1 These include vehicles amounting to Rs.161.260 million (2024: 291.248 million) held with the Company's authorised dealers.

10 TRADE DEBTS - Considered good

This represents amount receivable from the authorized dealers.

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | Note | 2025 | 2024 |
|---|------|---------------------------|------------------|
| | | ----- (Rs. in '000) ----- | |
| 11 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES | | | |
| Advances - Considered good | | | |
| Suppliers and contractors | | | |
| Considered good | 11.1 | 285,746 | 61,215 |
| Considered doubtful | | 181,467 | 181,467 |
| | | <u>467,213</u> | <u>242,682</u> |
| Provision for doubtful advances | | (181,467) | (181,467) |
| | | <u>285,746</u> | <u>61,214</u> |
| Employees | 11.4 | 3,118 | 3,168 |
| Sales tax | | 76,417 | 67,392 |
| | | <u>79,535</u> | <u>70,560</u> |
| Deposits | | | |
| Margin against letters of guarantees | 11.5 | 2,050 | 2,050 |
| Others | | 15,137 | 11,511 |
| | | <u>17,187</u> | <u>13,561</u> |
| Other receivables | | | |
| Mark-up on loan to associated undertaking | 11.2 | 892,449 | 892,449 |
| Others | | - | 1 |
| | | <u>892,449</u> | <u>892,450</u> |
| | | <u>1,274,917</u> | <u>1,037,785</u> |

11.1 It includes advance to related party against purchase amounting Rs.2.53 million (2024: Rs.11.59 million).

11.2 The maximum aggregate amount receivable from related party at the end of any month during the year was Rs.892.449 million (2024: Rs.892.449 million).

11.3 The aging analysis of receivable from related party as follows:

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | 2025 | 2024 |
|--------------------|---------------------------|----------------|
| | ----- (Rs. in '000) ----- | |
| Not yet due | - | - |
| Past due | | |
| up to 3 months | - | - |
| 3 to 6 months | - | 13,841 |
| 6 to 12 months | - | 16,916 |
| More than one year | 892,449 | 861,692 |
| | <u>892,449</u> | <u>892,449</u> |

11.4 These represent house building and personal loans granted to executives and other employees. These are granted in accordance with the terms of their employment and are secured against their balances with the Provident Fund.

11.5 This represents cash held with various banks against letters of credit for import of items of stock-in-trade. An amount of Rs 2.050 million (2024: Rs 2.050 million) which are in litigation therefore the same has not been settled as on the reporting date.

12 TAXATION

12.1 Income tax assessments of the company have been finalized upto and including the tax year 2024 relating to income year ended 30 June 2024 and certain appeals for the tax years 2008 and 2009 are pending before the income tax appellate authorities. However, the Commissioner of Income Tax may at any time during a period of five years from the date of filing of return may select the deemed assessment for audit. Since the company has available tax losses, therefore provision has been made in the accounts for minimum tax as per provisions of the Income Tax Ordinance, 2001.

12.2 Numerical reconciliation between the average tax rate and the applicable tax rate has not been given as the Company is subject to the provisions of minimum tax under Section 113 of the Income Tax Ordinance, 2001 ('Ordinance').

| | 2025 | 2024 |
|-----------------------------------|---------------------------|----------------|
| | ----- (Rs. in '000) ----- | |
| 13 CASH AND BANK BALANCES | | |
| Cash in hand | 800 | 82 |
| Cash at banks in current accounts | 213,264 | 144,780 |
| | <u>214,064</u> | <u>144,862</u> |

Notes to the Financial Statements

For The Year Ended June 30, 2025

13.1 A current account of the Company has been frozen by the bank, prompting the Company to initiate litigation in the Banking Court for the recovery of the balance. Further, another bank has adjusted the bank balance against the Company's outstanding loan obligations.

14. ISSUED, SUBSCRIBED AND PAID-UP-CAPITAL

| 2025 (No of Shares in '000) | 2024 | | 2025 ------(Rs. in '000)----- | 2024 |
|--------------------------------|----------------|--|----------------------------------|------------------|
| 135,065 | 135,065 | Ordinary shares of Rs.10/- each fully paid in cash | 1,350,651 | 1,350,651 |
| 3,670 | 3,670 | Ordinary shares of Rs.10/- each, issued as fully paid bonus shares | 36,702 | 36,702 |
| <u>138,735</u> | <u>138,735</u> | | <u>1,387,353</u> | <u>1,387,353</u> |

14.1 13,650,000 (2024: 13,650,000) shares are held by related party (Dewan Sugar Mills Limited).

14.2 Voting rights, board selection, right of first refusal, block voting and other shareholders' rights are in proportion to the shareholding.

| | Note | 2025 ------(Rs. in '000)----- | 2024 |
|--|------|----------------------------------|--------------------|
| 15 LONG TERM LOANS - secured | | | |
| From banking companies and other financial institutions | | | |
| Term Finance - I | 15.1 | 71,429 | 71,429 |
| Term Finance - II | 15.2 | 90,000 | 90,000 |
| Term Finance - III | 15.3 | 62,500 | 62,500 |
| Term Finance - IV | 15.4 | 110,000 | 110,000 |
| Term Finance - V | 15.5 | 63,000 | 63,000 |
| Term Finance - VI | 15.6 | 700,000 | 700,000 |
| | | <u>1,096,929</u> | <u>1,096,929</u> |
| Current portion shown under current liabilities | 15.7 | <u>(1,096,929)</u> | <u>(1,096,929)</u> |
| | | <u>-</u> | <u>-</u> |

Notes to the Financial Statements

For The Year Ended June 30, 2025

- 15.1** The loan carried mark up at the rate 2.5% per annum over six months KIBOR. The last markup on the finance worked out to 14.51% per annum. The loan was to be paid in seven equal monthly installments commencing from 29 June 2008 and ending on 31 December 2008. This loan is secured by way of parri passu charge over all present and future fixed assets including land, building, plant and machinery of the Company.
- 15.2** The loan carried mark up at the rate 3% per annum over six months KIBOR. The last markup on the finance worked out to 15.01% per annum. The loan was repayable in ten equal semi annual installments, with quarterly markup payments, commencing from 26 January 2006 and ending on 26 October 2010. The loan is secured by first pari passu hypothecation charge and equitable mortgage over fixed assets of the Company.
- 15.3** The loan carried mark up at the rate 2.5% per annum over six months KIBOR. The last markup on the finance worked out to 14.51% per annum. The loan was repayable in eight equal quarterly installments commencing from 13 January 2006 and ending on 13 October 2007. The loan was secured by first pari passu charge over plant and machinery and equitable mortgage over land and building of the Company.
- 15.4** The loan carried mark up at the rate 4% per annum over six months KIBOR. The last markup on the finance worked out to 16.01% per annum. The loan was repayable in twenty equal quarterly installments commencing from 30 March 2006 and ending on 30 December 2010. The loan is secured by first pari passu charge over all the present and future fixed assets of the Company.
- 15.5** The loan carried mark up at the rate 3% per annum over six months KIBOR. The last markup on the finance worked out to 15.01% per annum. The loan was repayable in ten equal half yearly installments, with quarterly markup payments, commencing from 14 August 2007 and ending on 14 February 2012. The loan is secured by first pari passu charge over fixed assets of the Company.
- 15.6** The loan carried mark up at the rate 3% per annum over six months KIBOR. The last markup on the finance worked out to 15.01% per annum. The loan was repayable through monthly installments within five years including one year grace period, markup shall continuously be paid on calendar quarter basis during grace period. The loan is secured by first pari passu charge over fixed assets of the Company.
- 15.7** These represent overdue installments amounting to Rs. 1,096.929 million. Banks/financial institutions has filed suit in the High Court of Sindh u/s 9 of Financial Institutions (Recovery of Finances) Ordinance, 2001 for recovery through sale of the Company's assets. The Company is defending these cases. The outcome is awaited and it is expected that it will be in favour of the Company as fully disclosed in note no. 22.3 to the financial statements.

Notes to the Financial Statements

For The Year Ended June 30, 2025

16 LONG TERM SECURITY DEPOSITS

These represent interest free deposits received from authorised dealers in accordance with the terms of the dealership agreements. These deposits have been utilised for the purpose of the Company's business, based on agreement with dealers, under section 217 of Companies Act, 2017.

| | Note | 2025 | 2024 |
|--|------|---------------------------|--------------|
| | | ----- (Rs. in '000) ----- | |
| 17 DEFERRED LIABILITIES | | | |
| Deferred taxation | 17.1 | - | - |
| Staff gratuity | 17.2 | 4,231 | 4,231 |
| | | <u>4,231</u> | <u>4,231</u> |
| 17.1 Deferred taxation | | | |
| Credit balance arising due to: | | | |
| Accelerated tax depreciation allowances | | 181,036 | 184,323 |
| Share of profit in associated company | | (50,246) | (12,357) |
| | | 130,791 | 171,966 |
| Debit balance arising due to: | | | |
| Gratuity | | (1,227) | (1,227) |
| Provision for obsolete/slow moving Stores and Spares | | (4,973) | (4,973) |
| Provision for obsolete/slow moving Stock-in-trade | | (46,356) | (46,356) |
| Provision for doubtful advance | | (52,625) | (52,625) |
| Carry forward tax losses and others | | (494,577) | (387,271) |
| | | (599,758) | (492,452) |
| Deferred tax assets | | (468,967) | (320,487) |
| Deferred tax asset not recognized | | 468,967 | 320,487 |
| | | <u>-</u> | <u>-</u> |
| 17.2 Staff gratuity | | | |
| Balance at the beginning of the year | | 4,231 | 4,231 |
| Less: Payments made during the year | | - | - |
| | | <u>4,231</u> | <u>4,231</u> |

17.3 The gratuity is payable when the final settlement is made by the Company and claimed by the employee.

Notes to the Financial Statements

For The Year Ended June 30, 2025

2025 **2024**
-----**(Rs. in '000)**-----

18 SHORT TERM LOAN FROM RELATED PARTIES

Sponsor loan

| | | |
|--------------------------------------|----------------|----------------|
| Balance at the beginning of the year | 605,112 | 469,022 |
| Add: Received during the year | 260,000 | 136,090 |
| | <u>865,112</u> | <u>605,112</u> |

Related party

| | | |
|--------------------|------------------|------------------|
| Associated company | 1,251,073 | 1,091,073 |
| | <u>2,116,185</u> | <u>1,696,185</u> |

18.1 These represent unsecured interest free loans obtained from Sponsor and associated company for the purpose of working capital requirements and are payable on demand. Subsequent to the year end, consequent to approval of members and Securities and Exchange Commission of Pakistan, loan amounting to Rs. 1.612 billion have been converted into equity by issuance of ordinary shares.

19 TRADE AND OTHER PAYABLES

| | | |
|-------------------------------|------------------|----------------|
| Trade creditors | 801,708 | 108,415 |
| Advances from customers | 20,667 | 181,113 |
| Accrued expenses | 384,147 | 383,277 |
| Withholding sales tax payable | 5,447 | 1,261 |
| | <u>1,211,969</u> | <u>674,066</u> |

20 UNCLAIMED DIVIDEND

Section 242 of the Companies Act, 2017 mandates that all cash dividends declared by a listed company must be paid only through electronic mode, transferring funds directly into the bank account designated by the entitled shareholder. In this respect, Securities and Exchange Commission of Pakistan issued a circular in 2017 dated 01 August 2017 wherein all the listed companies in Pakistan were directed to pay cash dividends exclusively through electronic mode directly into the concerned shareholders' bank accounts, effective 01 November 2017.

This unpaid dividend pertains to those shareholders who did not provide their valid bank account details.

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | Note | 2025 | 2024 |
|--|-------------|---------------------------|-----------|
| | | ----- (Rs. in '000) ----- | |
| 21 SHORT TERM FINANCES AND BOOK OVERDRAFT - SECURED | | | |
| From banks & financial institutions | | | |
| - Short term loan (Under mark-up / profit arrangements) | 21.1 & 21.2 | 1,978,024 | 1,978,024 |
| - Overdue letter of credits | 21.2 | 2,117,889 | 2,117,889 |
| - Book Over draft | 21.3 | - | 77,645 |
| | | 4,095,913 | 4,173,558 |

21.1 These represent outstanding balances of short term finances under markup / profit arrangements availed from various banks against limit of Rs. 2.255 billion except letter of credits. The rate of markup / profit ranged from 8.74% to 20.00% (2024: 8.74% to 20.00%) per annum.

21.2 The facilities are secured by way of pari passu charge against hypothecation of the company's stock in trade and book debts and were for a period of one year, which were not renewed by banks.

21.3 This represented unrepresented cheques which were cleared during the year.

22 CONTINGENCIES AND COMMITMENTS

Contingencies

22.1 Sales tax Appeal against order in original no. 31/2004 dated 28-2-2004 in respect of demand of Rs 3.2 million filed before commissioner Inland Revenue (Appeal I) Karachi has been decided in favour of the company as per order passed vide STA/35/LTU/2013 dated 17-6-2013 by CIR (Appeals-I) Karachi. The Commissioner Inland Revenue, Zone I, LTU, Karachi has filed appeal before the Appellate Tribunal Inland Revenue, Karachi against the order No. STA-35/LTU/2013 dated 17-6-2013 and is pending for adjudication.

22.2 Letter of guarantees issued by the banks amounting to Rs. 250.336 (2024: Rs. 250.336) million.

22.3 In respect of liabilities towards banks / financial institutions disclosed in note 15 and 21 to the financial statements, the banks / financial institutions have filed suits in Honourable High Court of Sindh at Karachi for recovery of their liabilities through attachment and sale of Company's hypothecated / mortgaged properties. The aggregate amount of suits is Rs. 6.884 billion.

Notes to the Financial Statements

For The Year Ended June 30, 2025

The management has disputed the claim and is strongly contesting the cases. The management has filed counter claims alleging that the banks claims are highly exaggerated as they have charged markup on markup and other levies higher than the rate of markup agreed and other charges in violation of the rules of State Bank of Pakistan and all other applicable laws of Pakistan. The management is hopeful that the decision will be in favour of the Company and the base less suits shall be rejected by the concerned courts. Since all the cases are pending before Honourable Courts therefore the ultimate outcome cannot be established at this stage.

Commitments

22.4 There were no capital or other commitments outstanding as at the reporting date.

| | Note | 2025 ------(Rs. in '000)----- | 2024 |
|---|------|----------------------------------|-----------|
| 23 SALES - Net | | | |
| Manufacturing activity | | | |
| Sales | | 1,715,838 | 11,897 |
| Sales tax | | (261,738) | (1,815) |
| Commissions and discounts | | (48,942) | (200) |
| | | (310,680) | (2,015) |
| | | 1,405,158 | 9,882 |
| Trading activity | | | |
| Sales | | 184 | 83 |
| Sales tax | | (28) | (12) |
| | | 156 | 71 |
| Sales - Net | | 1,405,314 | 9,953 |
| 24 COST OF SALES | | | |
| Finished goods at the beginning of the year | | 497,399 | 27,781 |
| Cost of goods manufactured | 24.1 | 1,493,722 | 762,451 |
| | | 1,991,121 | 790,232 |
| Finished goods at the end of the year | | (284,935) | (497,399) |
| | | 1,706,186 | 292,833 |

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | Note | 2025 | 2024 |
|--|------|--------------------------|-----------|
| | | ------(Rs. in '000)----- | |
| 24.1 Cost of goods manufactured | | | |
| Raw material and vendor parts consumed | | 1,355,909 | 571,166 |
| Stores and spares consumed | | 65,647 | 17,480 |
| Salaries, wages and other benefits | 24.3 | 93,845 | 94,716 |
| Insurance expenses | | 1,949 | - |
| Depreciation | 5.2 | 76,545 | 56,629 |
| Amortization of intangible assets | | 1,394 | 1,394 |
| Communication charges | | 3,488 | 398 |
| Utilities | | 75,994 | 96,187 |
| Traveling and entertainment | | 17,237 | 14,168 |
| Vehicle running | | 11,540 | 10,348 |
| Fee and subscription | | 1,213 | 24 |
| Security charges | | 3,252 | 18 |
| Repairs and maintenance | | 7,636 | 8,708 |
| Printing, stationery and office supplies | | 394 | 277 |
| Rent, rates and taxes | | 148 | - |
| Miscellaneous | | 82 | 130 |
| | | 1,716,273 | 871,643 |
| Opening stock of work-in-process | | 109,191 | - |
| Closing stock of work-in-process | | (331,743) | (109,191) |
| | | (222,552) | (109,191) |
| | | 1,493,722 | 762,451 |
| 24.2 Raw material and vendor parts consumed | | | |
| Stock at the beginning of the year | | 442,536 | 155,039 |
| Purchases | | 1,463,404 | 858,663 |
| | | 1,905,940 | 1,013,702 |
| Stock at the closing of the year | | (550,031) | (442,536) |
| | | 1,355,909 | 571,166 |

24.3 Salaries, wages and other benefits include Rs. 3.294 million (2024: Rs. 0.258 million) in respect of the Company's provident fund contribution.

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | Note | 2025 | 2024 |
|---|------|---------------------------|----------------|
| | | ----- (Rs. in '000) ----- | |
| 25 MARKETING AND DISTRIBUTION EXPENSES | | | |
| Salaries, allowances and other benefits | 25.1 | 27,750 | 22,530 |
| Insurance expense | | 259 | - |
| Travelling and entertainment | | 16,579 | 19,909 |
| Vehicle running expenses | | 9,492 | 2,628 |
| Communication charges | | 873 | 377 |
| Printing and stationery | | 527 | 148 |
| Advertisement and publicity | | 9,119 | 60,233 |
| Fee and subscription | | 197 | 275 |
| Miscellaneous | | 625 | 425 |
| Repairs and maintenance | | 1,711 | 168 |
| Rent, rates and taxes | | 51 | - |
| | | <u>67,183</u> | <u>106,693</u> |

25.1 Salaries, wages and other benefits include Rs. 1.871 million (2024: Rs. NIL) in respect of the Company's provident fund contribution.

26 ADMINISTRATION AND GENERAL EXPENSES

| | | | |
|--|------|---------------|---------------|
| Salaries, allowances and other benefits | 26.1 | 25,503 | 23,545 |
| Depreciation | 5.2 | 8,660 | 6,252 |
| Insurance | | 5,483 | 256 |
| Traveling & entertainment | | 5,734 | 109 |
| Vehicle running | | 3,656 | 1,995 |
| Communication | | 452 | 94 |
| Printing, stationery and office supplies | | 734 | 517 |
| Legal and professional | | 2,827 | 2,655 |
| Advertising and publicity | | 40 | 86 |
| Fee and subscription | | 7,380 | 1,398 |
| Repairs and maintenance | | 1,546 | 137 |
| Auditors' remuneration | 26.2 | 750 | 750 |
| Rent, rates and taxes | | 21 | - |
| Miscellaneous | | 162 | 299 |
| | | <u>62,948</u> | <u>38,093</u> |

26.1 Salaries, wages and other benefits include Rs. 0.775 million (2024: Rs. 0.321 million) in respect of the Company's provident fund contribution.

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | 2025 | 2024 |
|---|---------------------------|-----------------|
| | ----- (Rs. in '000) ----- | |
| 26.2 Auditors' remuneration | | |
| Audit fee | 510 | 510 |
| Interim review and other certifications | 190 | 190 |
| Out of pocket expenses | 50 | 50 |
| | <u>750</u> | <u>750</u> |
| 27 OTHER LOSS | | |
| Exchange gain - Net | 428 | 7,635 |
| Profit on short term loan to associated undertaking | - | 30,757 |
| Others | 1,071 | 563 |
| Share of loss of equity investment in associate | (130,651) | (68,811) |
| | <u>(129,152)</u> | <u>(29,856)</u> |
| 28 FINANCE COST | | |
| Bank charges | <u>553</u> | <u>200</u> |

Company has not made provision of mark-up on long term and short term borrowings from banks and financial institutions to the extent of Rs.682.132 (June 2024: Rs.1,120.877) million. Non provisioning is based on restructuring of company's debt, which will not include any markup / interest. However, had the Company provided this amount in the financial statements during the year, the loss of the Company would have been increased by Rs.682.132 (June 2024: Rs.1,120.877) million and consequently the shareholders equity would have lowered and accrued mark-up would have been increased to Rs.9.996 (June 2024: Rs.9.314) billion. The said non-provisioning is the contravention with the requirements of IAS 23 'Borrowing Costs'.

29 LEVIES

| | | |
|-------------|---------------|------------|
| Minimum Tax | <u>17,566</u> | <u>124</u> |
|-------------|---------------|------------|

29.1 On account of available tax losses, provision has been made for minimum tax as per the provisions of Income Tax Ordinance, 2001.

29.2 Relationship between tax expense and accounting loss

Provision for taxation is based on minimum tax liability at the rate of 1.25% of the turnover, therefore the relationship between accounting loss and tax expense for the year has not been given.

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | 2025 | 2024 |
|--|--------------------------|--------------------|
| | ------(Rs. in '000)----- | |
| 30 TAXATION - Net | | |
| Current tax | - | - |
| Prior years tax | 169 | - |
| | <u>169</u> | <u>-</u> |
| 31 LOSS PER SHARE - Basic and diluted | | |
| (Loss) after taxation for the year | <u>(578,443)</u> | <u>(457,847)</u> |
| | — (Numbers in '000) — | |
| Weighted average number of ordinary shares | <u>138,735</u> | <u>138,735</u> |
| | ———— (Rupees) ————— | |
| (Loss) per share - Basic and diluted | <u>(4.17)</u> | <u>(3.30)</u> |
| 32 CASH AND CASH EQUIVALENTS | | |
| Cash and bank balances | 214,064 | 144,862 |
| Short term finances and Book overdraft | (1,978,024) | (2,055,669) |
| | <u>(1,763,960)</u> | <u>(1,910,807)</u> |

33 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the accounts for the remuneration to the Chief Executive, Executive Directors and Executives are as follows:

| | 2025 | | | | 2024 | | | |
|--|--------------------------|--------------------|---------------|---------------|-----------------|--------------------|---------------|---------------|
| | Chief Executive | Executive Director | Executive | Total | Chief Executive | Executive Director | Executive | Total |
| | ----- Rs. in '000' ----- | | | | | | | |
| Managerial remuneration | 3,869 | 5,417 | 45,862 | 55,148 | 3,094 | - | 21,592 | 24,686 |
| House rent, utilities and other benefits | 2,131 | 2,969 | 25,307 | 30,407 | 1,706 | - | 11,918 | 13,624 |
| Retirement benefits | 322 | 451 | 2,774 | 3,547 | 258 | - | 161 | 419 |
| | <u>6,322</u> | <u>8,837</u> | <u>73,943</u> | <u>89,103</u> | <u>5,058</u> | <u>-</u> | <u>33,671</u> | <u>38,729</u> |
| No. of persons | <u>1</u> | <u>1</u> | <u>24</u> | <u>26</u> | <u>1</u> | <u>0</u> | <u>12</u> | <u>13</u> |

33.1 The Chief Executive and certain Executives of the Company are provided free use of Company maintained cars.

Notes to the Financial Statements

For The Year Ended June 30, 2025

34 TRANSACTIONS WITH ASSOCIATED UNDERTAKING / RELATED PARTIES

The related parties and associate undertaking comprise associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertaking, other than remuneration and benefits to key management personnel disclosed in the respective notes, are as follows:

| | 2025 | 2024 |
|--|----------------------------------|-------------|
| | -----(Rs. in '000)----- | |
| Purchases | 46,830 | 85,295 |
| Short term loan from sponsor / associate - Interest free | 420,000 | 1,227,163 |
| Profit on short term loan to associated undertaking | - | 30,757 |
| Advance against purchase | 2,531 | 11,591 |
| Provident fund | 5,942 | 579 |
| Share of (loss) on equity investment | (130,651) | (68,811) |
| Advance received for toll manufacturing | 12,400 | 15,000 |
| Toll manufacturing income | 12,600 | - |

34.1 The outstanding balance with related parties as at the year-end have been disclosed in the respective notes to the financial statements.

34.2 Details to compensation to the key management personnel have been disclosed in the note 33 to the financial statements.

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

| Name of the Company | Basis of relationship | % of shareholding |
|--------------------------------------|------------------------------|--------------------------|
| Dewan Automative Engineering Limited | Common Directorship | Nil |
| Dewan Cement Limited | Common Directorship | 13.50% |
| Dewan Mushtaq Trade Limited | Common Directorship | Nil |
| Dewan Motors (Private) Limited | Common Directorship | NIL |
| Eco-Green Motors Limited | Common Directorship | NIL |

35 PLANT CAPACITY AND PRODUCTION

Capacity of the plant on single shift basis is 10,000 (2024:10,000) units. Company resumed its operations from the month of June 2024. Production during the year is 391 (2024: 119) units.

Notes to the Financial Statements

For The Year Ended June 30, 2025

36 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is responsible for developing and monitoring the Company's risk management policies.

The Company's objective in managing risk is the creation and protection of shareholders value. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

36.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

The carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

Notes to the Financial Statements

For The Year Ended June 30, 2025

| | 2025 | | 2024 | |
|--|------------------------------|------------------|------------------------------|------------------|
| | Financial assets | Maximum exposure | Financial assets | Maximum exposure |
| | ----- (Rupees in '000) ----- | | ----- (Rupees in '000) ----- | |
| Trade debts | 672 | 672 | 672 | 672 |
| Advances to employees | 3,118 | 3,118 | 3,168 | 3,168 |
| Other receivable | 892,449 | 892,449 | 892,449 | 892,449 |
| Cash and bank balances (excluding cash in hand) | 213,264 | 213,264 | 144,780 | 144,780 |
| | 1,109,503 | 1,109,503 | 1,041,069 | 1,041,069 |

The Company manages credit risk of receivables through the monitoring of credit exposures and continuous assessment of credit worthiness of its customers.

The management believes that no provision is required during the year. Further credit risk in respect of trade debts is mitigated by the security deposits amounting to Rs. 0.672 million (2024: Rs. 0.672 million). The credit quality of the Company's receivable can be assessed with their past performance.

Cash and cash equivalents

The cash and cash equivalents are held with banks, which are rated as follows:

| Name of bank | Rating agency | Rating | |
|-----------------------------|---------------|------------|-----------|
| | | Short term | Long term |
| United Bank Limited | JCR-VIS | A-1+ | AAA |
| Allied Bank Limited | PACRA | A1+ | AAA |
| BankIslami Pakistan Limited | PACRA | A1 | AA- |
| Bank Alfalah Limited | PACRA | A1+ | AAA |
| National Bank of Pakistan | JCR-VIS | A-1+ | AAA |
| Meezan Bank Limited | JCR-VIS | A-1+ | AAA |
| Dubai Islamic Bank Limited | JCR-VIS | A-1+ | AA |
| Askari Bank Limited | JCR-VIS | A1+ | AA+ |
| Habib Bank Limited | JCR-VIS | A1+ | AAA |
| MCB Bank Limited | JCR-VIS | A1+ | AAA |
| Faysal Bank Limited | JCR-VIS | A1+ | AA+ |
| JS Bank Limited | PACRA | A1+ | AA |
| The Bank of Khyber | JCR-VIS | A1 | AA- |

Notes to the Financial Statements

For The Year Ended June 30, 2025

36.2 Liquidity risk

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements. At present the Company is facing liquidity problems and have been unable to make timely repayment of its liabilities resulting in overdues, further, the short term finance facilities have expired and not been renewed by the lenders.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments.

| | Carrying amounts | Contractual cash flows | Six months or less | Six to twelve months | One to two years | Two to five years | More than five years |
|---|------------------|------------------------|--------------------|----------------------|------------------|-------------------|----------------------|
| ----- (Rupees in '000) ----- | | | | | | | |
| 2025 | | | | | | | |
| Non-derivative financial liabilities | | | | | | | |
| Long term loans | 1,096,929 | 1,096,929 | 1,096,929 | - | - | - | - |
| Long term security deposits | 18,700 | 18,700 | - | - | 18,700 | - | - |
| Short term loan from related parties | 2,116,185 | 2,116,185 | 2,116,185 | - | - | - | - |
| Short term finances and book over draft | 4,095,913 | 4,095,913 | 4,095,913 | - | - | - | - |
| Trade and other payables | 1,185,855 | 1,185,855 | 1,185,855 | - | - | - | - |
| Unclaimed Dividend | 1,802 | 1,802 | 1,802 | - | - | - | - |
| | <u>8,515,384</u> | <u>8,515,384</u> | <u>8,496,684</u> | <u>-</u> | <u>18,700</u> | <u>-</u> | <u>-</u> |
| ----- (Rupees in '000) ----- | | | | | | | |
| 2024 | | | | | | | |
| Non-derivative financial liabilities | | | | | | | |
| Long term loans | 1,096,929 | 1,096,929 | 1,696,185 | - | - | - | - |
| Long term security deposits | 16,800 | 16,800 | - | - | 16,800 | - | - |
| Short term loan from related parties | 1,696,185 | 1,696,185 | 1,696,185 | - | - | - | - |
| Short term finances and book over draft | 4,173,558 | 4,173,558 | 4,173,558 | - | - | - | - |
| Trade and other payables | 491,692 | 491,692 | 491,692 | - | - | - | - |
| Unclaimed Dividend | 1,802 | 1,802 | 1,802 | - | - | - | - |
| | <u>7,476,966</u> | <u>7,476,966</u> | <u>8,059,422</u> | <u>-</u> | <u>16,800</u> | <u>-</u> | <u>-</u> |

Notes to the Financial Statements

For The Year Ended June 30, 2025

36.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

36.3.1 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 Company is exposed to foreign currency risk on purchases that are denominated in a currency other than Pak Rupees (PKR). The financial instruments of the Company are not exposed to currency risk as there were no material financial instruments in foreign currency.

36.3.2 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.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

| Variable rate instruments | 2025 | 2024 |
|---|----------------------------------|-------------|
| | ----- (Rs. in '000) ----- | |
| Financial liabilities | | |
| Long term loans | 1,096,929 | 1,096,929 |
| Short term finances and book over draft | 4,095,913 | 4,095,913 |
| | 5,192,842 | 5,192,842 |

Fair value sensitivity analysis for fixed rate instruments:

The impact of change in fair value due to a change in interest rate is not considered to be material to these financial statements.

Cash flows sensitivity analysis for variable rate instruments:

Since the Company has not made provision of mark-up on its borrowings on account of restructuring proposal offered to lenders, therefore sensitivity analysis cannot be given.

Notes to the Financial Statements

For The Year Ended June 30, 2025

36.3.3 Equity price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

The Company has made investments in one listed equity security and is exposed to limited market price risk.

36.4 Capital risk management

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholder value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt is calculated as total loans and borrowings including any finance cost thereon, trade and other payables, less cash and bank balances and investments. Capital signifies equity as shown in the balance sheet plus net debt.

36.5 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's activities, either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of operation behaviour. Operational risks arise from all the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation while achieving its objectives of becoming a profitable organisation, producing high quality cement and generating returns for investors. Primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors.

36.6 Fair value of financial assets and liabilities

Fair value is the amount 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. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Notes to the Financial Statements

For The Year Ended June 30, 2025

Fair value hierarchy

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: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

| | 2025 | 2024 |
|--|-----------------------|-------------|
| | ----- (Numbers) ----- | |
| 37 NUMBER OF EMPLOYEES | | |
| Total number of employees (including contractual labour) as at June 30 | 328 | 299 |
| Average number of employees (including contractual labour) | 275 | 100 |

38 OPERATING SEGMENT

These financial statements have been prepared on the basis of single reportable segment.

All non current assets of the Company as at 30 June 2025 are located in Pakistan.

39 CORRESPONDING FIGURES

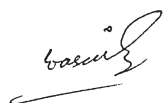
The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation. However, there were no significant restatements or reclassifications.

40 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on March 24, 2026 by the Board of Directors of the Company.



Muhammad Farooq Khan
Chief Financial Officer



Waseem-ul-Haque Ansari
Chief Executive



Mehmood-ul-Hassan Asghar
Director

PATTERN OF SHAREHOLDING

1. Incorporation Number **0039756**
2. Name of the Company **DEWAN FAROOQUE MOTORS LIMITED**
3. Pattern of holding of the shares held by the Shareholders as at **30.06.2025**

| 4. | Number of Shareholders | Shareholding Slab | | Total Shares held | Percentage |
|----|------------------------|-------------------|------------|--------------------|----------------|
| | | From | To | | |
| | 1375 | 1 | 100 | 51,108 | 0.04% |
| | 1474 | 101 | 500 | 527,373 | 0.38% |
| | 1648 | 501 | 1,000 | 1,331,242 | 0.96% |
| | 2306 | 1,001 | 5,000 | 6,308,980 | 4.55% |
| | 660 | 5,001 | 10,000 | 5,164,065 | 3.72% |
| | 376 | 10,001 | 20,000 | 5,531,835 | 3.99% |
| | 139 | 20,001 | 30,000 | 3,479,740 | 2.51% |
| | 52 | 30,001 | 40,000 | 1,849,614 | 1.33% |
| | 47 | 40,001 | 50,000 | 2,204,331 | 1.59% |
| | 25 | 50,001 | 60,000 | 1,398,869 | 1.01% |
| | 21 | 60,001 | 70,000 | 1,382,787 | 1.00% |
| | 14 | 70,001 | 80,000 | 1,072,900 | 0.77% |
| | 11 | 80,001 | 90,000 | 941,729 | 0.68% |
| | 12 | 90,001 | 100,000 | 1,182,347 | 0.85% |
| | 18 | 100,001 | 120,000 | 2,004,910 | 1.45% |
| | 17 | 120,001 | 140,000 | 2,191,394 | 1.58% |
| | 8 | 140,001 | 160,000 | 1,223,500 | 0.88% |
| | 2 | 160,001 | 180,000 | 344,757 | 0.25% |
| | 5 | 180,001 | 200,000 | 952,357 | 0.69% |
| | 7 | 200,001 | 250,000 | 1,634,515 | 1.18% |
| | 4 | 250,001 | 300,000 | 1,170,156 | 0.84% |
| | 2 | 300,001 | 400,000 | 739,683 | 0.53% |
| | 1 | 400,001 | 450,000 | 433,015 | 0.31% |
| | 7 | 450,001 | 500,000 | 3,392,500 | 2.45% |
| | 2 | 500,001 | 600,000 | 1,086,085 | 0.78% |
| | 1 | 600,001 | 800,000 | 715,000 | 0.52% |
| | 1 | 800,001 | 1,000,000 | 970,900 | 0.70% |
| | 1 | 1,000,001 | 1,200,000 | 1,105,000 | 0.80% |
| | 1 | 1,200,001 | 1,400,000 | 1,365,000 | 0.98% |
| | 1 | 1,400,001 | 2,300,000 | 2,257,500 | 1.63% |
| | 3 | 2,300,001 | 3,000,000 | 7,657,782 | 5.52% |
| | 1 | 3,000,001 | 14,000,000 | 13,650,000 | 9.84% |
| | 1 | 14,000,001 | 25,000,000 | 24,341,393 | 17.55% |
| | 1 | 25,000,001 | 40,000,000 | 39,072,875 | 28.16% |
| | 8244 | TOTAL | | 138,735,242 | 100.00% |

PATTERN OF SHAREHOLDING UNDER REGULATION 37(XX)(I) OF THE CODE OF CORPORATE GOVERNANCE AS AT JUNE 30, 2025

| 5. | Categories of Shareholders | Number of Shareholders | Number of Shares held | Percentage of Shareholding |
|----|--|------------------------|-----------------------|----------------------------|
| | Directors, CEO, their Spouses & Minor Children | | | |
| | Mr. Aziz-ul-Haq | 1 | 500 | 0.00% |
| | Mr. Waseem-ul-Haque Ansari | 1 | 500 | 0.00% |
| | Mr. Ghazanfar Baber Siddiqi | 1 | 500 | 0.00% |
| | Mrs. Nida Jamil | 1 | 500 | 0.00% |
| | Mr. Abdul Basit | 1 | 500 | 0.00% |
| | Mr. Mehmood-ul-Hassan Asghar | 1 | 500 | 0.00% |
| | Mr. Muhammad Hanif Greman (Nominee Director By DSML) | - | - | 0.00% |
| | Associated Companies | | | |
| | Dewan Sugar Mills Limited | 1 | 13,650,000 | 9.84% |
| | NIT and ICP | - | - | 0.00% |
| | Executives | - | - | 0.00% |
| | Banks, Development Financial Institutions, Non-Banking Finance Companies | 3 | 79,500 | 0.06% |
| | Insurance Companies | - | - | 0.00% |
| | Modarabas and Mutual Funds | 3 | 24,125 | 0.02% |
| | General Public | | | |
| | a. Local | 8,167 | 117,783,329 | 84.90% |
| | b. Foreign | 2 | 5,000 | 0.00% |
| | Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees) | 62 | 7,190,288 | 5.18% |
| | TOTAL | 8,244 | 138,735,242 | 100.00% |

SHAREHOLDERS HOLDING FIVE PERCENT OT MORE VOTING RIGHTS

| Categories of Shareholders | Number of Shareholders | Number of Shares held | Percentage of Shareholding |
|--------------------------------|------------------------|-----------------------|----------------------------|
| Dewan Muhammad Yousuf Farooqui | 2 | 63,414,268 | 45.71% |
| Dewan Sugar Mills Limited | 1 | 13,650,000 | 9.84% |

DETAILS OF TRADING IN THE SHARES OF THE COMPANY BY DIRECTORS, CEO, CFO, COMPANY SECRETARY, THEIR SPOUSES AND MINOR CHILDREN

During the year under review, none of the CEO, CFO, Directors, Company Secretary, their spouses and minor children have traded in the shares of the Company.

Form of Proxy

I/We _____
of _____ being
a member(s) of **DEWAN FAROOQUE MOTORS LIMITED** and holder of _____
Ordinary Shares as per Registered Folio No. / CDC Participant's ID and Account No. _____
_____ hereby appoint _____
of _____
or falling him _____
of _____
who is also member of **DEWAN FAROOQUE MOTORS LIMITED** vide Registered Folio No. / CDC
Participant's ID and Account No. _____ as my/our proxy to vote for me/us
and _____
on my/our behalf at the 27th Annual General Meeting of the Company to be held on Wednesday,
April 22, 2026 at 12:00 p.m. and my adjournment thereof.

Signed this _____ day of _____ 2026.

| |
|--------------------------------------|
| AFFIX REVENUE STAMP RS. 5/- |
|--------------------------------------|

Signature _____

Witness: _____
Signature

Witness: _____
Signature

Name: _____

Name: _____

Address: _____

Address: _____

IMPORTANT:

1. A proxy should also be a member of the company.
2. A member of the Company entitled to attend and vote all meeting, may appoint another member as his/her proxy to attend and vote instead of him/her.
3. Proxies, In order to be effective, must be received by the Company, duly completed, at our Shares Registrar Transfer Agent BMF Consultants Pakistan (Private) Limited, located at Anum Estate Building, Room # 301 & 311, 3rd Floor, 49, Darul Anum Society, Main Shahrah-e-Faisal, Adjacent to Baloch Colony Bridge, Karachi, Pakistan, not later than 48 hours before the meeting.

4. Further Instructions for CDC Account holders:

- i) In case of individual, the account holder or sub-account holder, and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall the proxy form as per the above requirements.
- ii) Two persons, whose names, addresses, and CNIC numbers shall be mentioned on the form, shall witness the proxy.
- iii) Attested copies of CNIC or passport of the beneficial owners and proxy shall be furnished alongwith the proxy form.
- iv) The proxy shall produce his/her original CNIC or original at the time of meeting.
- v) In case of corporate entity, the Board of Directors' resolution/power of attorney, alongwith the specimen signature of the nominee, shall be produced (unless it has been provided earlier) alongwith the proxy form to the Company.



پراکسی فارم

ستائیسواں (27) سالانہ جنرل میٹنگ

اہم اعلان

یہ پراکسی فارم مکمل پر کر کے ہمارے رجسٹرار شیئرز ٹرانسفر ایجنٹ کے آفس میں ضرور جمع کروائیں، بی ایم ایف کنسلٹنٹ (پرائیویٹ) لمیٹڈ، انعم اسٹیٹ بلڈنگ، روم نمبر 310 اور 311، تیسری منزل، 49، دارالمان سوسائٹی، شاہراہ فیصل، ملحقہ بلوچ کالونی پبل، کراچی-75350، پاکستان۔ میٹنگ کے انعقاد سے اڑتالیس گھنٹے پہلے یہ فارم ضرور جمع کروادیں، کسی بھی پراکسی کا کمپنی کا ممبر ہونا ضروری ہے۔

میں / ہم _____ کا (مکمل پتہ)

_____ بحیثیت ممبر

دیوان فاروق موٹرز لمیٹڈ _____ حصص کے مالک، رجسٹرڈ فوئیو نمبر /

سی ڈی سی آئی ڈی اور کھاتہ نمبر _____ کا

میں تقرر کرنا / کرتی ہوں _____ جو بذات خود بھی دیوان فاروق موٹرز

لمیٹڈ کا ممبر ہے، بحیثیت رجسٹرڈ فوئیو نمبر۔ سی ڈی سی آئی ڈی، اور کھاتہ نمبر۔ _____

میری/ہماری موجودگی کی صورت میں کمپنی کے ستائیسواں (27) سالانہ اجلاس عام بروز بدھ 22 اپریل، 2026 بوقت 02:00 بجے دن میں میری/ہماری جانب سے ووٹ دے۔

بطور گواہ میں / ہم نے بروز _____ بتاریخ _____ 2026 کو میرے / ہمارے ہاتھ سے مہر لگائی۔

Affix
Revenue
Stamp
Rs. 5/-

دستخط _____

گواہ: _____ گواہ: _____

نام: _____ نام: _____

مکمل پتہ: _____ مکمل پتہ: _____

نوٹ:

- (1) کوئی بھی شخص / خاتون اس وقت پراکسی کے طور پر کام کرے گا/گی جبکہ وہ خود کمپنی کا ایک رکن ہو، ماسوائے کارپوریشن کے جو کسی ایسے شخص کا تقرر کر سکتی ہے جو کمپنی کا رکن نہ ہو۔
- (2) کوئی بھی شخص جو کہ کمپنی کا ممبر ہو اجلاس میں شرکت اور ووٹ کاسٹ کرنے کا اہل ہو گا/ہو گی یا اپنی جگہ کسی اور فرد کو اجلاس میں شرکت اور ووٹ کاسٹ کرنے کے لئے مقرر کر سکے گا۔
- (3) یہ پراکسی فارم اجلاس سے 48 گھنٹے قبل یک کمپنی کے رجسٹرڈ آفس میں مکمل طور پر پُر اور دستخط کے ساتھ موصول ہو جانا چاہیے۔
- (4) **ہدایات برائے CDC اکاؤنٹ ہولڈرز:**
- (i) اگر کوئی تیار کن اکاؤنٹ ہولڈر / سب اکاؤنٹ ہولڈر اور / یا ایسا شخص جسکی کسی بھی سیکورٹی گروپ کا اکاؤنٹ ہولڈر ہو اور جس نے اپنی معلومات مکمل طور پر رجسٹرار کے پاس جمع کروائی ہوں وہ شخص اوپر دی گئی ہدایات کی روشنی میں پراکسی ہو سکتا / ہو سکتی ہے۔
- (ii) پراکسی فارم پر دو افراد جن کے نام اور CNIC نمبر جمع پتے کے موجود ہوں بطور گواہ ضروری ہیں۔
- (iii) حصص یافتگان اور پراکسی کے CNIC یا پاسپورٹ کی مصدقہ نقول فارم کے ساتھ منسلک ہوں۔
- (iv) اجلاس کے وقت پراکسی اپنا اصل CNIC یا پاسپورٹ پیش کرے گا۔
- (v) کارپوریٹ ادارے کی صورت میں کمپنی کو پراکسی فارم کے ساتھ پور ڈاٹ آف ڈائریکٹرز کا پروفولوشن / پاور آف اٹارنی بمعہ دستخطوں کے نمونے جمع کرنا ہوں گے۔ (اگر پہلے فراہم نہ کئے گئے ہوں)

آڈیٹرز:

موجودہ آڈیٹرز میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو چکے ہیں اور خود کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش کی ہے۔

نی حصص خسارہ:

نی حصص خسارہ مبلغ 4.17 روپے ہے (2024 میں 3.30 روپے)۔

ڈیویڈنڈ:

سال کے نقصان کے پیش نظر، بورڈ زیر جائزہ مدت کے لیے منافع کی سفارش کرنے کی پوزیشن میں نہیں ہے۔

شمر ہولڈنگ پیٹرن:

کمپنی کا شمر ہولڈنگ پیٹرن ۳۰ جون ۲۰۲۵ سالانہ رپورٹ کے ساتھ منسلک ہے۔

کمپنی کے حصص میں تجارت:

کسی بھی ڈائریکٹر، سی ایف او، کمپنی سیکریٹری، ان کے شریک حیات اور نابالغ بچوں نے سال کے دوران کمپنی کے حصص کی تجارت نہیں کی ہے، سوائے اس کے جو شیئر ہولڈنگ کے نمونے میں پہلے ہی ظاہر کیا جا چکا ہے۔

کلمہ تشکر:

بورڈ کی جانب سے، میں آپ قابل قدر شیئر ہولڈرز، وفاقی اور صوبائی حکومتوں اور ان کے عہدیداران، بینکوں، ترقیاتی مالیاتی اداروں، لیزنگ کمپنیوں، ڈیلرز، وینڈرز اور صارفین کا ان کے مسلسل تعاون اور سرپرستی کے لیے شکریہ ادا کرتا ہوں۔ بورڈ زیر جائزہ سال کے دوران کمپنی کے ایگزیکٹوز، اسٹاف ممبران اور کارکنوں کی جانب سے فراہم کردہ گراں قدر خدمات، وفاداری اور کوششوں کو بھی سراہنا چاہتا ہے۔

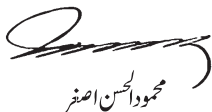
اختتامیہ:

آخر میں ہم اللہ سبحانہ و تعالیٰ سے دعا گو ہیں کہ وہ پیغمبر آخر زماں حضرت محمد ﷺ پر لاتعداد رحمتوں اور برکتوں کا نزول فرمائے اور حضرت محمد ﷺ کے صدقہ طفیل میں ہمیں درست رہنمائی کے ساتھ طاقت، خوشحالی و صحت عطا فرمائے۔ ہماری کمپنی کو ملک و قوم کی خوشحالی کا باعث بنائے۔ ہمیں امن و سکون، اخوت و بھائی چارگی کے ساتھ سچی ملت اسلامیہ بننے کی توفیق عطا فرمائے۔

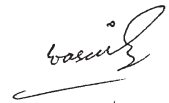
(آمین یا رب العالمین)

بے شک ہمارا رب دعاؤں کا سننے والا ہے۔ (القرآن)

بورڈ آف ڈائریکٹرز کے اختیار کے تحت۔



محمد الحسن اصغر
چیئر مین بورڈ آف ڈائریکٹرز



وسیم الحق انصاری
چیف ایگزیکٹو

- بورڈ آف ڈائریکٹرز متنوع علم رکھنے والے افراد پر مشتمل ہے جو اپنی بہترین صلاحیتوں کے ساتھ کمپنی کے مقصد میں حصہ ڈالنے کی کوشش کرتے ہیں۔ سال کے دوران بورڈ کے چار اجلاس منعقد ہوئے۔ ڈائریکٹرز کی حاضری درج ذیل تھی:

| ڈائریکٹر کا نام | شریک اجلاسوں کی تعداد |
|-----------------------|-----------------------|
| جناب محمود الحسن اصغر | 4 |
| جناب عزیز الحق | 4 |
| جناب وسیم الحق انصاری | 4 |
| جناب محمد حنیف جرمن | 4 |
| جناب غضنفر بابر صدیقی | 4 |
| محترمہ ندا جمیل | 4 |
| جناب عبد الباسط | 4 |

بورڈ کے اجلاسوں میں شرکت نہ کرنے والے ڈائریکٹرز کو غیر حاضری کی رخصت دی گئی۔

آڈٹ کمیٹی تین ڈائریکٹرز پر مشتمل ہے، جن میں سے ایک آزاد ڈائریکٹر اور دو غیر ایگزیکٹو ڈائریکٹرز ہیں۔ سال کے دوران ایک اجلاس منعقد ہوا، ان اجلاسوں میں ممبران کی حاضری درج ذیل ہے:

| ڈائریکٹر کا نام | شریک اجلاسوں کی تعداد |
|-----------------------|-----------------------|
| جناب عزیز الحق | 1 |
| جناب غضنفر بابر صدیقی | 1 |
| جناب عبد الباسط | 1 |

سال کے دوران ہیومن ریسورس اینڈ ریویژن کمیٹی کا ایک اجلاس منعقد ہوا، ممبران کی حاضری درج ذیل ہے:

| ڈائریکٹر کا نام | شریک اجلاسوں کی تعداد |
|-----------------------|-----------------------|
| جناب عزیز الحق | 1 |
| جناب وسیم الحق انصاری | 1 |
| جناب عبد الباسط | 1 |

مینیو فیکچرنگ کے عمل میں تمام متعلقہ قوانین اور ضوابط کی تعمیل کرتی ہے۔ ملازمین کی صحت اور حفاظت کے تحفظ کو یقینی بنانے کے لیے 'اسٹینڈرڈ آپریٹنگ پروسیجرز' (SOPs) وضع کیے گئے ہیں۔ کمپنی گرد و نواح میں رہنے والے لوگوں کو طبی سہولیات فراہم کرنے میں بھی شامل ہے۔

بعد ازاں رونما ہونے والے واقعات

جیسا کہ اوپر بیان کیا گیا ہے، سال کے اختتام کے بعد اسپانسرز کے قرضوں کو حصص (شیرس) میں تبدیل کر دیا گیا ہے۔ اس تبدیلی کے علاوہ، مالیاتی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالیاتی پوزیشن کو متاثر کرنے والی کوئی مادی تبدیلیاں یا وعدے (commitments) نہیں ہوئے ہیں۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کا بیان:

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ 30 جون 2025 کو ختم ہونے والے سال کے مالیاتی گوشوارے، اس کے معاملات کی حالت، آپریشنز کے نتائج، کیش فلوا اور ایکویٹی میں تبدیلیوں کو شفاف طریقے سے پیش کرتے ہیں؛
- کمپنی کے کھاتوں کی کتابیں مناسب انداز میں رکھی گئی ہیں؛
- 30 جون 2025 کو ختم ہونے والے سال کے مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا تسلسل سے اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں؛
- مالیاتی گوشواروں کی تیاری میں پاکستان میں نافذ العمل بین الاقوامی مالیاتی رپورٹنگ کے معیارات (IFRS) کی پیروی کی گئی ہے اور اگر کوئی انحراف ہوا ہے تو اسے مالیاتی گوشواروں میں مناسب طریقے سے ظاہر کیا گیا ہے؛
- اندرونی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اسے مؤثر طریقے سے نافذ اور مانٹر کیا گیا ہے؛
- انتظامیہ نے منسلک آڈٹ شدہ مالیاتی گوشواروں کے نوٹ نمبر 2 میں کمپنی کی جاری رہنے کی صلاحیت (going concern) اور نوٹ نمبر 28 میں مارک اپ کی عدم فراہمی (non-provisioning) کے حوالے سے اپنے خیالات کی تفصیل سے وضاحت کی ہے؛
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں ہوا ہے، جیسا کہ پاکستان کے اسٹاک ایکسچینج کے لسٹنگ ضوابط میں تفصیل سے بتایا گیا ہے؛
- گزشتہ چھ سالوں کے کلیدی آپریٹنگ اور مالیاتی ڈیٹا کا خلاصہ رپورٹ کے ساتھ منسلک ہے؛
- تمام ٹیکس ادا کر دیے گئے ہیں اور کچھ بھی واجب الادا نہیں ہے، سوائے اس کے جو منسلک آڈٹ شدہ مالیاتی گوشوارے کے نوٹ نمبر 19 میں ظاہر کیا گیا ہے؛
- 30 جون 2025 تک پروویڈنٹ فنڈ کی سرمایہ کاری کی منصفانہ قیمت 51.424 ملین روپے ہے (Fair value) 39.203:2024 ملین روپے)؛

صنعتی تنخواہ کے فرق کا بیانیہ:

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے بیانیے کے مطابق ہم نے اپنے معاوضے کے طریقوں کا جائزہ لیا تاکہ صنعتی بنیاد پر تنخواہوں کے تفاوت کی نشاندہی اور ان کا ازالہ کیا جاسکے۔

صنعتی اجرت کا فرق مرد اور خواتین ملازمین کی اوسط آمدنی کے درمیان فرق کی عکاسی کرتا ہے، جو کہ پیشہ ورانہ صلاحیتوں، مدت ملازمت، اعلیٰ عہدوں پر نمائندگی، اور لاشعوری تعصب جیسے عوامل سے متاثر ہوتا ہے۔

اوسط صنعتی اجرت کا فرق: 15%

وسطانی صنعتی اجرت کا فرق: 19%

کمپنی کی بنیادی سرگرمیاں

دیوان فاروق موٹرز لمیٹڈ پاکستان میں بطور پبلک لمیٹڈ کمپنی رجسٹرڈ ہے اور پاکستان اسٹاک ایکسچینج میں درج ہے۔ کمپنی کی بنیادی سرگرمی گاڑیوں کی اسمبلنگ / کنٹریکٹ اسمبلنگ، بتدریج مینوفیکچرنگ اور فروخت ہے۔

بنیادی خطرات اور غیر یقینی صورتحال

کمپنی مندرجہ ذیل کلیدی امور کو اپنے لیے نقصان دہ تصور کرتی ہے:

- نئے آنے والے اداروں بشمول چینی تعاون یافتہ اسمبلرز کی جانب سے مسلسل مقابلہ، جو SUV اور LCV کے حصوں (segments) پر قبضہ کر رہے ہیں جہاں تاریخی طور پر DFML کا مضبوط مقام تھا۔
- الیکٹرک گاڑیوں کو اپنانے کے لیے حکومتی دباؤ کی وجہ سے EV (الیکٹرک وہیکل) کے مقابلے میں شدت۔
- امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی؛
- بینکنگ لائسنسوں (کریڈٹ سہولیات) کی عدم دستیابی۔
- کمپنی مذکورہ بالا خطرات اور غیر یقینی صورتحال سے نمٹنے اور ان کے اثرات کو کم کرنے کے لیے اندرونی و بیرونی طور پر کوششیں کر رہی ہے۔

کارپوریٹ سماجی ذمہ داری (CSR)

کمپنی اپنے اسٹیک ہولڈرز اور ماحول کا خیال رکھتے ہوئے ذمہ دارانہ طریقے سے اپنا کاروبار چلاتی ہے۔ کمپنی کی بنیادی توجہ نئے بھرتی کیے گئے افرادی قوت کو ملازمت کے دوران تربیت فراہم کرنے پر ہے تاکہ وہ مناسب مہارتیں پیدا کر سکیں۔ افرادی قوت کو ملازمت دینے وقت، کمپنی پلانٹ کے قریب رہنے والے پسماندہ افراد کی حوصلہ افزائی کرتی ہے، جس سے ان کے معیار زندگی میں اضافہ ہوتا ہے۔ اس کے علاوہ، ملازمین کی صحت اور حفاظت پر خصوصی توجہ دی جا رہی ہے۔ کمپنی ماحولیاتی تحفظ کو یقینی بنانے کے لیے

مارک اپ کی عدم فراہمی:

انتظامیہ نے اپنے قرضوں کی دوبارہ تشکیل (restructuring) کے لیے قرض دہندگان سے رابطہ کیا ہے اور اسے یقین ہے کہ مالیاتی اداروں / بینکوں کی جانب سے کمپنی کی مارک اپ کے بغیر ری اسٹرکچرنگ کی تجاویز قبول کر لی جائیں گی۔ لہذا، کمپنی نے مارک اپ کے لیے کوئی پروویژن (رقم مختص) نہیں رکھی ہے کیونکہ مجوزہ ری اسٹرکچرنگ کی شرائط کے مطابق یہ واجب الادا نہیں ہوگا، اور یہ کمپنی کی مالیاتی پوزیشن کی موجودہ تجارتی حقیقت کی عکاسی کرتا ہے۔

جاری کاروباری مفروضہ:

بورڈ کمپنی کے آپریشنز کو ترقی کے ساتھ جاری رکھنے کو یقینی بنانے کے لیے مکمل طور پر پرعزم ہے۔ کیا شہزور (KIA Shehzore) کے تین ویرینٹس کی تیاری اور الیکٹریک گاڑیوں 'Honri-VE 2.0' اور '3.0' کی اسمبلنگ نے کمپنی کو ریونیو پیدا کرنے اور کاروبار کے نئے مواقع حاصل کرنے کے قابل بنایا ہے۔ اگرچہ آڈیٹرز نے ماضی کے نقصانات اور نقد بہاؤ کے دباؤ کو اجاگر کیا ہے جو کہ بنیادی طور پر اس وقت سے منسوب ہے جب کمپنی کے آپریشن بند تھے۔ کمپنی ان مسائل کو حل کرنے کے لیے مستعدی کے ساتھ اقدامات کر رہی ہے، جن میں ایک اہم سنگ میل مالی سال کے اختتام کے بعد سپانسرز کے 1.612 بلین روپے کے قرض کو ایکویٹی میں تبدیل کرنا ہے، جو کہ سپانسرز کی مضبوط حمایت اور کمپنی کی بہتر مالی پوزیشن کی عکاسی کرتا ہے۔ ہم پختہ یقین رکھتے ہیں کہ یہ تمام حالات عارضی ہیں اور مستقبل میں جلد بہتر ہو جائیں گے۔

گاڑیوں کے نئے ماڈلز کے تعارف کے ساتھ موجودہ قرض کی تنظیم نو کو حتمی شکل ملنے پر بورڈ کو یقین ہے کہ کمپنی ورکنگ کیپٹل لائنز حاصل کرنے اور مستحکم، منافع بخش اور پائیدار ترقی کی طرف بڑھنے کی پوزیشن میں آجائے گی۔

بورڈ آف ڈائریکٹرز:

بورڈ ایک آزاد ڈائریکٹر، ایک ایگزیکٹو ڈائریکٹر اور پانچ نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔ ڈائریکٹرز کے نام درج ذیل ہیں:

- جناب عبدالباسط
- جناب وسیم الحق انصاری
- جناب محمود الحسن اصغر
- جناب محمد حنیف جرمن
- جناب غضنفر بابر صدیقی
- جناب عزیز الحق
- مسز ندا جمیل

سال کے دوران بورڈ میں کوئی غیر متوقع نشست خالی نہیں ہوئی۔

پچھلے سال دوبارہ کام شروع کرنے کے بعد کمپنی نے 391 گاڑیاں ڈیلیور کیں۔ مارکیٹ کی طلب میں بہتری کی وجہ سے فروخت میں 1.4 بلین کا اضافہ ہوا۔ کمپنی پیداواری سرمایے کی کمی کے باعث محدود پیمانے پر کامیابی حاصل کر پائی جبکہ آپریشن کے ابتدائی دور میں غیر جذب شدہ اخراجات کے باعث اصل نقصان اٹھانا پڑا۔ میجمنٹ مستقبل میں منافع کو بہتر بنانے کے لیے سپلائی چین اور ورکنگ کیپٹل کی دستیابی کو بہتر بنا رہی ہے۔

تاریخی مالیاتی رکاوٹوں اور ورکنگ کیپٹل لائنوں کی عدم موجودگی کے باوجود کمپنی نے اپنی گاڑیوں کی پیداوار کو بہتر بنانے کے لیے اپنے سپائزرز سے تعاون حاصل کرنا جاری رکھا۔ اپنے کیش فلو کو بہتر رکھنے کے لیے اور فنڈ کو برقرار رکھنے کے لیے 1.612 بلین روپے کے قرض کو ایکویٹی میں تبدیل کر دیا۔ یہ تبدیلی مالیاتی سال ختم ہونے کے بعد کی گئی۔ سپائزرز کمپنی کے ساتھ کام جاری رکھنے کا عزم، کمپنی کی مستقبل کی کارکردگی پر ان کے مضبوط اعتماد کی عکاسی کرتی ہے۔ کمپنی کے انفارمیشن ٹیکنالوجی سسٹم میں مالیاتی حملے (malware attack) کے باعث پیدا ہونے والے عارضی تعطل کی وجہ سے مالیاتی نتائج کی تشہیر میں ہونے والی تاخیر پر بورڈ خلوص دل سے معذرت خواہ ہے۔ ڈیٹا کی بحالی اور تصدیق کے سخت عمل کے بعد، کمپنی نے مستقبل میں اس قسم کے واقعات کی روک تھام کے لیے بہتر تکنیکی حفاظتی اقدامات اور آئی ٹی سیورٹی پروٹوکولز نافذ کر دیے ہیں

مستقبل کا تناظر

کمپنی کا مستقبل کا تناظر کیا شہزور (Kia Shehzore) کمرشل برانڈ کی سٹریٹجک بحالی اور مارکیٹ میں توسیع پر منحصر ہے، جو کہ جنوبی کوریا میں ایک قابل اعتماد مارکیٹ لیڈر ہے اور ماضی میں پاکستان کے مقامی لائٹ کمرشل ویکل (LCV) سیگمنٹ میں بتدریج اپنی جگہ بنا رہا ہے۔ انتظامیہ اس باوقار برانڈ کی نمایاں اہمیت سے فائدہ اٹھانے پر توجہ مرکوز کیے ہوئے ہے۔

کیا (KIA) انتظامیہ کے بھرپور تعاون کے ساتھ، ڈی ایف ایم ایل (DFML) نے ایک ایسی مصنوعاتی مہم کا آغاز کیا ہے جو ایک سے تین ٹن کے سیگمنٹس میں ملک گیر ڈیلرشپ نیٹ ورک کی مضبوطی کے ذریعے کیا شہزور کو لاجسٹکس مارکیٹ کا بڑا حصہ حاصل کرنے کے قابل بنائے گی۔ پروڈکٹ لائن میں یہ توسیع کمپنی کو لائٹ کمرشل گاڑیوں کے صارفین کی وسیع ضروریات کو پورا کرنے کے قابل بنائے گی۔ لاگت کے لحاظ سے موثر مقامی اسمبلنگ کو ترجیح دے کر اور فروخت کے بعد کی معاونت (after-sales support) کو بہتر بنا کر، کمپنی میکرو اکنامک اتار چڑھاؤ سے نمٹنے اور شہزور جیسے لیجنڈری برانڈ کو اس کی سابقہ شان و شوکت پر بحال کرنے کے لیے موزوں پوزیشن میں ہے۔

ہمارے بنیادی تجارتی کاموں سے بڑھ کر کمپنی اپنی طویل مدتی حکمت عملی کو پاکستان کی اولٹیموٹیو انڈسٹری کے ابھرتے ہوئے منظر نامے کے ساتھ ہم آہنگ کر رہی ہے۔ نئی انرجی ویکل پالیسی کے تحت، سیکٹر ایک زیادہ مسابقتی مارکیٹ والے ماحول کی طرف منتقل ہو رہا ہے جس کی توجہ پائیداری اور لوکلایزیشن پر ہے۔ جدید نقل و حرکت کے ذرائع کے ذریعہ سازگار ریگولیٹری مراعات سے فائدہ اٹھاتے ہوئے کمپنی مارکیٹ کے ابھرتے ہوئے رجحانات کے مطابق اپنے آپ کو ڈھالنے کی پوزیشن میں ہے

آڈیٹرز کی رپورٹ میں مشاہدہ

آڈیٹرز نے اپنی رپورٹ کو مشروط کیا ہے کیونکہ آڈٹ رپورٹ کے پیرا (a) میں ذکر کردہ معاملہ خاص اہمیت کا حامل ہے۔

ڈائریکٹر رپورٹ

شروع کرتا ہوں اللہ تعالیٰ کے نام سے جو بڑا مہربان اور نہایت رحم والا ہے۔
اگر تم شکر ادا کرو گے تو میں تم پر (نعمتوں میں) ضرور اضافہ کروں گا (القرآن)

دیوان فاروق موٹرز لمیٹڈ کے بورڈ کے ڈائریکٹران کی جانب سے 30 جون 2025 کو اختتام پذیر مالی سال کی سالانہ رپورٹ بمعہ آڈٹ شدہ مالیاتی نتائج آپ کے سامنے پیش کیے جاتے ہیں اور آپ کو کمپنی کے سٹاکسوں (27th) سالانہ اجلاس عام میں آپ کا خیر مقدم ہے۔

صنعتی جائزہ

پاکستان کی آٹو موٹو انڈسٹری نے گزشتہ مشکل سال کے بعد موجودہ سال میں استحکام حاصل کیا ہے۔ پاکستان آٹو موٹو مینوفیکچررز ایسوسی ایشن کے مطابق مسافر کاروں کی کل فروخت میں %43 فیصد کا اضافہ ہوا ہے۔ جو کے مالی سال 2024 میں 103,209 یونٹس کے مقابلے میں 148,023 یونٹس تک پہنچ گئی، ٹرکوں کی فروخت %103.2 سے بڑھ کر 4,444 یونٹس ہو گئی۔ تاہم زرعی شعبے کو مشکلات کا سامنا کرنا پڑا جس میں موسمیاتی تبدیلیاں اور کمزور زاری معاشیات کی وجہ سے ٹریکٹر کی فروخت میں %36.4 کی کمی واقع ہوئی۔

یہ بحالی بنیادی طور پر ایک زیادہ مستحکم معیشت، گرتی ہوئی مہنگائی اور جون 2025 تک مرکزی بینک کی پالیسی ریٹ میں 11% تک ہونے والی تیزی سے کمی کے باعث ممکن ہوئی۔

کمپنی کی کارکردگی

رواں سال کے لیے کمپنی کی مالیاتی کارکردگی کا خلاصہ، تقابلی اعداد و شمار کے ساتھ درج ذیل ہے:

| 30 جون 2024 | 30 جون 2025 | |
|-------------------------|-------------------------|------------------------|
| ---(روپے ہزاروں میں)--- | ---(روپے ہزاروں میں)--- | |
| 11,980 | 1,716,022 | مجموعی فروخت |
| (282,880) | (300,872) | مجموعی نقصان |
| (427,666) | (431,003) | آپریٹنگ نقصان |
| (457,847) | (578,443) | ٹیکس کے بعد خالص نقصان |

سال کے دوران، کمپنی نے "کیا شہزور (Kia SHEHZORE)" کے اسٹیٹڈ ڈویلپمنٹ کی تجارتی پیداوار جاری رکھی، ساتھ ہی دیگر ویرینٹس یعنی کنگ کیب اور کریو کیب کی اسمبلنگ بھی کی۔ مزید برآں، اگست 2024 سے کمپنی نے ٹول مینوفیکچرنگ (Toll manufacturing) کے معاہدے کے تحت اپنے ملحقہ ادارے۔ ایکو گرین موٹرز لمیٹڈ (EGML) کی الیکٹرک گاڑیوں (2.0 Honri Ve اور 3.0 Ve) کی پیداوار کا آغاز کیا۔

(بج) سکروٹائزر کی تقرری:

کمپنیز (پوسٹل بیٹ) ریگولیشنز، 2018 کے ضابطہ 11 کے مطابق کمپنی کے بورڈ آف ڈائریکٹرز نے میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس جو ایک کیوسی آر ریٹھڈ آڈٹ فرم ہے، کو اجلاس میں ڈائریکٹرز کے انتخاب اور ریگولیشن کے ضابطہ 11A کے تحت دیگر ذمہ داریاں ادا کرنے کے لئے کمپنی کا سکروٹائزر مقرر کیا ہے۔

(آئی) فزیکل شیئر ہولڈرز کی تفصیلات:

کمپنیز ایکٹ، 2017 کی دفعہ 119 اور کمپنیز (جنرل پروویژنز اینڈ فارمز) ریگولیشنز، 2018 کے ضابطہ 19 کے مطابق تمام فزیکل شیئر ہولڈرز کو ہدایت کی جاتی ہے کہ وہ اپنی لازمی معلومات جیسے کہ قومی شناختی کارڈ نمبر، پتہ، ای میل ایڈریس، موبائل / ٹیلی فون نمبر، انٹرنیشنل بینک اکاؤنٹ نمبر (آئی بی اے این) وغیرہ فوری طور پر کمپنی کے شیئر رجسٹرار کو فراہم کریں۔

شیئر رجسٹرار کا پتہ: میسرز بی ایم ایف کنسلٹنٹس پاکستان (پرائیویٹ) لمیٹڈ، انعم اسٹیٹ بلڈنگ، کرہ نمبر 310 اور 311، تیسری منزل، 49، دارالامان سوسائٹی، مرکزی شاہراہ فیصل، نزد بلوچ کالونی، کراچی ای میل:

(bmfconsultantspakistan@gmail.com) یہ معلومات بروقت فراہم نہ کرنے کی صورت میں قانونی تقاضوں کی عدم تعمیل یا مستقبل میں کسی قسم کی دشواری کا سامنا کرنا پڑ سکتا ہے۔

(جے) کوائف کی تبدیلی

حصص یافتگان سے درخواست ہے کہ اپنے رجسٹرڈ ڈاک کے پتے میں کسی تبدیلی کے متعلق کمپنی کے شیئر رجسٹرار کو باروباری ادارے کی صورت میں شیئر ہولڈرز سے درخواست ہے کہ اپنے مجاز نمائندے کو بروقت مطلع کر دیں۔ کوائف میں کسی تبدیلی سے متعلق مطلع کریں، اگر قابل اطلاق ہو۔

(کے) تحائف کی تقسیم پر پابندی

ایس ای سی پی کی طرف سے جاری کردہ ہدایت نامہ SRO 452(I)/2025 مورخہ 17 مارچ 2025 کے مطابق کمپنی تمام شیئر ہولڈرز کو مطلع کرنا چاہتی ہے کہ سالانہ اجلاس عام میں کوئی تحائف تقسیم نہیں کیے جائیں گے۔

(i) اراکین 20 اپریل، 2026 سے قبل کمپنی کی ویب سائٹ

(<http://www.yousufdewan.com/DFML/index.html>) دستیاب معیاری درخواست فارم کے مطابق اپنی درخواست ای میل dfml.corp@yousufdewan.com پر یا دیوان سینٹر، 3-A، لالہ زار بیچ ہوٹل روڈ کراچی میں کمپنی سیکرٹری کے نام پر اپنی درخواست ارسال کر کے خود رجسٹر کر سکتے ہیں۔

(ii) کمپنی کی طرف سے معیاری درخواست فارم پر درج ای میل آئی ڈی یا موبائل/واٹس ایپ نمبر پر زوم کالنگ بھیجا جائے گا۔

(ای) سی ڈی سی اکاؤنٹ میں فیزیکل شیئرز کی منتقلی

کمپنیز ایکٹ 2017 کی دفعہ 72 کے تحت تمام ہر لٹھ کمپنی کیلئے ضروری ہے کہ وہ کمیشن کی طرف سے جاری کردہ نوٹیفیکیشن کی تاریخ اور کمپنیز ایکٹ 2017 کے آغاز یعنی 30 مئی 2017 سے چار سال کے اندر فیزیکل سرٹیفکیٹس کو بک انٹری فارم میں منتقل کریں۔ فیزیکل حصص رکھنے والے حصص یافتگان اپنے فیزیکل سرٹیفکیٹس کو سکرپٹ لیس فارم میں منتقل کرنے کیلئے کسی بھی سی ڈی سی یا سی ڈی سی ذیلی اکاؤنٹ کے ساتھ سی ڈی سی انویسٹر اکاؤنٹ کھول سکتے ہیں۔

(ایف) ای ووٹنگ کا طریقہ کار

(اے) ای ووٹنگ کی تفصیلات کمپنی کے ان اراکین کو ای میل کے ذریعے ارسال کی جائیں گی جن کے مستند شناختی کارڈ نمبر، فون نمبر اور ای میل ایڈریس کمپنی کے اراکین کے رجسٹرڈ میں دستیاب ہوں گے۔

(بی) اراکین کو ای میل کے ذریعے ویب ایڈریس، لاگ ان کی تفصیلات ارسال کی جائیں گی۔

(سی) ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے اراکین کی شناخت تصدیقی لاگ ان کے ذریعے کی جائے گی۔

(ڈی) ای ووٹنگ لائنز کا آغاز 15 اپریل، 2026 سے صبح دس بجے شروع ہوگی اور 21 اپریل، 2026 کی شام پانچ بجے بند ہوں گی۔ اراکین اس مدت کے دوران اپنا ووٹ ڈال سکتے ہیں۔

(جی) پوسٹل بیلٹ


بذریعہ بیلٹ ووٹنگ کیلئے اراکین کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کی دفعات کے مطابق اپنا حق رائے دہی استعمال کر سکتے ہیں جبکہ کمپنیز ایکٹ 2017 کے سیکشن 143 اور 144 کے تقاضوں سے مشروط ہے۔ مذکورہ ریگولیشنز کے تحت متعین قانونی ٹائم فریم کے اندر اگر ضرورت محسوس ہوئی تو مزید تفصیلات اراکین کو ارسال کی جائیں گی۔

اراکین اس بات کو یقینی بنائیں گے کہ باضابطہ طور پر دستخط شدہ بیلٹ پیپر معہ شناختی کارڈ کی نقل چیئرمین کو کمپنی کے رجسٹرڈ پتہ یا dfml.corp@yousufdewan.com پر ای میل کے ذریعے سالانہ اجلاس عام کے انعقاد کے دن یعنی 21 اپریل، 2026 سے قبل کاروبار ایام کے دوران ارسال کیے جائیں گے۔ بیلٹ پیپر پر دستخط شناختی کارڈ یا کمپنی کے ریکارڈز پر موجود دستخط جیسے ہونے چاہئے۔

نوٹس سالانہ اجلاس عام

بذریعہ نوٹس ہذا کو مطلع کیا جاتا ہے کہ دیوان فاروق موٹرز لمیٹڈ کا 27 واں سالانہ اجلاس عام بروز بدھ 22 اپریل، 2026 صبح 12:00 بجے دیوان سیمینٹ فیکٹری سائٹ، دیہہ ڈھنڈو، دھانجی، ضلع بلیر، کراچی میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

1. جمعہ 19 دسمبر، 2025 کو منعقدہ کمپنی کے غیر معمولی اجلاس عام کی کارروائی کی توثیق۔
2. 30 جون، 2025ء کو مکمل ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالی گوشواروں مع ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔
3. 30 جون، 2026ء کو مکمل ہونے والے سال کیلئے کمپنی کے قانونی آڈیٹرز کی تقرری اور ان کے مشاہرہ کا تعین۔
4. چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

بجائے بورڈ


محمد حنیف جومان
(ڈائریکٹر اور کمپنی سیکرٹری)

کراچی

01 اپریل، 2026

نوٹس:

الف) کمپنی کی حصص منتقلی کی کتب 15 اپریل، 2026 سے 22 اپریل، 2026 تک (بشمول دونوں دن) بند رہیں گی۔ شیئر رجسٹرار کے دفتر واقع میسرز بی ایم ایف کنسٹنٹ پاکستان (پرائیویٹ) لمیٹڈ، واقع انعم اسٹیٹ بلڈنگ، کمرہ نمبر 310 اور 311، تیسری منزل، 49 دارالامان سوسائٹی، مرکزی شاہراہ فیصل، نزد بلوچ کالونی پل، کراچی پاکستان میں موصول ہونیوالی منتقلیاں اجلاس میں شرکت اور رائے دہی کیلئے بروقت سمجھی جائیں گی۔

بی) اجلاس ہذا میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کیلئے دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے۔ مکمل پراکسی فارم اجلاس کے انعقاد کے وقت سے 48 گھنٹے قبل کمپنی کے شیئر رجسٹرار آفس میں جمع کرانا ہوگا۔

سی ڈی سی حصص یافتگان کو اجلاس میں شرکت اور پراکسیوں کی تعیناتی کیلئے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے مورخہ 26 جنوری، 2000 کو جاری کردہ سرکلر 1 میں دی گئیں مندرجہ ذیل ہدایات پر عمل درآمد کرنا ہوگا۔

سی) ویڈیو کانفرنس کی سہولت

کمپنیز ایکٹ 2017 کی دفعات کی تعمیل میں اراکین سالانہ اجلاس عام میں ویڈیو کانفرنس کی سہولت کے ذریعے شرکت کر سکتے ہیں بشرطیکہ 10 فیصد یا زائد حصص رکھنے اور شہر میں رہنے والے اراکین اجلاس کی تاریخ سے کم سے کم 7 روز قبل اپنی رضامندی فراہم کریں گے۔ مذکورہ بالا شرائط کی تعمیل کی صورت میں تمام ضروری معلومات اور جگہ کے بارے میں آگاہ کیا جائے گا، درخواست کا فارم کمپنی کی ویب سائٹ پر دستیاب ہے۔

ڈی) زوم اپیلی کیشن کے ذریعے اجلاس میں شرکت

اراکین درج ذیل ہدایات پر عمل درآمد کر کے زوم کے ذریعے سالانہ اجلاس عام میں آن لائن شرکت کر سکتے ہیں۔

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