2025

TEXTILES

AHMAD HASSAN
TEXTILE MILLS LIMITED

www.ahtml.com.pk

The Thirty-Sixth

Annual Report

36th Annual Report

of

Ahmad Hassan Textile Mills Limited

for the year ended June 30, 2025

CONTENTS

VISION

To be a world class and leading organization continuously providing high quality textile products.

MISSION

To be a model diversified textile organization exceeding expectations of all takeholders. We will achieve this by utilizing best blend of state-of-the-art technologies, excellent business processes, high performing people, and synergetic organizational culture.

CORE VALUES

- Our success will not be a matter of chance but of commitment to the following enduring beliefs and values that are engrained in the way we think and take actions to pursue a climate of excellence:

- ***Integrity & Ethics:*** Integrity, honesty and high ethical, legal & safe standards are corner stones of our business practices.

- ***Quality:*** We pursue quality as a way of life. It is an attitude that affects everything we do for relentless pursuit of excellence. Our aim is to achieve and sustain good reputation in both domestic and international market by manufacturing quality fabric with organized training and implementation of quality system as per our valued customers needs to ensure the achievement of our aim.

- ***Social Responsibility:*** We believe in respect for the community and preserving the environment for our future generations and keeping National interests paramount in all our action.

- ***Learning & Innovations:*** We embrace lifelong learning and innovation as an essential catalyst for our future success. We believe in continuous improvement and to seize opportunities inherent in change to shape the future.

- ***Team Work:*** We believe that competent and satisfied people are the company's heart, muscle and soul. We savors flashes of genius in organization's life by reinforcing attitude of teamwork and knowledge sharing based on mutual respect, trust and openness.

- ***Empowerment*** : We flourish under and ecosystem of shared understanding founded on the concept of empowerment, accountability and open communication in all directions.

STRATEGIC PLAN

To achieve the above objectives, the Company has made strategic plans to enhance and upgrade its installed capacity to maintain and expand its market. Further plans are to excel in social responsibilities by implementing related projects and community developments.

COMPANY PROFILE

BOARD OF DIRECTORS		
Chairperson	Mrs. Salma Javed	Non-Executive Director
Directors	Mian Muhammad Javed	Executive Director
	Mr. Muhammad Haris	Executive Director/Chief Executive
	Mrs. Bushra Ali	Non-Executive Director
	Mr. Haseeb Haris Mughal	Non-Executive Director
	Mr. Ali Kamal	Independent Director
	Mr Nazir Ahmad Khan	Independent Director
AUDIT COMMITTEE		
Chairman	Mr. Nazir Ahmad Khan	Independent Director
Members	Mr. Haseeb Haris Mughal	Non-Executive Director
	Mrs. Salma Javed	Non-Executive Director
HR & R COMMITTEE		
Chairman	Mr. Nazir Ahmad Khan	Independent Director
Members	Mr. Muhammad Haris	Executive Director
	Mrs. Salma Javed	Non-Executive Director
CHIEF FINANCIAL OFFICER	Jamal Ahmed	
HEAD OF INTERNAL AUDIT	Rao Saqib Ali	
COMPANY SECRETARY	Muhammad Nafees Ahmad Rahi	
AUDITORS	M/s Yousuf Adil (Chartered Accountants)	
BANKERS	Bank Al-Habib Limited Allied Bank Limited Bank Al-Falah Limited National Bank of Pakistan Dubai Islamic Bank Pakistan Limited	
REGISTERED OFFICE	46 - Hassan Parwana Colony, Multan.	
MILLS	M.M. Road, Chowk Sarwar Shaheed, Distt. Muzaffargarh.	
SHARES REGISTRAR	M/s Vision Consulting Limited 5-C, LDA Flats, Lawarnce Road, Lahore.	

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of the Company will be held at its Registered Office, 46-Hassan Parwana Colony, Multan, on Tuesday 28th October, 2025, at 11:00 A.M., to transact the following business.

Ordinary Business

1. To confirm the minutes of the Annual General Meeting held on 28th October, 2024.

2. To receive, consider and adopt the Audited Annual Financial Statements of the Company together with Chairman's Review, Directors' and Auditors' Reports, thereon for the year ended June 30, 2025.

3. To appoint Auditors of the Company for the financial year 2026 and to fix their remuneration. The present Auditors Messrs. Yousuf Adil, Chartered Accountants, retire and being eligible offered themselves for re-appointment.

4. To approve a final cash dividend for the year ended June 30, 2025 at Rs.1.50 per share i.e.15.0%, as recommended by the Board.

Special Business

5. To consider and approve the remuneration of the Chief Executive Officer and one (1) working Director of the Company.

Other Business

6. To consider any other matter with the permission of the Chair.

BY ORDER OF THE BOARD OF DIRECTORS

Multan:
Dated : 06.10.2025

(Muhammad Nafees Ahmad Rahi)
Company Secretary

Notes:

I. The share transfer books of the Company will remain closed from 21st October, 2025 to 28th October, 2025 (both days inclusive).

II. A Member entitled to attend and vote at the meeting may appoint another member of the Company as a proxy to attend and vote instead of him/her. Proxy forms duly completed should reach the Registered Office of the Company at least 48 hours before the time of the meeting.

III. Any individual Beneficial Owners of CDC, entitled to attend and vote at this meeting, must bring his/her CNIC or Passport to prove his/her identity, and in case of proxy must enclose an attested copy of his/her CNIC or passport. Representatives of Corporate members should bring the usual documents required for such purpose.

IV. Members are requested to notify the change of their address to our Share Registrar, M/s Vision Consulting Limited, immediately.

V. The Audited Financial Statements for the year ended June 30, 2025 available on website of the Company which can be assessed/downloaded above link and QR enabled Code.

https://ahtml.com.pk/financial-reports/

VI. The company has electronically transmitted the Annual Report 2025 via email to members whose email addresses are available with the Company's Registrar M/s Vision Consulting Ltd while printed notice of the AGM, alongwith the weblink and QR code to download the Annual Report have been dispatched to members whose email addresses are not available. The Company will provide hard copies of the Annual Report to any member upon request, at their registered address free of cost within one week of receiving such a request or by email at sec@ahtml.com.pk.

VII. In term of SECP's Secular No. 10 of 2014 dated May 21, 2014 read with provisions contained under Section 134 (1)(b) of the Act, members of the company may also attend and participate in the AGM through video conference facility in a city other than Multan, if members residing in the vicinity, collectively holding 10% or more shareholding, may demand in writing, to participate in the AGM through video conference (as per the format appended below) at least seven (7) days prior to the date of AGM.

After receiving the consent of members having 10% or more shareholding in aggregate, the Company will intimate members regarding venue of video conference facility at least five (5) days before the date of AGM.

Consent for Video Conference Facility
I/we , __________ of _____________, being a member of Ahmad HassanTextile Mills Limited, holders of ____________ ordinary share(s) as per CDC participant ID & sub-account No. ______________ hereby opt for video conference facility at _____________. Signature of the Member(s) (affix company stamp in case of corporate entity)

VIII. Pursuant to Section 242 of the Companies Act, 2017, all listed companies have been mandated to pay dividend only by way of electronic mode, directly into the bank accounts to entitled members designated by them. Accordingly, all shareholders of the Company who have not yet provided their bank account details (including IBAN) to their participant/CDC Investor Account Service which maintains their CDC Account, are requested to provide the same at the earliest but not later than the first day of book closure, otherwise, the Company would be constrained to withhold their amount of dividend, if any, in accordance with the requirements of the Act and the Regulation.

IX. As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry in a manner as may be specified and from the date notified by Commission. The shareholders have physical shareholding are encouraged to open CDC-Account to place their physical shares into book-entry-form for safe custody. Trading of shares (sale and purchase) also very simple, secure and short time.

X. Shareholders can also exercise their right of E-voting subject to the requirement of Section 143-145 of the Companies Act 2017 and the applicable clauses of the Companies (Postal Ballot) Regulations 2018.

XI. Pursuant to the provisions of Income Tax Ordinance, 2001, deduction of income Tax from dividend payment shall be made on basis of filer and non-filers.

XII. No gifts will be distributed at the meeting.

STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017

The remuneration of the Chief Executive Officer and one (1) full time working Director need to be revised keeping in view high cost of living. The necessary resolution in this context shall be passed in the meeting accordingly.

Chairman's Review

In the Name of ALLAH, the Most Beneficent, the Merciful

Dear Shareholders

It is my privilege to present the Chairman's Review for the financial year 2024-25. This year has been one of resilience, adaptability and measured growth in the face of a dynamic and often unpredictable operating environment.

During the year, the global economy grappled with a notable slowdown amid trade tensions, tighter monetary policies and weaker consumer demand in key markets. US retail consumption was dampened by inflationary pressures, particularly in the first half of the year, while international competition from regional exporters intensified. In this challenging environment, Pakistan's economy showed signs of stabilization yet remained fragile. GDP growth reached ~2.7%, inflation came down sharply - from hyperinflation in prior years to a multi-decade low of 4.7% - aided by tight monetary policy, stable exchange rate and improved commodity supplies.

The textile sector, however, continued to face significant challenges. High energy tariffs, rising labor costs and disruptions in raw material supply due to below average cotton output continued to create pressure. Although, inflation eased significantly and the exchange rate stabilized, tight liquidity conditions and elevated financing costs constrained working capital for exporters.

Against this backdrop, the Company's export revenues experienced downward pressure, particularly in the first two quarters. However, recovery in the latter part of the year, coupled with proactive cost management, enabled the Company to conclude the year with resilient performance. We focused on strengthening operational efficiencies, optimizing procurement and maintaining customer relationships to safeguard long term sustainability. At AHTML, we recognize the importance of stability and continuity as the Company's fundamentals continue to be enhanced with sustainable investments underpinning our cost competitiveness, while diligently delivering on UNSDGs as part of our sustainability commitments.

Our employees' resilience has been the backbone of our operations during these testing times. We continued to invest in skills development, workplace safety and community initiatives, while maintaining our compliance with international labor and ethical sourcing standards.

Looking ahead, the near-term outlook remains cautious. While US demand is expected to stabilize and global buyers are showing renewed interest in sustainable sourcing from Pakistan, headwinds such as competitive pricing pressures and volatile commodity markets will persist. The Company's strategy will remain centered on deepening customer relationships, diversifying markets, investing in innovation and pursuing operational excellence to restore growth momentum and unlock long term opportunities.

On behalf of the Board of Directors, I extend my sincere gratitude to our shareholders for their unwavering trust, to our dedicated employees for their commitment and to our valued customers and partners for their continued confidence in the Company. Together, we will continue to meet challenges with determination and build a stronger and more sustainable future.

SALMA JAVED
OCTOBER 06, 2025
MULTAN

Directors' Report

In the Name of Allah, the Most Beneficent, the Merciful

Dear Shareholders

Directors of Ahmad Hassan Textile Mills Limited ("the Company") are pleased to present 36th annual report of the Company along with the financial statements and auditors' report thereon..

PAKISTAN ECONOMY

Pakistan's economy in 2025 is showing signs of sustained recovery, with an estimated GDP growth of 2.68% to 2.7% for FY-2025, driven by macroeconomic stability from IMF Extended Fund Facility reforms and a more stable macroeconomic environment. However, growth is being challenged by adverse weather conditions affecting agriculture, which experienced low growth, and a reduction in large-scale manufacturing output. Positive developments include strong corporate earnings, declining interest rates, increased investor confidence in the stock market, and a move from a current account deficit to a surplus.

SUMMARIZED FINANCIAL RESULTS:

Particulars	2025 (Rupees)	2024 (Rupees)
Sales-Net	**5,626,431,525**	5,078,314,652
Gross Profit	**429,756,518**	306,629,514
Distribution cost	**26,073,994**	33,025,307
Administrative expenses	**84,069,446**	75,495,970
Finance cost	**161,365,087**	132,396,691
Profit before Taxation	**149,191,278**	101,331,320
Profit after Taxation	**94,197,757**	40,660,828
G. P. Ratio	**7.61%**	6.04%
Profit before tax ratio	**2.65%**	2.00%
Profit after tax ratio	**1.67%**	0.80%
EPS	**11.12**	4.80

During the year under review, financial performance of the Company remained quite satisfactory. Sales revenue of the Company increased by 11%; gross profit margin ratio increased from 6.04% to 7.64%. In the same line, net profit margin before & after tax recorded to 2.65% and 1.67% respectively in current year as compared to 2.00% & 0.80% respectively in preceding year. Distribution cost decreased majorly due to decrease of export sales whereas administrative expense slightly increased due to inflation. Finance cost mainly increased due to more utilization of credit facilities owing to increase of credit period of fabric in the market. Earnings per share stood at Rs.11.12 in current financial year as compared to Rs. 4.80 recorded in the preceding year.

BOARD COMPOSITION:

After election of Directors during the year, the total number of directors are seven (7) as per the following-

a. Male: Five
b. Female: Two

i. Independent Directors	Mr. Ali Kamal
	Mr. Nazir Ahmad Khan
ii. Non - executive Directors	Mrs. Salma Javed
	Mrs. Bushra Ali
	Mr. Haseeb Haris Mughal
iii. Executive Director	Mr. Muhammad Haris
	Mr. Mian Muhammad Javed

The Composition of Committees of the board is as follows:

1. **AUDIT COMMITTEE**
   - Mr. Nazir Ahmad Khan (Chairman)
   - Mian Muhammad Javed (Member)
   - Mrs. Salma Javed (Member)

2. **HR & R COMMITTEE:**
   - Mr. Nazir Ahmad Khan (Chairman)
   - Mr. Muhammad Haris (Member)
   - Mrs. Salma Javed (Member)

REMUNERATION OF THE DIRECTORS

The non-executive directors and independent director are paid remuneration for only attending the Board/Committee meetings, as per approved policy. The relevant details are disclosed in notes 46 to the financial statements for the year ended June 30, 2025.

NAME OF BOARD OF DIRECTORS/COMMITTEE, MEETINGS AND ATTENDANCE

Name of Board of Directors	Board meeting	Audit Committee meeting	HR & R Committee meeting
	4	4	2
Mian Muhammad Javed	4	-	-
Mr. Muhammad Haris	4	-	2
Mrs. Salma Javed	4	4	2
Mrs. Bushra Ali	4	-	-
Mr. Haseeb Haris Mughal	4	4	-
Mr. Ali Kamal	4	-	-
Mr. Nazir Ahmad Khan	4	4	2

DIRECTORS TRAINING PROGRAM

Three directors of the Company are exempted from the Directors Training Program on the basis of their level of education and length of experience as provided in the CCG.

INTERNAL CONTROL SYSTEM

An internal control system is designed to provide reasonable assurance that the Company ensures compliance of policies, laws, efficient use of its resources and to provide information to right persons on timely manner. Your management is much focused to comply with all applicable standards and regulations and such compliance are regularly monitored. Further, any non-compliance is timely reported and corrections are made when requires.

CORPORATE SOCIAL RESPONSIBILITIES AND ENVIRONMENTAL CARE

AHTML believes that safe, healthy and comfortable environmental conditions are backbone for quality production. We are also committed to Corporate Social Responsibilities and integrating sound social practices in our day to day business activities. We measure our success not only in terms of financial criteria but also in building customer satisfaction and supporting the communities we have.

Therefore, As a traditional norm, we are continuously providing quality food to our staff at subsidize rates, free medical camps are organized for employees and native populations, Scholarships are provided to talented children of the staff and special events are organized like sports tournaments, aftari and tree plantation campaign etc. for the betterment of the staff and nation as well.

FUTURE OUTLOOK

Country's high public debt, high interest to revenue ratios, and low interest reserve coverage leave the economy vulnerable to increases in global interest rates and high global energy prices. Such shocks could lead to capital outflows, currency depreciation, and a credit crunch that threatens the government's ability to refinance maturing government debt. Moreover, the trade outlook faces several risks, including weaker global demand as a result of recent tariffs and geopolitical tensions. The situation is expected to remain challenging for the textile industry at large and for the Company as well.

Pakistan's textile exports in FY2025 reached USD 17.887 billion, a 7.39% increase from the previous year. Key contributors to this growth included:

- 13.68% rise in knitwear exports to $5.01 billion
- 11.07% increase in bed wear exports to $3.11 billion.
- Ready-made garments also saw a substantial 15.85% surge to $4.13 billion.

While value-added segments showed strong performance, traditional categories like cotton cloth and cotton yarn experienced declines:

- Cotton cloth exports decreased by 3.05% to USD 1.81 billion.
- Cotton yarn exports plummeted by 28.76% to USD 680.7 million.

Post negotiation Pakistan's secured a 19% US tariff. Pakistan matches competitors like Vietnam, Cambodia, Sri Lanka and Bangladesh while India faces a higher 25% tariff. India's economic advantages such as subsidies and low business cost offset this 6% gap. Indian exporter can easily absorb the 6% difference.

During the financial year under review, the government promulgated "*Off the Grid (Captive Power Plants) Levy Act, 2025*" whereby Captive Power Levy was imposed on supply of natural gas to Captive Power Producer which made use of natural gas non-feasible for generation of electricity, hence all textile mills moved on WAPDA. Furthermore, SNGPL raised arrears on account of OGRA's RLNG Cost Actualization, dating back to FY 2015-16. The matter has been held in abeyance by SNGPL at the request of APTMA.

Keeping in view of current economic scenario, management of your company has been acting proactively to reduce controllable costs. Your Company is focusing on cheaper source of electricity generation available in market with minimal financial cost. In pursuance thereof, your Company has commissioned solar project having rated capacity of 932 KW during the period under review totaling to 2776 KW in aggregate.

The Company has chalked out CAPEX/BMR plan of approximately Rs. 750 million for construction of go-down, purchase of looms, sizing unit and other machinery. For the desired purpose, the Company has applied long term loans of Rs. 660 million to the banks which are under process of finalization. Proposed plan is likely to increase revenue & profitability of the Company.

CORPORATE GOVERNANCE

The directors of your company state further that:

1- The financial statements, prepared by the management of the company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

2- Proper books of account of the listed company have been maintained.

3- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

4- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.

5- The system of internal control is sound in design and has been effectively implemented and monitored

6- There are no significant doubts upon the listed company's ability to continue as a going concern.

7- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

8- Outstanding duties and taxes, if any, have been disclosed in the financial statements.

9- We have an Audit Committee, the members of which are from the Board of Directors and the Chairman is an independent director.

10- The Board has adopted a Mission Statement and a Statement of Overall Corporate Strategy.

11- The Company's Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 is attached.

AUDITORS

The present statutory auditors M/s Yousuf Adil, Chartered Accountants, retire, being eligible, offer themselves for re-appointment. Due to closure of Multan office by Yousuf Adil, the board, on recommendation of the Audit Committee, recommends appointment of M/s Crowe Hussain Chaudhry & Co., Chartered Accountants, as statutory auditors of the Company for a period of one year till the conclusion of next Annual General Meeting at a remuneration to be decided with the mutual consent of CEO & the auditors.e.

PATTERN OF SHAREHOLDING

Pattern of holding of shares by the shareholders of the Company as on June 30, 2025 is enclosed.

DIVIDEND

In view of the financial performance of the Company. The Board of Directors recommended to pay _________ dividend for the financial year ended June 30, 2025.

ACKNOWLEDGMENT

Your Directors place on record their deep appreciation for the efforts made by the workers and staff of the Company for their deep devotion to their work. Your Directors would also like to express their thanks to the Shareholders and Financial Institutions, especially Bank Al Habib Ltd, National Bank of Pakistan, Soneri Bank Ltd, Allied Bank Ltd, Bank Al Falah Ltd and Dubai Islamic Bank Pakistan Ltd for their support and assistance.

On behalf of the Board of Directors

CHIEF EXECUTIVE **DIRECTOR**

Multan
Dated: October 06, 2025

ڈائریکٹرز کی جائزہ رپورٹ

شروع اللہ کے نام سے جونہایت رحم کرنے والا بے حد مہربان ہے

پیارے شیئر ہولڈرز

احمد حسن ٹیکسٹائل ملزلمیٹڈ(" کمپنی ") کے ڈائریکٹرز مالیاتی گوشواروں اور آڈیٹرز کی رپورٹ کے ساتھ کمپنی کی 36 ویں سالانہ رپورٹ پیش کرنے پر خوش ہیں۔

پاکستان کی معیشت

مالی سال2025 میں پاکستان کی معیشت مستقل بحالی کے آثار دکھارہی ہے2025 کے لیےGDP%2.68 سے %2.7 تک متوقع نمو،IMFتوسیعی فنڈسہولت اصلاحات سے میکرو اکنامک استحکام اور زیادہ مستحکم میکرو اکنامک ماحول کی وجہ سے۔تاہم، زراعت کو متاثر کرنے والے موسمی حالات کی وجہ سے ترقی کو چیلنج کیا جارہا ہے، جس نے کم ترقی کا تجربہ کیا،اور بڑے پیمانے پر مینوفیکچرنگ کی پیداوار میں کمی۔مثبت پیش رفتوں میں مضبوط کارپوریٹ آمدنی، گرتی ہوئی شرح سود، اسٹاک مارکیٹ میں سرمایہ کاروں کے اعتماد میں اضافہ،اور کرنٹ اکاؤنٹ خسارے سے سرپلس کی طرف بڑھنا شامل ہیں۔

خلاصہ مالیاتی نتائج

تفصیل	2025 (روپیہ)	2024 (روپیہ)
نیٹ سیلز	**5,626,431,525**	5,078,314,652
گراس پرافٹ	**429,756,518**	306,629,514
تقسیم کی لاگت	**26,073,994**	33,025,307
انتظامی اخراجات	**84,069,446**	75,495,970
مالیاتی لاگت	**161,365,087**	132,396,691
ٹیکسیشن سے قبل پرافٹ	**149,191,278**	101,331,320
ٹیکسیشن کے بعد پرافٹ	**94,197,757**	40,660,828
پرافٹ قبل از ٹیکس تناسب	**7.61%**	6.04%
جی پی تناسب	**2.65%**	2.00%
پرافٹ بعد از ٹیکس تناسب	**1.67%**	0.80%
منافع فی شیئر	**11.12**	4.80

زیر جائزہ سال کے دوران، کمپنی کی مالی کارکردگی کافی تسلی بخش رہی۔کمپنی کی سیلز ریونیو میں 11 فیصد اضافہ ہوا ہے۔مجموعی منافع مارجن کا تناسب %6.04 سے بڑھ کر %7.64 ہوگیا۔اسی لائن میں، ٹیکس سے پہلے اور بعد میں خالص منافع کا مارجن بالترتیب %2.65 اور %1.67 ریکارڈ کیا گیا جو پچھلے سال کے بالترتیب %2.00 اور %0.80 تھا۔ برآمدات کی فروخت میں کمی کی وجہ سے تقسیمی لاگت میں بڑی کمی آئی ہے جبکہ مہنگائی کی وجہ سے انتظامی اخراجات میں قدرے اضافہ ہوا ہے۔ مالیاتی لاگت بنیادی طور پر کریڈٹ سہولیات کے زیادہ استعمال کی وجہ سے بڑھی ہے جس کی وجہ مارکیٹ میں فیبرک کی کریڈٹ مدت میں اضافہ ہے۔فی حصص آمدنی روپے روپے رہی۔موجودہ مالی سال میں 11.12 روپے کے مقابلے میں پچھلے سال میں 4.80 ریکارڈ کیا گیا۔

بورڈ کی تشکیل

مندرجہ ذیل کے مطابق ڈائریکٹرز کی کل تعداد سات (7) ہے۔

اے	مرد	پانچ
بی	عورت	دو

i	آزاد ڈائریکٹر	جناب علی کمال
		جناب نذیر احمد خان

ii	نان ایگزیکٹوڈائریکٹر	مسز سلمیٰ جاوید مسز بشریٰ علی جناب حسیب حارث مغل
iii	ایگزیکٹوڈائریکٹر	جناب محمد حارث جناب میاں محمد جاوید

بورڈ کی کمیٹیوں کی تشکیل حسب ذیل ہے

1- **آڈٹ کمیٹی**

جناب نذیر احمد خان (چیئر مین)

جناب میاں محمد جاوید (ممبر)

مسز سلمیٰ جاوید (ممبر)

2- **ایچ آر اینڈ آر کمیٹی**

جناب نذیر احمد خان (چیئر مین)

جناب محمد حارث (ممبر)

مسز سلمیٰ جاوید (ممبر)

ڈائریکٹرز کا معاوضہ

منظور شدہ پالیسی کے مطابق نان ایگزیکٹوڈائریکٹرز اور آزادڈائریکٹر کوصرف بورڈ/کمیٹی کے اجلاسوں میں شرکت کے لیے معاوضہ دیا جاتا ہے۔متعلقہ تفصیلات 30 جون 2025 کوختم ہونے والے سال کے مالیاتی گوشواروں میں نوٹ 48 میں ظاہر کی گئی ہیں۔

بورڈ آف ڈائریکٹرز/کمیٹی کا نام،میٹنگزاور حاضری

بورڈ آف ڈائریکٹرز کے نام	بورڈ میٹنگ	آڈٹ کمیٹی میٹنگ	ہیومن ریسورس اینڈ ریمونریشن کمیٹی
میٹنگز کی کل تعداد	**4**	**4**	**2**
میاں محمد جاوید	4	--	--
محمد حارث	4	--	2
سلمیٰ جاوید	4	4	2
مسز بشریٰ علی	4	--	--
حسیب حارث مغل	4	4	--
علی کمال	4	--	--
نذیر احمد خان	4	4	2

ڈائریکٹرز کا تربیتی پروگرام

کمپنی کے تین ڈائریکٹرز کو ان کی تعلیم کی سطح اور CCG میں فراہم کردہ تجربے کی طوالت کی بنیاد پر ڈائریکٹرز ٹریننگ پروگرام سے استثنٰی حاصل ہے۔

اندرونی کنٹرول سسٹم

ایک اندرونی کنٹرول سسٹم کو معقول یقین دہانی فراہم کرنے کے لیے ڈیزائن کیا گیا ہے کہ کمپنی پالیسیوں، قوانین، اپنے وسائل کے موثر استعمال اور صحیح افراد کو بروقت معلومات کی فراہمی کو یقینی بناتی ہے۔آپ کا انتظام تمام قابل اطلاق معیارات اور ضوابط کی تعمیل کرنے پر زیادہ توجہ مرکوز کرتا ہے اور اس طرح کی تعمیل کی باقاعدگی سے نگرانی کی جاتی ہے۔مزید، کسی بھی عدم تعمیل کی بروقت اطلاع دی جاتی ہے اور ضرورت پڑنے پر اصلاح کی جاتی ہے۔

کارپوریٹ سماجی ذمہ داریاں اور ماحولیاتی نگہداشت

کا خیال ہے کہ محفوظ، صحت منداور آرام دہ ماحولیاتی حالات معیاری پیداوار کے لیے ریڑھ کی ہڈی کی حیثیت رکھتے ہیں۔ ہم کارپوریٹ سماجی ذمہ داریوں اور اپنی روزمرہ کی کاروباری سرگرمیوں میں اچھے سماجی طریقوں کو مربوط کرنے کے لیے بھی پرعزم ہیں۔ ہم اپنی کامیابی کی پیمائش نہ صرف مالیاتی معیارات کے لحاظ سے کرتے ہیں بلکہ صارفین کی اطمینان پیدا کرنے اور ہمارے پاس موجود کمیونٹیز کو سپورٹ کرنے میں بھی

لہذا، ایک روایتی اصول کے طور پر، ہم اپنے عملے کو سبسڈی کے نرخوں پر مسلسل معیاری خوراک فراہم کر رہے ہیں، ملازمین اور مقامی آبادی کے لیے مفت میڈیکل کیمپس کا انعقاد کیا جاتا ہے، عملے کے ہونہار بچوں کو وظائف فراہم کیے جاتے ہیں اور کھیلوں کے ٹورنامنٹس، افطاری جیسی خصوصی تقریبات کا انعقاد کیا جاتا ہے۔ عملے اور قوم کی بہتری کے لیے درخت لگانے کی مہم وغیرہ۔

مستقبل کا آؤٹ لک

ملک کے اعلیٰ سرکاری قرضے، آمدنی کے تناسب سے زیادہ سود، اور کم سود کے ذخائر کی کورتیج معیشت کو عالمی شرح سود میں اضافے اور توانائی کی بلند عالمی قیمتوں کے لیے خطرے میں ڈال دیتی ہے۔ اس طرح کے جھٹکے سرمائے کے اخراج، کرنسی کی قدر میں کمی، اور کریڈٹ کی کمی کا باعث بن سکتے ہیں جو کہ حکومتی قرضوں کو پختہ کرنے کی حکومت کی صلاحیت کو خطرے میں ڈال سکتا ہے۔ مزید برآں، تجارتی نقطہ نظر کو کئی خطرات کا سامنا ہے، بشمول حالیہ محصولات اور جغرافیائی سیاسی کشیدگی کے نتیجے میں کمزور عالمی مانگ۔ توقع ہے کہ صورتحال ٹیکسٹائل انڈسٹری کے لیے بڑے پیمانے پر اور کمپنی کے لیے بھی چیلنجنگ رہے گی۔

مالی سال 2025 میں پاکستان کی ٹیکسٹائل کی برآمدات 17.887 بلین امریکی ڈالر تک پہنچ گئیں، جو پچھلے سال کے مقابلے میں 7.39 فیصد زیادہ ہے۔ اس ترقی میں کلیدی شراکت داروں میں شامل ہیں:

13.68 فیصد بڑھ کر نٹ ویئر کی برآمدات 5.01 بلین ڈالر تک پہنچ گئیں۔

بیڈ وئیر کی برآمدات میں 11.07 فیصد اضافہ 3.11 بلین ڈالر تک پہنچ گیا۔

ریڈی میڈ ملبوسات میں بھی 15.85 فیصد کا خاطر خواہ اضافہ ہوا جو 4.13 بلین ڈالر تک پہنچ گیا۔

جبکہ ویلیو ایڈڈ سیگمنٹس نے مضبوط کارکردگی دکھائی، روایتی زمرے جیسے سوتی کپڑے اور سوتی دھاگے میں کمی آئی:

سوتی کپڑے کی برآمدات 3.05 فیصد کم ہو کر 1.81 بلین امریکی ڈالر رہ گئیں۔

سوتی دھاگے کی برآمدات 28.76 فیصد کم ہو کر 680.7 ملین امریکی ڈالر تک پہنچ گئیں۔

مذاکرات کے بعد پاکستان نے 19 فیصد امریکی ٹیرف حاصل کر لیا۔ پاکستان ویتنام، کمبوڈیا، سری لنکا اور بنگلہ دیش جیسے حریفوں سے میچ کرتا ہے جبکہ بھارت کو 25 فیصد زیادہ ٹیرف کا سامنا کرنا پڑتا ہے۔ ہندوستان کے معاشی فوائد جیسے سبسڈی اور کم کاروباری لاگت اس 6% فرق کو پورا کرتی ہے۔ ہندوستانی برآمد کنندہ آسانی سے 6% فرق کو جذب کر سکتا ہے۔

زیر نظر مالی سال کے دوران، حکومت نے "آف دی گرڈ (کیپٹو پاور پلانٹس) لیوی ایکٹ، 2025" نافذ کیا جس کے تحت کیپٹو پاور پروڈیوسرز کو قدرتی گیس کی فراہمی پر کیپٹو پاور لیوی نافذ کیا گیا جس نے قدرتی گیس کا استعمال بجلی کی پیداوار کے لیے غیر ممکن بنا دیا، اس لیے تمام ٹیکسٹائل ملیں واپڈا پر منتقل ہو گئیں۔ مزید برآں، ایس این جی پی ایل نے مالی سال 16-2015 کے دوران اوگرا کی آر ایل این جی لاگت ایکویلائزیشن کی وجہ سے بقایا جات میں اضافہ کیا۔ اپٹما کی درخواست پر ایس این جی پی ایل نے معاملہ التوا میں رکھا ہوا ہے۔

موجودہ معاشی منظر نامے کو مدنظر رکھتے ہوئے، آپ کی کمپنی کی انتظامیہ قابل کنٹرول اخراجات کو کم کرنے کے لیے فعال طور پر کام کر رہی ہے۔ آپ کی کمپنی کم سے کم مالی لاگت کے ساتھ مارکیٹ میں دستیاب بجلی پیدا کرنے کے سستے ذرائع پر توجہ مرکوز کر رہی ہے۔ اس کی تعاقب میں، آپ کی کمپنی نے زیر جائزہ مدت کے دوران 932KW کی درجہ بندی کی صلاحیت کے ساتھ مجموعی طور پر 2776KW شمسی پروجیکٹ شروع کیا ہے۔

کمپنی نے تقریباً روپے کا BMR/CAPEX منصوبہ تیار کیا ہے۔ گوڈاون کی تعمیر، لومز کی خریداری، سائزنگ یونٹ اور دیگر مشینری کے لیے 750 ملین۔ مطلوبہ مقصد کے لیے، کمپنی نے روپے کے طویل مدتی قرضوں کا اطلاق کیا ہے۔ بینکوں کو 660 ملین روپے دیے گئے جن کو حتمی شکل دینے کا عمل جاری ہے۔ مجوزہ پلان سے کمپنی کی آمدنی اور منافع میں اضافہ ہونے کا امکان ہے۔

کارپوریٹ گورننس

آپ کی کمپنی کے ڈائریکٹرز مزید کہتے ہیں کہ

1۔ کمپنی کی انتظامیہ کے ذریعہ تیار کردہ مالیاتی بیانات، اس کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔

2۔ لسٹڈ کمپنی کے حساب کتاب کی مناسب دیکھ بھال کی گئی ہے۔

3۔ مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔

4۔ بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالیاتی گوشواروں کی تیاری میں پیروی کی گئی ہے اور وہاں سے کسی بھی روانگی کا مناسب طور پر انکشاف اور وضاحت کی گئی ہے۔

5۔ اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے مؤثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔

6۔ لسٹڈ کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت پر کوئی خاص شک نہیں ہے۔

7۔ کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے، جیسا کہ فہرست سازی کے ضوابط میں تفصیل سے بتایا گیا ہے۔

8۔ بقایا ڈیوٹی اور ٹیکس، اگر کوئی ہیں، مالی بیانات میں ظاہر کیے گئے ہیں۔

9۔ ہماری ایک آڈٹ کمیٹی ہے، جس کے ممبران بورڈ آف ڈائریکٹرز سے ہیں اور چیئرمین ایک آزاد ڈائریکٹر ہے۔

10۔ بورڈ نے ایک مشن کا بیان اور مجموعی کارپوریٹ حکمت عملی کا بیان اپنایا ہے۔

11۔ لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے ساتھ تعمیل کا کمپنی کا بیان منسلک ہے۔

آڈیٹرز

موجودہ قانونی آڈیٹرز میسرز یوسف عادل، چارٹرڈ اکاؤنٹنٹس، اہل ہونے کی وجہ سے ریٹائر ہو رہے ہیں، خود کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔ یوسف عادل کی طرف سے ملتان آفس کی بندش کی وجہ سے، بورڈ نے آڈٹ کمیٹی کی سفارش پر، میسرز کروحسین چوہدری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمپنی کے قانونی آڈیٹرز کے طور پر ایک سال کی مدت کے لیے تقرری کی سفارش کی ہے جب تک کہ اگلے سالانہ جنرل میٹنگ کے اختتام تک اس کے معاوضے کا فیصلہ کیا جائے گا۔

شیئر ہولڈنگ کا پیٹرن

جون 2025 تک کمپنی کے شیئر ہولڈرز کے حصص کے انعقاد کا نمونہ منسلک ہے۔

ڈیوی ڈینڈ

کمپنی کی مالی کارکردگی کے پیش نظر، بورڈ آف ڈائریکٹرز نے مالی سال جو 30 جون 2025 کو ختم ہوا، کیلئے _____ منافع ادا کرنے کی سفارش کی ہے۔

اعتراف

آپ کے ڈائریکٹرز کمپنی کے کارکنوں اور عملے کی جانب سے اپنے کام کے لیے گہری لگن کے لیے کی جانے والی کوششوں کی تعریف کرتے ہیں۔ آپ کے ڈائریکٹرز شیئر ہولڈرز اور مالیاتی اداروں کا بھی شکریہ ادا کرنا چاہیں گے، خاص طور پر بینک الحبیب لمیٹڈ، نیشنل بینک آف پاکستان، سونیری بینک لمیٹڈ، الائیڈ بینک لمیٹڈ، بینک الفلاح لمیٹڈ اور دبئی اسلامک بینک پاکستان لمیٹڈ کے تعاون اور مدد کے لیے۔

بورڈ آف ڈائریکٹرز کی جانب سے

چیف ایگزیکٹو | ڈائریکٹر

ملتان

مورخہ 06 اکتوبر 2025ء

Five Years Growth at Glance (2021-2025)

Particulars	2021	2022	2023	2024	2025
OPERATIONAL PERFORMANCE:					
Weaving					
Number of Looms Installed	171	171	171	171	171
Number of Looms Worked	171	159	159	159	159
Installed Capacity after conversion into 60 picks Sq. Meter (000)	59,824	59,824	59,824	59,824	59,824
Actual Production after conversion into 60 picks Sq. Meter (000)	48,814	43,172	35,106	33,644	46,387
PROFIT AND LOSS:					
Net Sales Rs. (000)	3,798,377	5,545,460	4,327,095	5,078,315	5,626,432
Cost of Sales Rs. (000)	3,509,587	5,207,001	3,957,515	4,771,685	5,196,675
Gross Profit Rs. (000)	288,790	338,459	369,580	306,630	429,757
Operating ProfitRs. (000)	239,416	256,703	246,887	233,728	310,556
Profit /(loss) before Tax Rs. (000)	212,711	206,009	160,194	55,671	149,191
Profit /(loss) after Tax Rs. (000)	167,787	201,322	92,918	40,661	94,198
BALANCE SHEET:					
Share Capital and Reserves Rs. (000)					
Shareholders Equity Rs. (000)	1,321,687	1,725,933	1,799,790	1,834,098	2,330,908
Property Plant & Equipment Rs. (000)	1,377,375	1,691,678	1,636,465	1,705,004	2,377,006
CurrentAssets Rs. (000)	1,395,483	1,851,899	1,694,766	2,184,676	2,049,693
Current Liabilities Rs.(000)	1,028,037	1,457,429	1,199,104	1,707,385	1,472,187
Long Term Liabilities Rs. (000)	373,021	309,426	281,684	299,437	590,992
INVESTOR INFORMATION:					
Per Share (Rs.)					
Dividend announced (Rs per share)	2.05	2.25	0.75	0	1.50
Earning/(Loss) Per Share	19.81	23.76	10.97	4.80	11.12
FINANCIAL RATIOS:					
Gross Profit Ratio (%)	7.60	6.10	8.54	6.04	7.64
Net Profit Ratio (%)	4.42	3.63	2.15	0.80	1.67
Inventory Turnover (times)	4.95	4.66	2.80	4.02	4.72
Fixed Assets Turnover (times)	2.76	3.28	2.64	2.98	2.37
Total Assets Turnover (times)	1.46	1.75	1.29	3.04	2.54
Return on Capital Employed (%)	0.12	0.10	0.56	0.14	0.13
Debt to Equity Ratio (%)	1.11	1.06	0.86	1.13	0.26
Current Ratio (%)	1.36	1.27	1.41	1.28	1.39
Interest Coverage Ratio (times)	8.96	5.06	2.85	1.77	1.92

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

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

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

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

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

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

Chartered Accountants

Multan
Date: October 07, 2025
UDIN: CR2025100880NOog8KZs

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:-

The total number of Directors are seven (7) as per the following:-

a. Male: Five
b. Female: Two

2. The composition of the Board of Directors (the Board) is as follows*:

I. Independent Directors	Mr. Nazir Ahmad Khan Mr. Ali Kamal
ii. Non-executive Directors	Mrs. Salma Javed Mrs. Bushra Ali Mr. Haseeb Haris Mughal
iii. Executive Directors	Mian Muhammad Javed Mr. Muhammad Haris
iv. Female Directors	Mrs. Salma Javed Mrs. Bushra Ali

3. The Directors have confirmed that none of them is serving as a Director on more than seven listed Companies, including this Company;

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the 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. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. Three out of eight directors of the Company are exempted from directors training program on the basis of their level of education and length of experience as provided in these Regulations.

10. The Board has approved appointment or continued service of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

a) Audit Committee

- Mr. Nazir Ahmad Khan (Chairman);
- Mrs. Salma Javed (member); and
- Mr. Haseeb Haris Mughal (member)*;

b) HR and Remuneration Committee

- Mr. Nazir Ahmad Khan (Chairman);
- Mr. Haseeb Haris Mughal (member); and
- Mrs. Salma Javed (member);

c) Nomination Committee and Risk Management Committee

- Mr. Haseeb Haris Mughal (Chairman);
- Mr. Nazir Ahmad Khan (member); and
- Mrs. Salma Javed (member);

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

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

a) Audit Committee	Quarterly
b) HR and Remuneration Committee	Half Yearly;

15. The Board has set up an effective internal audit function which comprises of professionals who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanations of non-compliances with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below;

Sr.No	Non-Mandatory Requirement	Explanation	Regulation No.
1	**Disclosure of Significant Policies** The Company may post on its website key elements of its significant policies including DE&I and protection against harassment at workplace as advised by SECP vide its SRO 920 (1)/2024 dated 12 June 2024	Currently, the Company has voluntarily disclosed its CSR policy on its website. However, the Company is committed to comply with this requirement and is planning to place other significant policies as per requirement of the regulation including policies for DE&I and anti-harassment.	35 (1,3,4) and 10 (4)
2	**Sustainability Risks and Opportunities** The Board has been made responsible to consider Sustainability Risks and Opportunities and make policies to promote diversity, equity and inclusion (DE&I) and make strategies, priorities and targets. Also board is required to periodically review and moni tor and disclose the assessment of risks and disclose measures taken.	On June 12, 2024, the SECP has amended the Regulations, and added these requirements. Board will assess the requirement and will make policies in due course of time.	10 (A.1)

Muhammad Haris
Chief Executive

Salma Javed
Chairperson

INDEPENDENT AUDITOR'S REPORT

To the members of Ahmad Hassan Textile Mills Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for 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 opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key audit matter	How the matter was addressed in our audit
1.Revenue recognition	
The Company is engaged in manufacturing and sale of fabrics . Reve nue recognition policy has been explained in note 4.4.12 and the related amounts of revenue recognized during the year are disclosed in note 32 to the financial statements. The Company generates revenue from sale of goods to domestic as well as export customers.	Our audit procedures to address the Key Audit Matter included the following: • Obtained an understanding of revenue from customers and assessing the design and implementation and operating effectiveness of controls around recognition of revenue;

Revenue from the sale is recognized, when control of goods is transferred to the customer and the performance obligation is satisfied. We identified revenue re cognition as key audit matter since it is one of the key performance indicators of t he Company and because of the potential risk that revenue transactions may not have been recognized on point in time basis i.e. when control of goods is transferred to the customer, in line with the accounting policy adopted and may not have been reqognized in the appropriate period.	• Assessed the appropriateness of the Company's accounting policies for revenue recognition in light of IFRS -15 'Revenue from contracts with customer; • Checked on a sampl e basis whether the recorded sales transactions were based on transfer of goods to the customer, satisfying the performance obligation and were recorded in the appropriate accounting period; and • Testing timeliness of revenue recognition by comparing indiv idual sales transaction before and after the year end to underlying documents.

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 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 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Rana M. Usman Khan.

Chartered Accountants
Multan
Date: October 07, 2025
UDIN: AR202510088ma3Gxhb8R

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	5	**2,377,006,297**	1,705,004,326
Long term loans	6	**15,448,012**	-
Long term deposits	7	**13,739,322**	13,739,322
		2,406,193,631	1,718,743,648
Current assets			
Stores and spares	8	**51,040,507**	64,432,671
Stock in trade	9	**1,124,897,157**	1,257,467,390
Trade debts	10	**442,847,252**	367,450,616
Loans and advances	11	**10,936,121**	6,250,383
Advance tax	12	**77,630,020**	74,339,412
Due from government	13	**303,155,760**	374,633,658
Short term investment	14	**16,249,998**	28,232,957
Other receivables	15	**400,115**	3,297,797
Cash and bank balances	16	**22,535,912**	8,570,843
		2,049,692,842	2,184,675,727
Total assets		**4,455,886,473**	3,903,419,375
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	17	**84,715,354**	84,715,354
Share premium	18	**32,746,284**	32,746,284
Surplus on revaluation of property, plant and equipment - net of deferred tax	19	**884,620,129**	508,050,844
Unappropriated profit		**1,328,126,155**	1,208,585,131
Subordinated loans	20	**62,500,000**	62,500,000
		2,392,707,922	1,896,597,613
Non-current liabilities			
Long term financing	21	**208,019,971**	194,602,173
Lease liabilities	22	**12,161,063**	21,032,552
Deferred taxation	23	**348,135,235**	83,802,504
Staff retirement benefits - gratuity	24	**22,675,386**	-
		590,991,655	299,437,229
Current liabilities			
Trade and other payables	25	**940,300,474**	747,279,775
Short term borrowings	26	**282,222,750**	699,131,943
Current portion of non-current liabilities	27	**129,667,482**	135,929,875
Accrued mark up	28	**18,446,832**	32,172,464
Gas infrastructure development cess	29	**25,928,021**	25,928,021
Unclaimed dividend		**4,110,591**	4,110,591
Provision for taxation and revenue taxes	30	**71,510,746**	62,831,864
		1,472,186,896	1,707,384,533
Contingencies and commitments	31		
Total equity and liabilities		**4,455,886,473**	3,903,419,375

The annexed notes from 1 to 54 form an integral part of these financial statements.

Sd/- Chief Executive	Sd/- Director	Sd/- Chief Financial Officer

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Revenue from contracts with customers	32	**5,626,431,525**	5,078,314,652
Cost of goods sold	33	**(5,196,675,007)**	(4,771,685,138)
Gross profit		**429,756,518**	306,629,514
Profit on trading	34	**-**	6,036,566
Other income	35	**2,776,759**	37,331,419
		432,533,277	349,997,499
Selling and distribution expenses	36	**26,073,994**	33,025,307
Administrative expenses	37	**84,069,446**	75,495,970
Other operating expenses	38	**11,833,472**	7,748,212
		(121,976,912)	(116,269,488)
Finance cost	39	**(161,365,087)**	(132,396,691)
Profit before final taxes,revenue taxes and income tax		**149,191,278**	101,331,320
Final taxes	40	**-**	(17,946,756)
Profit before revenue taxes and income tax		**149,191,278**	83,384,564
Revenue taxes	41	**(44,706,012)**	(27,714,025)
Profit before income tax		**104,485,266**	55,670,539
Income tax - net	42	**(10,287,509)**	(15,009,711)
Profit after taxation		**94,197,757**	40,660,828
Earnings per share - basic and diluted	43	**11.12**	4.80

The annexed notes from 1 to 54 form an integral part of these financial statements.

Sd/- Chief Executive	Sd/- Director	Sd/- Chief Financial Officer

STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	2025 Rupees	2024 Rupees
Profit after taxation	**94,197,757**	40,660,828
Other comprehensive income		
Items that will not be reclassified to statement of profit or loss		
Surplus on revaluation of property, plant and equipment	**682,138,079**	-
Related deferred tax thereon	**(196,329,022)**	-
Effect of change in tax rate on opening revaluation surplus	**(83,896,505)**	-
	401,912,552	-
Total comprehensive income for the year	**496,110,309**	40,660,828

The annexed notes from 1 to 54 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-
Chief Executive	Director	Chief Financial Officer

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

	Share capital	Capital reserves: Share premium	Capital reserves: Surplus on revaluation of property, plant and equipment	Revenue reserve: Unappropriated profit	Subordinated loans	Total
	Rupees					
Balance as at June 30, 2023	**84,715,354**	**32,746,284**	**527,309,623**	**1,155,019,175**	**62,500,000**	**1,862,290,436**
Transactions with Owners:						
Final cash dividend of Rs. 0.75 per share for the year ended June 30, 2023	-	-	-	(6,353,652)	-	(6,353,652)
Profit for the year	-	-	-	40,660,828	-	40,660,828
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	40,660,828	-	40,660,828
Transfer from revaluation surplus on disposal of property, plant and equipment (net of deferred tax)	-	-	(19,258,779)	19,258,779	-	-
Balance as at June 30, 2024	**84,715,354**	**32,746,284**	**508,050,844**	**1,208,585,131**	**62,500,000**	**1,896,597,613**
Profit for the year	-	-	-	94,197,757	-	94,197,757
Other comprehensive income for the year	-	-	401,912,552	-	-	401,912,552
Total comprehensive income for the year	-	-	401,912,552	94,197,757	-	496,110,309
Transfer from revaluation surplus on account of incremental depreciation - net of deferred tax	-	-	(25,343,267)	25,343,267	-	-
Balance as at June 30, 2025	**84,715,354**	**32,746,284**	**884,620,129**	**1,328,126,155**	**62,500,000**	**2,392,707,922**

The annexed notes from 1 to 54 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-
Chief Executive	Director	Chief Financial Officer

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		**104,485,266**	55,670,539
Adjustments for:			
Depreciation on property, plant and equipment	5.3	**99,393,402**	87,968,934
Finance cost - net	39	**161,365,087**	132,396,691
Provision for workers' profit participation fund	25.2	**10,384,003**	5,571,168
Provision for workers' welfare fund	25.3	**3,610,400**	2,117,044
Provision for gratuity		**27,852,679**	19,794,325
Final taxes		**-**	17,946,756
Minimum taxes		**44,706,012**	27,714,025
Gain on disposal of short term investment	35	**(262,108)**	(240,216)
Unrealized loss / (gain) on remeasurement of short term investments	35	**35,757**	(258,658)
Dividend income	35	**-**	(4,854,105)
Gain on disposal of property, plant and equipment	35	**(281,850)**	(806,892)
		346,803,382	287,349,072
Cash flows before working capital changes		**451,288,648**	343,019,611
Working capital changes:			
Decrease / (Increase) in current assets:			
Stores and spares		**13,392,165**	(13,657,053)
Stock in trade		**132,570,233**	(141,587,923)
Trade debts		**(75,396,636)**	(141,023,859)
Loans and advances		**(4,685,738)**	6,958,065
Due from government		**83,878,932**	(174,072,887)
Other receivables		**2,897,682**	45,558
		152,656,638	(463,338,098)
Increase in current liabilities:			
Trade and other payables		**188,688,009**	51,987,525
Cash generated from / (used in) operations		**792,633,295**	(68,330,962)
Final tax paid		**-**	(10,699,923)
Income tax paid - net		**(77,899,077)**	(66,780,275)
Finance cost paid - net		**(175,090,719)**	(116,362,917)
Gratuity paid		**(5,177,293)**	(19,794,325)
Long term deposits - net		**-**	(1,891,947)
Paid to workers' profit participation fund	25.2	**(9,661,713)**	(12,775,872)
		(267,828,802)	(228,305,259)
Net cash generated from / (used in) operating activities	**A**	**524,804,493**	(296,636,221)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in property, plant and equipment		**(86,340,710)**	(157,116,625)
Additions in capital work in progress		**(7,284,734)**	-
Short term investments - net		**12,209,310**	(9,351,791)
Long term loans		**(15,448,012)**	-
Proceeds from disposal of property, plant and equipment		**4,650,000**	856,000
Dividend received		**-**	4,854,105
Net cash used in investing activities	**B**	**(92,214,146)**	(160,758,312)

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		**-**	(5,965,170)
Long term finance obtained		**185,315,600**	238,873,437
Repayment of long term finance		**(179,470,307)**	(133,660,879)
Repayment of principal portion of lease liabilities	22	**(7,561,378)**	(5,956,832)
Short term finances - net		**(123,798,677)**	103,649,164
Net cash generated from / (used in) financing activities	**C**	**(125,514,762)**	196,939,721
Net increase in cash and cash equivalents (A+B+C)		**307,075,585**	(260,454,812)
Cash and cash equivalents at beginning of the year		**(349,008,818)**	(88,554,006)
Cash and cash equivalents at end of the year	44	**(41,933,233)**	(349,008,818)

The annexed notes from 1 to 54 form an integral part of these financial statements.

Sd/- Chief Executive	Sd/- Director	Sd/- Chief Financial Officer

NOTES OF AND FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

1. GENERAL INFORMATION

1.1 Ahmad Hassan Textile Mills Limited (the Company) was incorporated in Pakistan on December 03, 1989 as a Public Limited Company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange Limited. The Company is principally engaged in the manufacturing and sale of fabric. Registered / Head office of the Company is situated at 46-Hassan Parwana Colony, Multan, while the mill of the Company is located at M.M. Road, Chowk Sarwar Shaheed, District Muzaffargarh having area of 83 Kanals and 04 Marlas.

2. STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

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

3. Adoption of new and revised accounting standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

3.1 New amendments that are effective for the year ended June 30, 2025

The following amendments are effective for the year ended June 30, 2025. These 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.

Amendments to IFRS 16 ' Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions

Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Convenants

Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements

3.2 Standard and amendments to IFRS that are not yet effective

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

	Effective from Accounting period beginning on or after
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments	January 01, 2026

Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 1, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Contracts Referencing Nature-dependent Electricity	January 01, 2026

3.2.1 Other than the aforesaid amendments, 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

3.3 Material significant estimates

The preparation of financial statements in conformity with approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are 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 areas requiring the use of management estimates in these financial statements relate to the revaluation of certain item of property, plant and equipment, useful life of depreciable assets, employee retirement benefits, provision for doubtful receivables and taxation.

However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

4. MATERIAL ACCOUNTING POLICIES INFORMATION

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

4.1 Basis of measurement

These financial statements have been prepared under historical cost convention except indicated in note 4.4.1, 4.4.5.1 and 4.4.17.

4.2 Functional and presentation currency

The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

4.3 Critical judgements and accounting estimates in applying the accounting policies

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances, the results of which form the basis of making the judgement about carrying values of assets and liabilities that are not readily apparent from other resources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on the ongoing basis. Revisions to accounting estimates are recognized in the period in which estimate is revised if the revision affects only that period, or in the period of revision and future period if the revision affects both current and future periods.

In preparing these financial statements, the significant judgement made by the management in applying accounting policies include:

- Useful lives of property plant and equipment (notes 4.4.1)
- Provision for staff retirement benefits (notes 4.4.10)
- Provision for taxation (notes 4.4.9 and 30)
- Revaluation of property, plant and equipment (notes 4.4.1 and 5.5)
- Provision for trade debts under expected credit loss model (note 4.4.5.1)
- Provision for loans and advances to suppliers (note 11)

4.4 Summary of accounting policies

4.4.1 Property, plant and equipment

Property, plant and equipment except freehold land, building on freehold land, plant and machinery, generator and electric fittings and installations and capital work-in-progress are stated at cost less accumulated depreciation and impairment losses, if any.

Freehold land, building on freehold land, plant and machinery, generator and electric fittings and installations are stated at revalued amount being the fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses, if any. Revaluations are performed with sufficient regularity so that the fair value and carrying value do not differ materially at the statement of financial position date. Any revaluation increase arising on the revaluation of such asset is credited in 'Surplus on revaluation of property, plant and equipment'. A decrease in the carrying amount arising on revaluation is charged to profit or loss to the extent that it exceeds the balance, if any, held in the surplus on revaluation account relating to previously revalued assets.

To the extent of incremental depreciation charged on revalued assets, the related surplus on revaluation (net of deferred tax) is transferred directly to retained earnings/unappropriated profit. Depreciation on property, plant and equipment, except freehold land and capital work-in-progress, is charged to statement of profit or loss applying reducing balance method over the estimated useful lives of the assets at the rates shown in note 5.1 to the financial statements.

In respect of additions and disposals during the year , depreciation is charged from the month when assets is available for use and ceased from the month of disposal, to the statement of profit or loss applying the reducing balance method. Gains and losses on disposal of property, plant and equipment if any, are recognized in statement of profit or loss, as and when incurred. Assets are derecognized when disposed or when no future economic benefits are expected from its use or disposal.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalized.

4.4.2 Right-of-use assets and lease liabilities

Leases are recognized as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the company.

The lease liabilities are initially measured at the present value of the minimum lease payments at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. At initial recognition, liabilities were discounted using the Company’s incremental borrowing rate. Lease payment includes fixed payments with annual increments. The lease liabilities are subsequently measured at amortized cost using the effective interest rate.

Right-of-use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle 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 assets are depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The carrying amount of the right-of-use asset is reduced by impairment losses, if any. At transition, the Company recognized right of use assets equal to the present value of lease payments.

4.4.3 *Capital work in progress*

Capital work-in-progress (CWIP) is stated at cost less any recognized impairment loss. All expenditures connected to the specific assets incurred during installation and construction period are carried under CWIP. These are transferred to specific assets as and when assets are ready for their intended use.

4.4.4 *Impairment of non-financial assets*

The Company assesses at each statement of financial position date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amount and the resulting impairment loss is recognized in statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised recoverable amount but limited to the extent of carrying amount that would have been determined had no impairment loss been recognized in prior periods. Reversal of impairment loss is recognized as income.

4.4.5 *Financial Instruments*

Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit or loss.

4.4.5.1 *Financial assets*

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

a) Debt instruments measured at amortized cost

Debt instruments that meet the following conditions are measured subsequently at amortized cost:
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortized cost and effective interest method

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

As at reporting date, the Company carries cash and cash equivalents and trade debts at amortized cost.

b) ***Debt instruments measured at fair value through other comprehensive income (FVTOCI)***

Debt instruments that meet specified conditions and are measured subsequently at fair value through other comprehensive income (FVTOCI).

As at reporting date, the Company does not hold any debt instrument classified as at FVTOCI.

c) ***Equity instruments designated as at FVTOCI***

On initial recognition, the Company may make an irrevocable election (on an instrument-by- instrument basis) to designate investments in equity instruments as at FVTOCI.

As at reporting date, the Company does not hold any equity instrument classified as at FVTOCI.

d) ***Financial assets measured subsequently at fair value through profit or loss (FVTPL)***

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

As at reporting date, the Company does not hold any equity instrument classified as at FVTPL.

Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses(ECL) on financial assets that are measured at amortized cost , as well as on financial guarantee contracts. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognizes lifetime ECL for trade debts. For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

In contrast, 12–month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward looking information. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

Definition of default:

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

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the trade debts are unlikely to pay its trade payables, including the Company, in full (without taking into account any collateral held by the Company).

Write – off policy

The Company writes off financial assets when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made against financial assets written-off are recognized in statement of profit or loss.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in statement of profit or loss.

4.4.5.2 *Financial liabilities*

Subsequent measurement of financial liabilities

Financial liabilities that are not

- contingent consideration of an acquirer in a business combination,
- held–for-trading, or
- designated as at FVTPL.

are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

4.4.5.3 *Derecognition of financial liabilities*

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of profit or loss.

4.4.5.4 *Off setting of financial assets and financial liabilities*

A financial asset and a financial liability is offset and the net amount reported in the statement of financial position, if the Company has a current legal enforceable right to set off the recognized amount and the Company also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.4.6* *Stores and spares

These are valued at lower of cost and net realizable value, determined on moving average cost less allowance for obsolete and slow moving items. Items in transit are valued at invoice values plus other charges incurred thereon.

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

4.4.7 ***Stock in trade***

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

Raw material	Weighted average cost.
Material in transit	Cost accumulated up to statement of financial position date.
Work in process	Average manufacturing cost.
Finished goods	Average manufacturing cost.
Waste	Net realizable value.

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

4.4.8 ***Cash and cash equivalents***

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and balances with banks.

4.4.9 **Taxation / Revenue Taxes / Final Taxes**

Current

Charge for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates available, if any, as per Income Tax Ordinance, 2001.

Revenue Taxes

Revenue taxes includes amount representing excess of :

a)minimum tax paid under section 113 over income tax determined on income streams taxable at general rate of taxation and;

b)minimum tax withheld / collected / paid or computed over tax liability computed on (related income tax streams
taxable at general rate of tax), is not adjustable against tax liability of subsequent tax years.

Amount over income tax determined on income streams taxable at general rate of taxation shall be treated as revenue taxes.

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

(a) those outflows of resources that are within the scope of other standards.

(b) fines or other penalties that are imposed for breaches of the legislation.

In these financial statements, levy includes minimum taxes differential, if any, final taxes and super taxes which are calculated on a basis other than taxable profits. The corresponding advance tax paid, except for minimum taxes under section 113, which are treated as levy are recognised as prepaid assets.

Final Taxes

Final taxes includes tax charged / withheld / paid on certain income streams under various provisions of Income Tax Ordinance, 2001 (Ordinance). Final tax is charged / computed under the Ordinance, without reference to income chargeable to tax at the general rate of tax and final tax computed / withheld or paid for a tax year is construed as final tax liability for the related stream of Income under the Ordinance.

Final tax paid is considered to be full and final discharge of the tax liability for the Company for a tax year related to that income stream.

Deferred

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering, the average enacted tax rate.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilized. Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the statement of financial position date.

4.4.10 *Staff retirement benefits*

Defined benefit plan

The Company operates an unfunded gratuity scheme covering all its employees. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation. Actuarial gains and losses are recognized immediately as they arise in other comprehensive income. Past service cost is recognized immediately to the extent that the benefits are already vested. Otherwise it is amortized on a straight line basis over the average period until the amended benefits become vested.

Details of the scheme are given in the note 24.1 to these financial statements.

4.4.11 *Revenue recognition*

Revenue from contracts with customers is recognized at the point in time when the performance obligation is satisfied i.e. control of goods is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled to in exchange for those goods.

4.4.12 *Government Grant*

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the refinance scheme are included in noncurrent liabilities as deferred income and are credited to profit or loss on a straight-line basis over the tenure of the loan.

4.4.13 *Foreign currency translation*

Transactions in foreign currencies are translated at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date except where forward exchange contracts have been entered into for repayment of liabilities, in that case, the rates contracted for are used. Gains and losses arising on retranslation are included in profit or loss for the period.

4.4.14 *Borrowing costs*

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of the respective assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are charged to statement of profit or loss in the period in which they are incurred.

4.4.15 *Dividend*

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

4.4.16 *Trade and other payables*

Liabilities for trade and other payable are carried at cost which is the amortized cost of consideration to be paid in future for goods and services received whether billed to the Company or not.

4.4.17 *Provisions*

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

4.4.18 *Earnings per share*

The Company presents basic and diluted earnings per shares (EPS). Basic EPS is calculated by dividing the profit or loss attributable to share holders 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 share holders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	2025 Rupees	2024 Rupees
Operating fixed assets	5.1	**2,350,408,103**	1,680,862,501
Right of use assets	5.1.1	**19,313,460**	24,141,825
Capital work-in-progress	5.4	**7,284,734**	-
		2,377,006,297	1,705,004,326

5.1 Operating fixed assets

Particulars	Cost / Revalued amount				Accumulated depreciation				Written down Value as at June 30, 2025	%
	At July 01, 2024	Additions/ (Disposals)	Revaluation adjustment	At June 30, 2025	At July 01, 2024	Charge for the year	Revaluation adjustment	At June 30, 2025		
	---- Rupees ----									
Land - freehold	104,394,550		5,141,450	109,536,000	-	-		-	109,536,000	-
Buildings on freehold land										
- Factory building	362,957,819	-	(50,489,819)	312,468,000	143,126,447	12,535,512	(150,454,160)	5,207,799	307,260,201	5
- Residential building	118,465,023	-	(29,031,023)	89,434,000	57,673,195	3,516,961	(59,699,589)	1,490,567	87,943,433	5
	481,422,842	-	(79,520,842)	401,902,000	200,799,642	16,052,473	(210,153,749)	6,698,366	395,203,634	
Plant and machinery - including generator	2,116,480,999	83,582,695	(401,041,029)	1,799,022,665	907,048,345	69,354,713	(947,404,751)	28,998,308	1,770,024,357	5
Power grid station	100,516,512	-	-	100,516,512	64,842,548	1,783,698	-	66,626,246	33,890,266	5
Electric installations	23,423,006	-	-	23,423,006	19,386,659	491,832	-	19,878,491	3,544,515	10
Gas installations	18,739,816	-	-	18,739,816	8,903,166	403,635	-	9,306,801	9,433,015	5
Factory equipment	3,657,194	-	-	3,657,194	2,220,622	143,657	-	2,364,279	1,292,915	10
Office equipment	3,557,753	265,000	-	3,822,753	2,162,907	148,318	-	2,311,225	1,511,528	10
Computer equipment	2,947,528	33,000	-	2,980,528	1,989,968	317,645	-	2,307,613	672,915	10
Furniture & fixtures	1,198,947	-	-	1,198,947	941,879	10,395	-	952,274	246,673	10
Telephone installations	616,224	-	-	616,224	512,279	25,707	-	537,985	78,239	10
Tube well	45,000	-	-	45,000	40,432	313	-	40,745	4,255	10
Arms & ammunitions	27,800	-	-	27,800	24,669	457	-	25,126	2,674	10
Vehicles	55,488,050	2,460,015	-	53,094,565	22,780,603	5,832,194		28,127,447	24,967,118	20
		(4,853,500)				(485,350)				
	2,912,516,221	**86,340,710**	**(475,420,421)**	**2,518,583,010**	**1,231,653,720**	**94,565,037**	**(1,157,558,500)**	**168,174,907**	**2,350,408,103**	
Disposals		**(4,853,500)**	**-**			**(485,350)**				

5.1.1 Right of use asset

Particulars	At July 01, 2024	Additions/ (Disposals)	Revaluation adjustment	At June 30, 2025	At July 01, 2024	Charge for the year	Revaluation adjustment	At June 30, 2025	Written down Value as at June 30, 2025	%
Vehicles	35,997,500	-	-	35,997,500	11,855,675	4,828,365	-	16,684,040	19,313,460	20
	2,948,513,721	**86,340,710**	**-**	**2,554,580,510**	**1,243,509,395**	**99,393,402**	**(1,157,558,500)**	**184,858,947**	**2,369,721,563**	
		(4,853,500)				**(485,350)**				

For comparative period

Particulars	Cost / Revalued amount				Accumulated depreciation				Written down Value as at June 30, 2024	%
	At July 01, 2023	Additions/ (Disposals)	Revaluation/ (impairment)	At June 30, 2024	At July 01, 2023	Charge for the year	Adjustment / disposal	At June 30, 2024		
	------ Rupees ------									
Land - freehold	74,880,000	29,514,550	-	104,394,550	-	-		-	104,394,550	-
Buildings on freehold land										
- Factory building	362,957,819	-	-	362,957,819	131,556,375	11,570,072	-	143,126,447	219,831,372	5
- Residential building	118,465,023	-	-	118,465,023	54,473,625	3,199,570	-	57,673,195	60,791,828	5
	481,422,842	-	-	481,422,842	186,030,000	14,769,642	-	200,799,642	280,623,200	
Plant and machinery -										
including generator	1,980,232,963	136,248,036	-	2,116,480,999	847,387,833	59,660,512	-	907,048,345	1,209,432,654	5
Power grid station	100,516,512	-	-	100,516,512	62,964,971	1,877,577	-	64,842,548	35,673,964	5
Electric installations	23,423,006	-	-	23,423,006	18,938,176	448,483	-	19,386,659	4,036,347	10
Gas installations	18,739,816	-	-	18,739,816	8,385,448	517,718	-	8,903,166	9,836,650	5
Factory equipment	3,657,194	-	-	3,657,194	2,061,003	159,619	-	2,220,622	1,436,572	10
Office equipment	3,125,158	442,395	-	3,557,753	2,025,048	139,976	-	2,162,907	1,394,846	10
		(9,800)					(2,117)			
Computer equipment	2,114,028	833,500	-	2,947,528	1,778,086	211,882	-	1,989,968	957,560	10
Furniture & fixtures	1,198,947	-	-	1,198,947	913,316	28,563	-	941,879	257,068	10
Telephone installations	616,224	-	-	616,224	500,729	11,550	-	512,279	103,946	10
Tube well	45,000	-	-	45,000	39,924	508	-	40,432	4,568	10
Arms & ammunitions	27,800	-	-	27,800	24,321	348	-	24,669	3,131	10
Vehicles	35,468,773	21,235,227	-	55,488,050	19,996,453	3,959,013	-	22,780,603	32,707,447	20
		(1,215,950)					(1,174,863)			
	2,725,468,263	**188,273,708**	**-**	**2,912,516,221**	**1,151,045,308**	**81,785,392**	**(1,176,980)**	**1,231,653,720**	**1,680,862,501**	
Disposals		**(1,225,750)**	**-**				**-**	**-**	**-**	
Right of use asset										
Vehicles	38,521,680		-	35,997,500	6,863,547	6,183,541	-	11,855,675	24,141,825	20
		(2,524,180)					(1,191,413)		-	
	2,763,989,943	**188,273,708**	**-**	**2,948,513,721**	**1,157,908,855**	**87,968,933**	**(2,368,393)**	**1,243,509,395**	**1,705,004,326**	
		(3,749,930)								

5.2 The following assets were disposed off during the year:

Particulars	Cost	Carrying value	Sale proceeds	(Loss)/Gain	Mode of Disposal	Relationship	Particulars of buyers
Vehicle		**Amount in Rupees**					
Honda City	4,853,500	4,368,150	4,650,000	281,850	Negotiation	Third Party	Muhammad Haseeb Khokher
2025	**4,853,500**	**4,368,150**	**4,650,000**	**281,850**			

Particulars	Cost	Carrying value	Sale proceeds	(Loss)/Gain	Mode of Disposal	Relationship	Particulars of buyers
Vehicle		**Amount in Rupees**					
Suzuki cultus	663,550	22,192	550,000	527,808	Negotiation	Third Party	Muhammad Husnain
Suzuki	552,400	18,896	295,000	276,104	Negotiation	Third Party	Hafiza Shah Noor
2024	**1,215,950**	**41,088**	**845,000**	**803,912**			

		Note	2025 Rupees	2024 Rupees
5.3	***Allocation of depreciation***			
	Cost of goods sold	33	**84,713,505**	74,806,747
	Administrative expenses	37	**14,679,897**	13,162,187
			99,393,402	87,968,934
5.4	***Capital Work in Progress***			
	As at July 01,		-	30,384,316
	Addition during the year		**7,284,734**	
	Transfer to operating fixed assets		**-**	(29,824,316)
	Transfer to Advance income tax		**-**	(560,000)
			7,284,734	-

5.5 At March 01, 2025, freehold land, building on freehold land and plant and machinery including generator of the Company were revalued by K.G.T (Private) Limited, an independent valuer, and are stated at market value.

Freehold land and building on free hold land

Fair market value of the land was assessed through inquiries from various estate agents, brokers and builders / developers and keeping in view the location of the property, its size, status, utilization, cost of new construction, construction standard, depreciation cost factor, state of infrastructure and current trends in prices of real estate in the vicinity of the property.

Plant and machinery including generator

Fair market value of the plant and machinery including generator was assessed through inquiries of local authorized dealers who deal in old and new similar type of plant and machineries. Replacement value was then ascertained from competitive rates of the plant and machinery and thereafter, an average depreciation factor was applied on the replacement value of the plant and machinery.

5.6 Forced sale value of the above items of property, plant and equipment is as follows:

	Rupees
Freehold land	**93,105,600**
Building on freehold land	**341,616,700**
Plant and machinery including generator	**1,461,664,250**
	1,896,386,550

5.7 Had there been no revaluation the related figures of freehold land, building on freehold land and plant and machinery as at the statement of financial position date would have been as follows;

	2025 Rupees	2024 Rupees
Freehold land	**30,777,867**	30,777,867
Building on freehold land	**45,591,570**	47,963,078
Plant and machinery	**984,619,524**	948,377,767
	1,060,988,962	1,027,118,712

6. LONG TERM LOANS

	2025	2024
Loans to employees - considered good	**15,448,012**	-

6.1 These loans have been carried at cost as the effect of carrying these balances at amortised cost would not be material. These are inerest free loans provided as per Company policy and secured against gratuity.

7. LONG TERM DEPOSITS

	Note	2025 Rupees	2024 Rupees
Security deposits against:			
Utilities	7.1	**6,975,000**	6,975,000
Others		**564,322**	564,322
		7,539,322	7,539,322
Margin deposit against bank guarantee	7.2	**6,200,000**	6,200,000
		13,739,322	13,739,322

7.1 These represents security deposits against electric connections at mills.

7.2 This had been kept as cash margin against a bank guarantee issued in favor of Sui Northern Gas Pipelines Limited (SNGPL).

	Note	2025 Rupees	2024 Rupees
8. STORES AND SPARES			
Stores and spares		**48,106,277**	61,775,549
Packing material		**3,059,362**	2,782,255
Provision for slow moving items		**(125,132)**	(125,132)
		51,040,507	64,432,671
Allowance for obsolescence and slow moving items			
As at July 01,		**(125,132)**	(125,132)
Provision made during the year		**-**	-
As at June 30,		**(125,132)**	(125,132)
9. STOCK IN TRADE			
Raw materials		**268,470,235**	415,056,191
Work in process		**107,231,863**	82,193,400
Finished goods		**749,195,059**	760,217,799
		1,124,897,157	1,257,467,390
10. TRADE DEBTS			
Considered good			
Export - secured	10.1	**99,743,148**	-
Local - unsecured	10.2 , 10.3	**343,104,104**	367,450,616
		442,847,252	367,450,616
		442,847,252	367,450,616

10.1 Export trade debts are realized on early discounting or retirement of letter of credits (LCs) upon 90-120 days. All outstanding LCs are through irrevocable and confirmed LCs.

10.2 Local trade debts are non-interest bearing and are generally on 61 to 89 day terms.

10.3 Local trade debts include debtors with a carrying amount of Rs.12.84 million (2024: Rs.11.60 million) which are past due at the reporting date but not impaired as there has not been any significant change in credit quality and the amounts are still considered recoverable.

	Note	2025 Rupees	2024 Rupees
10.3.1 Aging of amounts past due but not impaired			
90 - 180 days		**-**	11,602,396
180 days and above		**12,846,591**	-
		12,846,591	11,602,396
11. LOANS AND ADVANCES			
Advance to suppliers - considered good		**9,319,500**	4,106,355
Advances to employees - considered good	11.1	**1,616,621**	2,144,028
		10,936,121	6,250,383

11.1 These are interest free advances provided to employees having the repayable period of one year. These advances were not impaired and aged less than one year.

	2025 Rupees	2024 Rupees
12. ADVANCE TAX		
Levy	**15,493,445**	10,728,129
Income tax	**62,136,575**	63,611,283
	77,630,020	74,339,412

		2025	2024
13.	***DUE FROM GOVERNMENT***	**Rupees**	Rupees
	Sales tax recoverable	**264,657,351**	348,536,283
	Income tax refundable	**38,498,409**	26,097,375
		303,155,760	374,633,658

14. SHORT TERM INVESTMENT

At fair value through profit or loss

2025	2024		2025	2024
Units				
		National Investment Trust (NIT)		
-	49	NIT Income fund	-	505
1,672,515	1,327,964	NIT Islamic income fund	**16,188,111**	12,793,870
611	152,844	NIT Islamic MMF	**61,887**	15,438,582
1,673,126	1,480,857		**16,249,998**	28,232,957

		2025	2024
15.	***OTHER RECEIVABLES***		
	Tax deposited under protest	**286,516**	3,171,697
	Insurance claim receivable and others	**113,599**	126,100
		400,115	3,297,797
16.	***CASH AND BANK BALANCES***		
	Cash in hand	**335,454**	559,765
	Cash at banks - current accounts	**22,200,458**	8,011,078
		22,535,912	8,570,843

17. SHARE CAPITAL

2025	*2024*			
Number of shares		***Authorized***		
20,000,000	20,000,000	Ordinary shares of Rs. 10 each	**200,000,000**	200,000,000
2025	*2024*			
Number of shares		***Issued, subscribed and paid up***		
8,471,535	8,471,535	Ordinary shares of Rs. 10 each fully paid in cash	**84,715,354**	84,715,354

18. SHARE PREMIUM

This includes share premium received during the previous years as detailed below:

Rs. 4 per share on 2,989,920 ordinary shares of Rs. 10 each issued during the year 2001	**11,959,680**	11,959,680
Rs. 10 per share on 1,138,992 ordinary shares of Rs. 10 each issued during the year 2004	**11,389,920**	11,389,920
Rs. 5 per share on 1,879,336.8 ordinary shares of Rs. 10 each issued during the year 2007	**9,396,684**	9,396,684
	32,746,284	32,746,284

18.1 The Company has one class of ordinary shares which carry no right to fixed income. The shareholders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

	2025 Rupees	2024 Rupees
19. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
Opening balance	**567,331,692**	590,016,339
Addition during the year	**682,138,079**	-
On account of incremental depreciation charged during the year - net of tax	**(25,343,267)**	(19,258,779)
Related deferred tax liability	**(10,351,475)**	(3,425,868)
	(35,694,742)	(22,684,647)
As at June 30,	**1,213,775,029**	567,331,692
Less: Related deferred tax liability		
Opening balance	**59,280,848**	62,706,716
Addition during the year	**196,329,022**	-
Deferred tax liability on incremental depreciation	**(10,351,475)**	(3,425,868)
Deferred tax due to rate change	**83,896,505**	-
	329,154,900	59,280,848
Closing balance	**884,620,129**	508,050,844

19.1 The Company has revalued its freehold land, building on free-hold land, plant and machinery including generator as on March 01, 2025 as disclosed in note 5.5 of the financial statements.

	Note	2025 Rupees	2024 Rupees
20. SUBORDINATED LOANS			
Unsecured- from directors			
Mian Muhammad Javed		**27,500,000**	27,500,000
Mr. Muhammad Haris		**35,000,000**	35,000,000
	20.1	**62,500,000**	62,500,000

20.1 These interest free loans were obtained during the years ended June 30, 2008 and 2009. These loans are subordinated to finances from the banks. These are repayable at the discretion of the Company after the repayments of related long term and short term finances and clearance from the banks. Hence, repayment terms are not identified.

	Note	2025 Rupees	2024 Rupees
21. LONG TERM FINANCING			
From conventional banks - secured			
Allied Bank Limited			
- LTFF II	21.1	**-**	23,061,330
- LTFF IV	21.2	**36,615,823**	47,882,223
- Term Finance	21.3	**-**	1,692,783
- Term Finance	21.4	**50,000,004**	38,888,895
- Term Finance	21.5	**61,315,601**	-
		147,931,428	111,525,231
National Bank of Pakistan			
- LTFF II, DF-II	21.6	**48,429,771**	76,103,923
- Demand Finance	21.7	**88,729,675**	95,555,035
		137,159,446	171,658,958
Bank Al habib Limited			
- Term Finance	21.8	**8,970,000**	11,310,000
- Term Finance	21.9	**24,000,000**	-
		32,970,000	11,310,000
Carried forward		**318,060,874**	294,494,189

	Note	2025 Rupees	2024 Rupees
Brought forward		**318,060,874**	294,494,189
Soneri Bank Limited			
- Term Finance	21.10	**-**	1,912,190
Bank Al falah Limited			
- Term Finance	21.11	**11,856,901**	27,666,102
		329,917,775	324,072,481
Less: current portion of long term loans		**121,897,804**	129,470,308
		208,019,971	194,602,173

21.1 Allied Bank Limited - LTFF II

This finance has been obtained from Allied Bank Limited (ABL) for purchase of plant and machinery (Looms). The loan is repayable in 12 equal half yearly installments commenced from October 24, 2018. It carries mark up at rate of SBP + 1.5% and secured against joint pari passu charge on present and future fixed assets of the company.

21.2 Allied Bank Limited - LTFF IV

This finance has been obtained from Allied Bank Limited (ABL) under SBP financing scheme for renewable energy for purchase of solar system. Loan is repayable in 27 equal quarterly installments commencing from February 2022 with 3 months grace period. This loan is secured against exclusive charge amounting to Rs. 96 million over specific machinery of solar system. It carries mark up at rate of SBP rate + 2%.

21.3 Allied Bank Limited - Term Finance

This finance has been obtained from Allied Bank Limited (ABL) for purchase of plant and machinery (Looms). The loan is repayable in 12 equal half yearly installments commenced from October 24, 2018. It carries mark up at rate of SBP + 1.5% and secured against joint pari passu charge on present and future fixed assets of the company.

21.4 Allied Bank Limited - Term Finance

This has been obtained to finance the permanent working capital requirements.This facility is repayable in 18 equal monthly instalments with no grace period. It carries mark up at 1MK + 1%. This loan is secured against 1st pari passu (PP) charge 467 million inclusive of 25% margin over present and future fixed assets (land, building, Plant and machinary) of the company and personal guarantees of directors of the company.

21.5 Allied Bank Limited - Term Finance

'This facility has been obtained from Allied Bank Limited (ABL) for import of plant and machinery of solar power plant .This facility is repayable in 24 equal monthly installments with 1 year grace period. It carries mark up at 3MK + 1%. This loan is secured against 1st pari passu (PP) charge over fixed assets (land,building, plant and machinery) of the company inclusive of 25% margin and personal guarantees of directors of the company.

21.6 National Bank of Pakistan - LTFF II

This finance has been obtained from National Bank of Pakistan to finance property plant and equipment (Toyota Air Jet Looms) under SBP's Refinance Scheme & wages and is repayable in 24 equal quarterly instalmments commencing from May 2020 with 18 months grace period. This loan is secured against first pari passu charge on present and future fixed asset of the company. It carries mark up at SBP rate + 1.5%.

21.7 National Bank of Pakistan - Demand finance

This finance has been obtained from National Bank of Pakistan Limited for purchase of Solar Panels invertors and machinery spare parts for solar power plant .This facility is repayable in 28 equal quarterly instalments with 1 year of grace period. It carries mark up at 6MK + 1.5%. This loan is secured against exclusive charge amounting to Rs. 107 million over specific machinery of solar system.

21.8 ***Bank Al Habib - Term finance***

This finance has been obtained from Bank Al Habib Ltd for purchases of vehicle for official use of director of the company.The loan is repayable in 60 equal monthly installments with no grace period. It carries mark up at 6MK + 1%. This loan is secured against joint registration, promisory note and hypothication charge of Rs.14.7 million over the vehicle.

21.9 ***Bank Al Habib - Term finance***

This finance has been obtained from Bank Al Habib Ltd to purchase parts of solar power plant. This facility is repayable in 20 equal quarterly installments with 6 months grace period. It carries markup at 6MK + 1% per annum. This loan is secured against exclusive charge amounting to Rs. 36 million over specific machinery of solar system

21.10 ***Soneri Bank Limited - Term finance***

This finance has been obtained from Soneri Bank Limited for import of spare parts for over hauling of generators. This facility is repayable in 48 equal monthly installments. It carries mark up at 3MK + 1.5%. This loan is secured against specific charge of Rs. 26.7 million over three gas generator JGS-320 and personal guarantees of directors of the company.

21.11 ***Bank Al Falah Limited - Term finance***

This finance has been obtained from Bank Al Falah Limited to retire LC for BMR. This facility is repayable in 8 equal quarterly installments starting after 3 months of disbursement of the loan. This loan is secured against first pari passu charge on present and future fixed asset of the company. It carries mark up at 3MK + 1.5%.

22. ***LEASE LIABILITIES***	**2025 Rupees**	2024 Rupees
As at July 01,	**27,492,119**	33,448,951
Availed during the year	**-**	-
Less: Payments made during the year	**(7,561,378)**	(5,956,832)
As at June 30,	**19,930,741**	27,492,119
Less: Current portion of lease liabilities	**7,769,678**	6,459,567
	12,161,063	21,032,552

22.1 The Company acquired vehicles under lease arrangements from banking companies. These liabilities, during the year, were subject to finance cost charged at the rate ranging from 12.69% to 22.54% (2024: 19.44% to 23.58%) per annum. The Company intends to exercise its option to purchase the leased vehicles upon completion of the lease term. The lease finance facilities are secured against promissory notes and post dated cheques given by the Company.

The amount of future payments of the lease and the period in which these payments will become due are as follows:

2025	**Minimum lease payment**	**Future finance charge**	**Present value of lease liability**
		---------------(Rupees)---------------	
Not later than one year	**9,690,192**	**1,920,514**	**7,769,678**
Later than one year and not later than five years	**13,216,552**	**1,055,489**	**12,161,063**
	22,906,744	**2,976,003**	**19,930,741**

2024	Minimum lease payment	Future finance charge	Present value of lease liability
	---------------(Rupees)---------------		
Not later than one year	12,008,158	5,548,591	6,459,567
Later than one year and not later than five years	27,010,412	5,977,860	21,032,552
	39,018,570	11,526,451	27,492,119

		Note	2025 Rupees	2024 Rupees
23.	***DEFERRED TAXATION***			
23.1	The liability for deferred taxation comprises timing differences relating to:			
	Credit balance arising in respect of:			
	Revaluation surplus on PPE and Accelerated tax depreciation on PPE		**454,142,997**	178,475,563
			454,142,997	178,475,563
	Debit balance arising in respect of:			
	- Minimum tax paid in excess of normal tax		**(69,264,511)**	(89,622,034)
	- Staff retirement benefits		**(6,575,862)**	-
	- Provisions		**(5,047,485)**	(5,051,025)
	- Carry forward of losses		**(25,119,904)**	-
			348,135,235	83,802,504
23.2	Movement of deferred tax liability is as follows:			
	As at July 01,		**83,802,504**	90,303,690
	Charge for the year:			
	To statement of profit or loss	42	**(15,892,796)**	(6,501,186)
	To statement of other comprehensive income		**280,225,527**	-
	As at June 30,		**348,135,235**	83,802,504

24. ***STAFF RETIREMENT BENEFITS - GRATUITY***

During the year, The Company changed its practice for determing defined benefit plan comprising an un-funded gratuity scheme for its permanent employees from current cost method, under which payments were made to employees annually, to projected unit credit method. The policy have been amended accordingly (refer to note 4.4.11). The latest actuarial valuation has been conducted as at June 30, 2025.

		2025 Rupees	2024 Rupees
24.1	**Liability recognized in the statement of financial position**		
	Present value of defined benefit obligation	**22,675,386**	-
	Movement in liability for defined benefit obligation		
	Opening balance	**-**	-
	Charge for the year	**27,852,679**	19,794,325
	Benefits paid during the year	**(5,177,293)**	(19,794,325)
	Actuarial gains from changes in financial assumptions	**-**	-
	Experience adjustments	**-**	-
		22,675,386	-
	Change in present value of defined benefit obligation		
	Opening defined benefit obligation	**-**	-
	Current service cost	**18,233,255**	19,794,325
	Past service cost	**9,619,424**	-
	Benefits paid	**(5,177,293)**	(19,794,325)
		22,675,386	-

	2025 Rupees	2024 Rupees
Charge for the year		
Current service cost	**18,233,255**	19,794,325
Past service cost	**9,619,424**	-
	27,852,679	19,794,325
Allocation of charge for the year		
Cost of sales	**23,987,797**	16,557,846
Administrative expenses	**3,864,882**	3,236,479
	27,852,679	19,794,325
Total remeasurements chargeable to other comprehensive income		
Remeasurement of plan obligation:		
Acturial losses from changes in financial assumptions	**-**	-
Experience adjustments	**-**	-
	-	-
Average duration of liability	**6 years**	

As per actuarial valuation carried out as at June 30, 2025 by TRT Associates using Projected Unit Credit Method, the following significant assumptions have been used for valuation of defined benefit obligation of the Company:

	2025
- Discount rate	**11.75%**
- Expected increase in eligible salary	**10.75%**
- Average expected remaining working life time	**6 years**
- Mortality rate	**SLIC (2001-2005)**

Expected expense for the next year

The expected expense to the gratuity scheme for the next year works out to Rs. 22.20 million.

If the discount rate is 100 basis points higher / (lower), the defined benefit obligation would decrease to Rs. 21.35 million / (increase to Rs. 24.07 million).

If the expected rate of salary increases / (decreases) by 100 basis points, the defined benefit obligation would increase to Rs. 24.11 million / (decrease to Rs. 21.32 million).

Furthermore in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statement of financial position.

The gratuiy scheme exposes the Company to the following risks:

Interest rate risk : The present value of the defined benefit liability is calculated using a discount rate determined by reference to the market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on government bonds. Currencies and terms of bond yields used must be consistent with the currency and estimated term of the post-employment benefit obligations being discounted. A decrease in bond interest rates will increase the liability, and vice versa.

Salary risk: The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the liability and vice versa.

Withdrawal rate risk: The present value of the defined benefit liability is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase/decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

Mortality rate risk : The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An improvement in the mortality rates of the participants may increase/decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

			2025	2024
25.	***TRADE AND OTHER PAYABLES***	***Note***	**Rupees**	Rupees
	Creditors		**667,566,850**	586,030,569
	Advances from customers	25.1	**7,142,119**	41,597,940
	Accrued liabilities		**121,073,467**	73,976,176
	Payable to banks under bill discounting arrangement		**94,027,368**	-
	Tax deducted at source		**12,837,363**	12,354,473
	Workers' profit participation fund	25.2	**17,279,991**	16,557,701
	Workers' welfare fund	25.3	**20,373,316**	16,762,916
			940,300,474	747,279,775

25.1 During the year, revenue of Rs. 40.81 million has been recognised out of opening of advances from customers of Rs. 41.59 million.

			2025	2024
25.2	***Workers' profit participation fund***	***Note***	**Rupees**	Rupees
	As at July 01,		**16,557,701**	21,721,943
	Allocation for the year		**8,161,072**	5,571,168
	Interest on funds utilized		**2,222,931**	2,040,462
			26,941,704	29,333,573
	Paid during the year		**(9,661,713)**	(12,775,872)
			17,279,991	16,557,701

25.3 ***Worker's welfare fund***

As at July 01,	**16,762,916**	14,645,872
Allocation for the year	**3,610,400**	2,117,044
	20,373,316	16,762,916

26. ***SHORT TERM BORROWINGS***

From Conventional Banks - secured

Cash finance	26.1	**165,557,409**	312,552,282
Running finance	26.2	**64,469,145**	357,579,661
Finance against packing credit	26.3	**44,683,196**	29,000,000
Finance against imported merchandize	26.4	**7,513,000**	-
		282,222,750	699,131,943

26.1 These cash finance facilities have been obtained from various commercial banks for working capital requirements, and are secured against personal guarantee of directors and pledge of stock of the Company. Cash finance facilities carry mark up at the rates ranging from 21.24% to 12.84% per annum (2024: 22.74% to 23.91% per annum).

26.2 These facilities have been obtained from various banks for working capital requirements, and are secured against joint pari passu charge over all present and future current assets of the company. Running finance facilities carry mark up at the rates ranging from 22.72% to 12.41% per annum (2024: 21.74% to 22.99% per annum).

26.3 This facility has been obtained to facilitate export of the company and is secured against lien on export contracts by LC(S)/U & or JPP hypothecation mentioned in finance facility running finance (weaving unit) and book debts &/or lien on export documents sent on collection after shipment. It carries mark up at the rate of KIBOR + 0.75% per annum.Finance against packing credit carries mark up at the rates related to FCY loan as at June 30, 2025 is ranging from 5% to 6.75% per annum and carries mark up at the rates related to PKR loan in comparative is ranging from 21.24% to 13.41% per annum (2024: 21.19% to 23.91% per annum)

26.4 This facility has been obtained for retirement of import documents for import of Yarn from international market drawn under LC sight and is secured against companies own promissory notes and pledge of imported stocks. It carries mark up at the rate of KIBOR + 0.75% per annum.Finance against imported merchandize carry mark up at the rates during the period is 12.19% per annum.

	Note	2025 Rupees	2024 Rupees
27. CURRENT PORTION OF NON-CURRENT LIABILITIES			
From conventional banks - secured			
Allied Bank Limited		**66,376,031**	74,909,405
Bank Al Habib Limited		**2,340,000**	2,340,000
National Bank of Pakistan		**41,324,872**	34,499,512
Soneri Bank Limited		**-**	1,912,190
Bank Alfalah Limited		**11,856,901**	15,809,201
		121,897,804	129,470,308
Lease liabilities - secured	22	**7,769,678**	6,459,567
		129,667,482	135,929,875
28. ACCRUED MARKUP			
- Long term financing		**8,660,987**	11,473,965
- Short term borrowings		**9,785,845**	20,698,499
		18,446,832	32,172,464

29. GAS INFRASTRUCTURE DEVELOPMENT CESS (GIDC)

On August 13, 2020, the Supreme Court of Pakistan (SCP) through its order declared GIDC Act an intra vires to the constitution and directed all the industrial and commercial entities to pay the Cess that have become due up to July 31, 2020. However, as a concession, the same was allowed to be recovered in twenty four equal monthly installments started from September 01, 2020.

	Note	2025 Rupees	2024 Rupees
30. PROVISION FOR TAXATION			
Provision for revenue taxes		**44,706,012**	45,660,781
Provision for taxation		**26,804,734**	17,171,084
	30.1 , 30.2	**71,510,746**	62,831,865

30.1 The Deputy Commissioner Inland Revenue, Multan passed an order dated June 30, 2017 under section 121(1)(d) of the Income Tax Ordinance, 2001 raising demand of Rs. 285.655 million for tax year 2011. The Company filed an appeal with the Commissioner Inland Revenue-Appeals, Multan contending that the impugned order was barred by time limitation and was made ex-parte on the same date as the date of receipt of show cause notice. The CIR-Appeals annulled the impugned order and decided the case in favor of the Company through its order dated October 31, 2017. However, the Commissioner Inland Revenue (Multan Zone) filed an appeal with the Appellate Tribunal Inland Revenue Lahore in February, 2018. The appeal is pending for adjudication and the Company expects favorable outcome hence, no provision has been made in these financial statements.

30.2 In 2019, the Additional Commissioner Inland Revenue passed an order for the tax year 2012 under section 122(5A) of the Income Tax Ordinance, 2001 and raised a demand of Rs. 3.743 million by disallowing the claim of tax credit under section 65B of the Income Tax Ordinance, 2001 (the Ordinance) against the minimum and final tax liabilities of the Company and difference in apportionment of expenses of local and export sales. The Company filed an appeal with the Commissioner Inland Revenue (Appeals) dated May 14, 2018. The Commissioner Inland Revenue (Appeals) decided the case against the Company vide his order dated March 01, 2019. The Company preferred an appeal with the Appellate Tribunal Inland Revenue, Lahore(ATIR). In 2020, the ATIR allowed the Appeal of the Company to the extent of the tax credit under section 65B of the Ordinance vide his order dated May 01, 2020. In 2020, the Commissioner Inland Revenue preferred an appeal with the High Court, which is pending adjudication. The Company expects favorable outcome, hence, no provision has been made in these financial statements.

31. CONTINGENCIES AND COMMITMENTS

31.1 Contingencies

(i) In 2022, the Excise and Taxation Department Karachi imposed infrastructure cess/excise duty of Rs. 7.153 million on account of machinery imported by the Company. The Company filed a suit in Sindh High Court (SHC), Karachi against said levy. In 2013, on the basis of interim order passed by SHC, a bank guarantee amounting to Rs. 3.576 million had been given by the Ahmad Hassan Spinning Limited in favor of the Director Excise and Taxation, Karachi. The spinning segment of the Company had also paid a demand draft of Rs. 3.576 million (50% of the disputed amount) to Excise and Taxation Department, which had been booked as 'Other receivable'. 'In another similar case, the Company had given a bank guarantee of Rs. 7.200 million (2024: Rs. 7.200 million) to the Director Excise and Taxation, Karachi against disputed amount of infrastructure cess for release of imported goods. After demerger, the contingent liability of the Company works out to Rs. 4.016 million (2024: Rs. 4.016 million). The decision of SHC is pending and Company expects favorable decision hence, not accounted for any liability in this regard.

(ii) In 2018, the Deputy Commissioner (DC) Punjab Revenue Authority issued a notice to the Company to explain the short deduction and deposit of Sales Tax on Services for the period from March 2015 to June 2016. The notice concerned an impugned amount of Rs. 25.427 million. The Company explained the matter to the DC contesting that the notice was based on assumptions only. The DC did not accept the arguments of the Company. The Company in 2018 challenged the notice in Lahore High Court which provided interim relief by suspending the notice of PRA. The Company expects that the impugned notice shall be withdrawn and hence has not accounted for any liability in these financial statements in this regard.

(iii) In 2019, the Deputy Commissioner Inland Revenue (DCIR) issued a show cause notice to the Company regarding evasion of sales tax, further tax and undue adjustment of inadmissible input tax on account of sales/purchases from unregistered/blacklisted persons during the period from 2013 to 2016. The Company contested the case through its legal counsel. However, dissatisfied with the reply and evidences provided by the Company, the DCIR made order against the Company to raise a demand of Sales tax and further tax amounting to Rs. 1.983 million as well as penalty of Rs. 0.108 million. The Company did not accept the order and filed an appeal with the Commissioner Inland Revenue (Appeals) dated January 11, 2019 which is pending adjudication. Moreover, in order to prevent the recovery of disputed amount by FBR, the Company also paid Rs. 0.198 million being 10% of the raised demand as per section 140 of the Income Tax Ordinance, 2001. This amount is classified in 'Other receivables'. The Commissioner Inland Revenue (Appeals) has decided the case in favor of the Company and impugned order has been anulled. However, the Commissioner Inland Revenue did not accept the order and filed an appeal with the Appellate Tribunal Inland Revenue which is pending at judication. After demerger, the contingent liability of the Company works out to Rs. 1.815 million (2024: Rs. 1.815 million).The Company expects favorable outcome and hence not accounted for any liability in these financial statements in this regard.

(iv) During the 2023, the Deputy Commissioner Inland Revenue (DCIR) raised a demand Rs. 8.244 million regarding evasion of sales tax and further tax on account of supplies to unregistered/blacklisted person during the period from April 2017 to November 2018. The Company filed an appeal with the Commissioner Inland Revenue (CIR) (Appeals) which is decided in favour of the Company and the impugned order of the DCIR has been annulled by the CIR (Appeals). The Commissioner Inland Revenue filed an appeal with the Appellate Tribunal Inland Revenue, Lahore which is pending for adjudication. The Company expects favorable outcome and hence has not accounted for any liability in these financial statements in this regard.

(v) In 2020, a show cause notice has been served by the Punjab Revenue Authority (PRA) on November 11, 2019 which raised the demand of Rs. 8.294 million in respect of non deposit of Sales Tax on Services for the period from July 2018 to June 2019. The proceedings are in process, while the Honorable Lahore High Court has extended an interim relief by directing that proceedings under the impugned show cause notice will continue, however, no final order shall be passed, till the reporting date. The Company has submitted written reply and no further notice has been received by the Company. The Company expects that the impugned notice shall be withdrawn and hence has not accounted for any liability in these financial statements in this regard.

(vi) Refer to contents of the note 30.1 and note 30.2.

31.2 Commitments

(i) The Company's commitments against capital expenditure as at June 30, 2025 amount to Rs. nil (2024: Rs. Nil).

(ii) The Company's commitments other than capital expenditure; against letter of credit outstanding as at June 30, 2025 amount to Rs. 60.42 million (2024: Rs. Nil)

(iii) As mentioned in note 7.2, bankers of the Company have given guarantees to SNGPL amounting to Rs. 77.715 million (2024: Rs. 77.715 million) on behalf of the Company.

	2025	2024
***32.* REVENUE FROM CONTRACTS WITH CUSTOMERS**	**Rupees**	Rupees
Export		
Direct - fabric	**556,634,941**	715,822,276
Indirect - fabric	**-**	1,032,841,952
	556,634,941	1,748,664,228
Local		
-Fabric	**6,004,781,581**	3,996,140,566
-Waste	**29,355,708**	29,011,013
-Yarn	**2,961,406**	-
	6,037,098,695	1,983,520,348
Less: Sales tax		
-Local fabric	**(919,249,945)**	(577,651,964)
-Indirect local fabric	**-**	(86,244,061)
-Waste	**(4,477,989)**	(4,425,409)
	(923,727,934)	(668,321,434)
Less: Commission	**(43,574,177)**	(27,179,721)
	5,626,431,525	3,036,683,420

		Note	2025 Rupees	2024 Rupees
33.	***COST OF GOODS SOLD***			
	Raw materials consumed	33.1	**4,129,968,928**	3,908,894,891
	Power and fuel		**472,715,163**	390,549,919
	Salaries, wages and benefits		**320,903,721**	228,224,028
	Depreciation	5.3	**84,713,505**	74,806,747
	Stores consumed		**79,448,939**	61,131,745
	Chemical consumed		**77,166,898**	66,947,088
	Packing materials consumed		**13,579,608**	13,648,617
	Repair and maintenance		**8,475,921**	8,865,913
	Insurance		**6,586,557**	7,730,343
	Rent, rates and taxes		**232,969**	331,010
			5,193,792,210	4,761,130,301
	Work-in-process:			
	-Opening stock		**82,193,400**	71,121,407
	-Closing stock		**(107,231,863)**	(82,193,400)
			(25,038,463)	(11,071,993)
	Cost of goods manufactured		**5,168,753,747**	4,750,058,308
	Finished goods:			
	-Opening stock		**760,217,799**	781,844,629
	-Purchase		**16,898,520**	-
	-Closing stock		**(749,195,059)**	(760,217,799)
			27,921,260	21,626,830
			5,196,675,007	4,771,685,138
33.1	***Raw materials consumed***			
	Opening stock		**415,056,191**	262,913,431
	Purchases including direct expense		**3,983,382,972**	4,061,037,651
			4,398,439,163	4,323,951,082
	Closing stock		**(268,470,235)**	(415,056,191)
			4,129,968,928	3,908,894,891
34.	***PROFIT ON TRADING***			
	Sale of yarn		**-**	24,016,065
	Less: Purchases		**-**	17,979,499
			-	6,036,566
35.	***OTHER INCOME***			
	Income / (loss) from financial assets			
	Gain on exchange rate fluctuation - net		**2,233,209**	31,161,342
	Dividend Income		**-**	4,854,105
	(Loss) / unrealized gain on remeasurement of investments		**(35,757)**	258,658
	Realized gain on disposal of investments		**262,108**	240,216
			2,459,560	36,514,321
	Income from assets other than financial assets			
	Gain on disposal of property, plant and equipment		**281,850**	806,892
	Agriculture Income		**35,349**	10,206
			317,199	817,098
			2,776,759	37,331,419
36.	***SELLING AND DISTRIBUTION EXPENSES***			
	Salaries, wages and other benefits		**2,616,688**	2,938,092
	Freight expenses on export		**17,455,535**	19,938,417
	Export development surcharge		**1,157,426**	2,042,393
	Other export expense including bank charges		**4,844,345**	8,106,405
			26,073,994	33,025,307

		Note	2025 Rupees	2024 Rupees
37.	***ADMINISTRATIVE EXPENSES***			
	Directors' meeting fee		**116,000**	68,000
	Directors' remuneration		**9,900,000**	9,000,000
	Salaries and benefits		**32,993,025**	29,553,623
	Depreciation	5.3	**14,679,897**	13,162,187
	Entertainment		**4,276,758**	4,528,250
	Vehicles running and maintenance		**5,912,968**	6,545,088
	Fee and subscription		**5,015,480**	3,358,710
	Communication		**1,323,171**	1,563,096
	Legal and professional		**118,000**	1,115,000
	Auditors' remuneration	37.1	**1,020,000**	1,020,000
	Repairs and maintenance		**475,196**	586,482
	Travelling and conveyance		**5,258,433**	2,162,746
	Utilities		**1,312,832**	972,487
	Printing and stationery		**175,367**	188,728
	Advertisement		**62,425**	120,200
	Insurance		**1,429,894**	1,551,373
			84,069,446	75,495,970
37.1	***Auditors' remuneration***			
	Statutory audit fee		**700,000**	700,000
	Half yearly review		**220,000**	220,000
	CDC free float shares certification		**50,000**	50,000
	Review report on Code of Corporate Governance		**50,000**	50,000
			1,020,000	1,020,000
38.	***OTHER OPERATING EXPENSES***			
	Worker's profit participation fund	25.2	**8,161,072**	5,571,168
	Worker's welfare fund		**3,610,400**	2,117,044
	Loss on exchange rate fluctuation - net		**-**	-
	Donations	38.1	**62,000**	60,000
			11,833,472	7,748,212

38.1 During the year, no donation were made to any party exceeding Rs. 1 million.

		Note	2025 Rupees	2024 Rupees
39.	***FINANCE COST***			
	Mark up on:			
	-Long term financing		**29,993,359**	40,343,976
	-Short term borrowings		**114,913,542**	73,071,563
	-Gas infrastructure development cess		**-**	689,336
	-Lease liabilities		**4,561,116**	7,230,512
	-Workers profit participation fund	25.2	**2,222,931**	2,040,462
			151,690,948	123,375,849
	Bank charges and guarantee commission		**9,674,139**	9,020,842
			161,365,087	132,396,691
40.	***FINAL TAXES***			
	Final taxes on:			
	- export sales	40.1	**-**	17,946,756

40.1 This represents final taxes paid on export sales as per section 154 of the Income Tax Ordinance, 2001, and recognised as levy in line with the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.

	2025 Rupees	2024 Rupees
41. *REVENUE TAXES*		
Minimum taxes	**44,706,012**	27,714,025

41.1 This represents provision for minimum tax under sections 113 of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levies in these financial statements as per the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.

	2025 Rupees	2024 Rupees
42. *TAXATION*		
Current	**26,175,401**	16,416,341
Prior year adjustment	**4,904**	5,094,556
	26,180,305	21,510,897
Deferred	**(15,892,796)**	(6,501,187)
	10,287,509	15,009,710

42.1 *Relationship between tax expense and accounting profit before tax*

	2025	2024
Applicable tax rate	**29%**	29%
Profit before tax	**104,485,266**	101,331,320
Tax on accounting profit before tax	**30,300,727**	29,386,083
Tax effect of income under minimum tax regime representing levies as per IFRIC 21	**(12,964,743)**	(27,714,025)
Tax effect of final tax regime representing levies as per IFRIC 21	**-**	(17,946,756)
Tax effect on dividend income	**-**	788,628
Effect of utilization of losess	**(26,175,401)**	-
Effect of change in deferred tax rate	**30,718,755**	-
Permanent difference	**104,361**	-
Prior year tax adjustment	**4,904**	5,094,556
Other temporary difference	**(11,701,093)**	25,401,224
Current year provision	**10,287,509**	15,009,710

43. *EARNINGS PER SHARE - BASIC AND DILUTED*

There is no dilutive effect on the basic earnings per share of the Company which is based on:

		2025	2024
Profit for the year	***Rupees***	**94,197,757**	40,660,828
Weighted average number of shares	***Number***	**8,471,535**	8,471,535
Earnings per share - basic and diluted	***Rupees***	**11.12**	4.80

44. CASH AND CASH EQUIVALENTS	**Note**	**2025 Rupees**	2024 Rupees
Cash and bank balances	16	**22,535,912**	8,570,843
Running finance	27	**(64,469,145)**	(357,579,661)
		(41,933,233)	(349,008,818)

45. *FINANCIAL RISK MANAGEMENT*

45.1 The Company has exposures 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. Further quantitative disclosures are included throughout these financial statements.

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

45.2 Credit risk and concentration of 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 financial instruments or contracts are entered into with the same party, or when counter parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk of the Company arises principally from the long term deposits, other financial assets, trade debts, loans and advances, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	2025	2024
Financial assets	**Rupees**	Rupees
Trade debts	**442,847,252**	367,450,616
Long term loans	**15,448,012**	-
Loans and advances	**10,936,121**	6,250,383
Long term deposits	**13,739,322**	13,739,322
Bank balances	**22,200,458**	8,011,078
Other receivables	**113,599**	126,100
	505,284,764	395,577,499

Counterparties

The Company conducts transactions with the following major counterparties:

- Trade debts, banks and other financial institutions.

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.

45.2.1 Credit risk related to trade debts

Trade debts are essentially due from local and foreign customers against sale of yarn and fabrics and the Company does not expect these counterparties to fail to meet their obligations. The majority of sales to the Company's customers are made on specific terms. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and controls relating to customer credit risk management. Credit limits are established for all customers based on internal rating criteria.

Credit quality of the customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored and any shipments to foreign customers are generally covered by letters of credit.

Trade debts are non-interest bearing and are generally on 61 to 89 days credit terms.

Local trade debts include debtors with a carrying amount of Rs. 12.84 million (2024: Rs. 11.60 million) which are past due at the reporting date but not impaired as there has not been any significant change in credit quality and the amounts are still considered recoverable.

	2025	2024
	Rupees	Rupees
Aging of amounts neither past due not impaired		
90 - 180 days	**-**	11,602,396
180 days and above	**12,846,591**	-
	12,846,591	11,602,396

Concentration of credit risk

Trade debts consist of a large number of diversified customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of trade debts and, where appropriate. The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Company defines counterparties as having similar characteristics if they are related entities.

45.2.2 Credit risk related to banks and other financial institutions

The Company limits its exposure to credit risk by only investing in highly liquid securities and only with counterparties that have a good credit rating. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit rating.

The credit rating of the banks in which the company has maintained its deposits is as follows:

Name of bank	**Rating Agency**	**Credit Rating**	
		Short Term	**Long Term**
The Bank of Punjab	PACRA	A1+	AA+
Askari Bank Limited	PACRA	A1+	AA+
Bank Al Habib Limited	PACRA	A1+	AAA
Bank Islami Pakistan Limited	PACRA	A1	AA
Bank Alfalah Limited	PACRA	A1+	AAA
MCB Bank Limited	PACRA	A1+	AAA
Soneri Bank Limited	PACRA	A1+	AA-
Dubai Islamic Bank Pakistan Limited	VIS	A1+	AA
Allied Bank Limited	PACRA	A1+	AAA
Faysal Bank Limited	PACRA	A1+	AA
Habib Bank Limited	PACRA	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+
Meezan Bank Limited	VIS	A1+	AAA
United Bank Limited	VIS	A1+	AAA
National Bank of Pakistan	PACRA	A1+	AAA

45.3 Liquidity risk management

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Management closely monitors the Company's liquidity and cash flow position. This includes maintenance of statement of financial position, liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customer. The Company manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity of financial assets and liabilities.

45.3.1 Liquidity and interest risk table

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

	Weighted Average effective rate of interest	**Maturity within 1 year**	**Maturity after 1 year**	**Total**
June 30, 2025	**Rupees**			
Financial liabilities				
Interest bearing				
Long term loans	**3.5% to 21.85%**	**121,897,804**	**208,019,971**	**329,917,775**
Short term borrowings	**12.41% to 22.72%**	**282,222,750**	**-**	**282,222,750**
Lease liability	**12.69% to 22.54%**	**7,769,678**	**12,161,063**	**19,930,741**
Non interest bearing				
Trade and other payables		**795,782,436**	**-**	**795,782,436**
Unclaimed dividend		**4,110,591**	**-**	**4,110,591**
Accrued interest / mark-up		**18,446,832**	**-**	**18,446,832**
		1,230,230,091	**220,181,034**	**1,450,411,125**

	Weighted Average effective rate of interest	Maturity within 1 year	Maturity after 1 year	Total
June 30, 2024	Rupees			
Financial liabilities				
Interest bearing				
Long term loans	3.5% to 24.47%	129,470,308	194,602,173	324,072,481
Short term borrowings	10% to 24.48%	699,131,943	-	699,131,943
Lease liability	19.44% to 24.69%	6,459,567	21,032,552	27,492,119
Non interest bearing				
Trade and other payables		701,604,685	-	701,604,685
Unclaimed dividend		4,110,591	-	4,110,591
Accrued interest / mark-up		32,172,464	-	32,172,464
		1,572,949,558	215,634,725	1,788,584,283

45.4 Market risk management

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 returns.

45.4.1 Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's long term and short term debt obligations having floating interest rate.

45.4.2 Interest rate sensitivity

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended June 30, 2025 would decrease / increase by Rs. 6.32 million (2024: Rs.10.77 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

45.4.3 Foreign exchange risk management

The Company is exposed to currency risk on trade debts which are denominated in currency other than the functional currency of the Company. The Company's exposure to foreign currency risk is as follows:

	2025		2024	
	Rupees	**US Dollar**	Rupees	US Dollar
Trade debts	**99,743,148**	**351,505**	**-**	**-**
	99,743,148	**351,505**	-	-

The following US Dollar exchange rates were applied during the year:

	2025	2024
	Rupees	Rupees
Average rate	**281.05**	278.84
Statement of financial position rate	**283.76**	278.34

45.4.4 Foreign currency sensitivity analysis

At June 30, 2025, if the rupee had weakend/ strengthen by 10% against the US dollar with all other variable held constant, profit for the year would have lower/ higher by Rs. 9.974 million (2024: Rs. Nil million) mainly as a result of foreign exchange gains/ losses on translation of foreign currency trade debts.

45.4.5 Equity price risk management

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for trading purpose.

45.4.6 Equity price sensitivity analysis

A 10% increase/decrease in share prices at year end would have decreased/increased the surplus on re-measurement of investments in 'other financial assets at fair value through profit or loss' as follows:

	2025	2024
	Rupees	Rupees
Effect on equity	**1,625,000**	2,823,296

The sensitivity analysis prepared is not necessarily indicative of the effects on profit/equity and assets of the Company.

45.5 Determination of fair values

Fair value of financial instruments

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

The carrying values of all financial assets and liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

45.6 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: 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: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

45.6.1 Fair value of financial asset measured at fair value through profit or loss

The Company has only investment measured at fair value of Rs. 16.24 million (2024: Rs. 28.3 million) which is valued under level 1 and level 2 valuation method. The Company does not have any investment in level 3 category.

45.6.2 Fair value of non- financial assets

During the year, the Company has determined the fair value of land, building and plant including generators through independant valuer. The fair value measurement as at March 01, 2025 was performed by K.G.T (Private) Limited, independent valuer not connected to the Company. The valuer is listed on the panel of Pakistan Banks Association and they have proper qualification and experience in the fair value measurement of freehold land and building.

As there is no significant changes in the market conditions the Company has measured freehold land at fair value of Rs. 109.39 million (2024: 104.39 million) which is valued under level 2 valuation method.

	Level 1	Level 2	Level 3	Total
	----------Rupees----------			
As at June 30, 2025				
Freehold land	-	**109,536,000**	-	**109,536,000**
Buildings on freehold land				
- Factory	-	**307,260,201**	-	**307,260,201**
- Residential	-	**87,943,433**	-	**87,943,433**
Plant and machinery	-	**1,770,024,357**	-	**1,770,024,357**
As at June 30, 2024				
Freehold land	-	104,394,550	-	104,394,550
Buildings on freehold land				
- Factory	-	219,831,372	-	219,831,372
- Residential	-	60,791,828	-	60,791,828
Plant and machinery	-	1,209,432,654	-	1,209,432,654

45.7 Financial instruments by category

The Company finances its operation through equity, borrowings and management of working capital with a view to maintaining an approximate mix between various sources of finance to minimize risk. Taken as a whole, the Company's risk arising from financial instruments is limited as there is no significant exposure to price and cash flow risk in respect of such instruments.

The accounting policies for financial instruments have been applied for line items below:

	2025	2024
Financial assets	**Rupees**	Rupees
At amortized cost		
Trade debts	**442,847,252**	367,450,616
Long-term deposits	**13,739,322**	13,739,322
Other receivables	**113,599**	126,100
Cash and bank balances	**22,535,912**	8,570,843
At fair value through profit or loss		
Short term investment	**16,249,998**	28,232,957
	495,486,083	418,119,838
Financial liabilities		
At amortized cost		
Trade and other payables	**795,782,436**	701,604,685
Current portion of non current liabilities	**129,667,482**	161,857,896
Short-term borrowings	**282,222,750**	699,131,943
Long-term loans	**208,019,971**	194,602,173
Unclaimed dividend	**4,110,591**	4,110,591
Accrued interest / mark-up	**18,446,832**	32,172,464
Lease liability	**12,161,063**	21,032,552
	1,450,411,125	1,814,512,304

46. REMUNERATION TO CHIEF EXECUTIVE OFFICER AND DIRECTOR

Particulars	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
	June 30, 2025			June 30, 2024		
	Rupees			Rupees		
Managerial remuneration	**4,950,000**	**4,950,000**	**6,360,000**	4,500,000	4,500,000	7,180,000
Others benefits	**-**	**-**	**705,000**	-	-	590,000
	4,950,000	**4,950,000**	**7,065,000**	4,500,000	4,500,000	7,770,000
Number of persons	**1**	**1**	**3**	1	1	4

46.1 Chief executive and executive directors are provided with Company maintained cars and other benefits.

47. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	July 01, 2024	Cash inflows	Cash outflows	Non cash adjustment	June 30, 2025
Long term finance	**324,072,482**	**185,315,600**	**(179,470,307)**	**-**	**329,917,775**
Short term finance (excluding running finance)	**341,552,282**	**(123,798,677)**	-	**-**	**217,753,605**
Lease liabilities	**27,492,119**	**-**	**(7,561,378)**	**-**	**19,930,741**
Unclaimed dividend	**4,110,591**	**-**	**-**	**-**	**4,110,591**
Total liabilities	**697,227,474**	**61,516,923**	**(187,031,685)**	**-**	**571,712,712**

	July 01, 2023	Cash inflows	Cash outflows	Non cash adjustment	June 30, 2024
Long term finance	218,859,924	238,873,437	(133,660,879)	-	324,072,482
Short term finance (excluding running finance)	237,903,118	103,649,164	-	-	341,552,282
Lease liabilities	33,448,951	-	(5,956,832)	-	27,492,119
Unclaimed dividend	3,722,109	-	(5,965,170)	6,353,652	4,110,591
Total liabilities	493,934,101	342,522,601	(145,582,881)	6,353,652	697,227,474

48. DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSBILE BUSINESS ACTIVITIES

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278 (I)/2024 dated August 15, 2024:

	2025 Rupees	2024 Rupees
STATEMENT OF FINANCIAL POSITION		
Liabilities		
Short term financing as per Islamic mode	**-**	-
Interest on mark-up accrued on conventional loan	**18,446,832**	32,172,464
Assets		
Shariah compliant short term investment	**-**	-
Shariah compliant bank balances	**4,617,470**	6,398,779
STATEMENT OF PROFIT OR LOSS		
Revenue from contracts with customers	**5,626,431,525**	5,078,314,652
Profit paid on Islamic mode of financing	**-**	-
Dividend Income		
Shariah compliant	**-**	-
Shariah non-compliant	**-**	4,854,105
Interest income		
Shariah compliant	**-**	-
Shariah non-compliant	**-**	-
Gain on exchange rate fluctuation - net		
Shariah compliant	**-**	-
Shariah non-compliant	**6,112,876**	31,161,342
Other income - Other		
Shariah compliant	-	
Shariah non-compliant	**543,550**	1,315,972

Relationship with Shariah-compliant financial institutions:

The Company has relationships with shariah compliant banks in respect of bank balances.

49. *CAPITAL MANAGEMENT*

The Company objectives when managing are:

- to safeguard the Company's ability to continue as a going concern, so that the Company can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

Capital comprises all components of equity (i.e. share capital, reserves, unappropriated profit and surplus on revaluation of property, plant and equipment). The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the 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 or issue new shares.

The debt-to-adjusted capital ratios at June 30, 2025 and June 30, 2024 were as follows:

	Note	**2025 Rupees**	2024 Rupees
Total debts		**567,602,121**	693,116,882
Cash and cash equivalents	44	**41,933,233**	349,008,818
Net debts		**609,535,354**	1,042,125,700
Total equity		**2,392,707,922**	1,834,097,613
Adjusted capital		**3,002,243,276**	2,876,223,313
Debt-to-adjusted capital ratio		**20.30%**	36.23%

50. *PLANT CAPACITY AND ACTUAL PRODUCTION*

		2025	2024
Fabric			
Number of looms installed		**171**	171
Number of looms worked		**159**	159
Installed capacity after conversion into 60 picks	Sq Mtrs.	**59,824,309**	59,824,309
Actual production of fabric after conversion into 60 picks	Sq Mtrs.	**46,386,677**	33,644,080

It is difficult to describe precisely the production capacity in Weaving Mills since it fluctuates widely depending on various factors such as quality and count of yarn and the width and construction of fabric woven etc. It also varies according to the pattern of production adopted in a particular year. Under utilization of capacities is due to various factors including availability of raw material and stoppages due to repair and maintenance.

51. *TRANSACTIONS WITH RELATED PARTIES*

Related parties comprise of key management personnel. The Company in the normal course of business carries out transactions with various related parties. Amounts due to directors are shown under-long term loans from related parties, as disclosed in note 20. Remuneration of key management personnel is disclosed in note 46.There are no other transactions with related parties.

52. NUMBER OF EMPLOYEES

The number of employees for the year ended June 30 were as follows:

		2025	2024
Total number of employees	**Number**	**351**	313
Average number of employees during the year	**Number**	**332**	314

53. DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were approved and authorized for issue on October 06, 2025 by the Board of Directors of the Company.

54. GENERAL

Figures have been rounded-off to the nearest rupee except stated otherwise.

Sd/-	Sd/-	Sd/-
Chief Executive	Director	Chief Financial Officer

Pattern of Shareholding

As on 30 Jun 2025

Number of	Shareholdings From	To	Total Number of Share Held	Percentage of
122	1 -	100	6,715	0.08
396	101 -	500	180,449	2.13
78	501 -	1000	50,200	0.59
35	1001 -	5000	68,043	0.80
2	5001 -	10000	11,040	0.13
2	10001 -	15000	24,146	0.29
1	60001 -	65000	64,000	0.76
1	65001 -	70000	70,000	0.83
2	80001 -	85000	164,339	1.94
1	90001 -	95000	90,557	1.07
1	205001 -	210000	210,000	2.48
1	350001 -	355000	350,565	4.14
1	365001 -	370000	368,000	4.34
1	405001 -	410000	408,996	4.83
1	500001 -	505000	501,739	5.92
1	505001 -	510000	509,000	6.01
1	520001 -	525000	521,400	6.15
1	580001 -	585000	582,277	6.87
1	800001 -	805000	804,540	9.50
1	910001 -	915000	913,009	10.78
1	2570001 -	2575000	2,572,520	30.37
651			**8,471,535**	**100.00**

Categories of Shareholders as per Code of Corporate Governance

As At 30-Jun-2025

Shareholders Category	Shares Held	Percentage
Directors, Chief Executive and their spouse(s) and minor children		
MIAN MUHAMMAD JAVED	521,400	6.1547
MRS. SALMA JAVED	804,540	9.4970
MR. MUHAMMAD HARIS	2,572,520	30.3666
MR. NAZIR AHMAD KHAN	2,573	0.0304
MR. HASEEB HARIS MUGHAL	582,277	6.8733
MRS. BUSRA ALI	350,565	4.1382
Associated Companies, undertaking and related Parties		
Benevolent Fund		
TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	2,933	0.0346
Financial Institutions		
NATIONAL BANK OF PAKISTAN	500	0.0059
NATIONAL BANK OF PAKISTAN	4,000	0.0472
NATIONAL BANK OF PAKISTAN	513	0.0061
Joint Stock Companies		
ADAM LUBRICATS LIMITED.	500	0.0059
PRUDENTIAL SECURITIES LIMITED	50	0.0006
MAPLE LEAF CAPITAL LIMITED	1	0.0000
CONTINENTAL CAPITAL MANAGEMENT (PVT) LTD	50	0.0006
CAPITAL VISION SECURITIES PVT LIMITED	75	0.0009
S.Z. SECURITIES (PRIVATE) LIMITED	632	0.0075
NIT & ICP		
INVESTMENT CORP. OF PAKISTAN	200	0.0024
CDC - TRUSTEE NATIONAL INVESTMET (UNIT) TRUST	913,009	10.7774
Pension Fund		
TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	83,593	0.9868
General Public		
Local	2,631,604	31.0641
Foreign		
	8,471,535	**100**

Shareholders holding 10% or above

MUHAMMAD HARIS	2,572,520	30.3666
CDC - TRUSTEE NATIONAL INVESTMET (UNIT) TRUST	913,009	10.7774

Gender Pay Gap Statement under SECP's Circular 10 of 2024

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

i. Mean Gender Pay Gap: 8.55%
ii. Median Gender Pay Gap: 26.71%

____
Chief Executive/Director
Date: October 6, 2025


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SECP

FORM OF PROXY

I/We, ___________________________ of ________________________, holding Computerized National Identity Card Number ____________________________________ and being a member of Ahmad Hassan Tex tile Mills Limited, hereby appoint ________________________________ of ____________________, holding Computerized National Identity Card Number __________________________ as my / our proxy to voted for me/us and on my /our behalf at the Annual General / Extraordinary Meeting of the Company, to be held on ________________________ and at any adjournment thereof.

As witness my / our hand/seal this _______ day of _______________, 20 _____

WITNESSES:

1. Signature_____________________ 2. Signature________________________

Name _________________________ Name ____________________________

Address _______________________ Address __________________________

CNIC Number__________________ CNIC Number______________________

CDC Account Number

Five Rupees
Revenue Stamp

To be signed by above named shareholder

Notes:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company, not less than 48 hours before the time of holding the meeting.
2. The Proxy Form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
3. Attested copies of CNIC of the appointer and the proxy-holder shall be furnished with the Proxy Form.
4. The proxy-holder shall produce his original CNIC at the time of meeting.
5. In case of corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature shall be submitted along with Proxy form.

Electronic Dividend Mandate Form

In accordance with the provisions of section 242 of the Companies Act, 2017, dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. SECP vide Circular Number 18 of 2017 dated August 01, 2017, has presently waived this condition till October 31, 2017. Any dividend payable after this due date shall be paid in the manner prescribed only.

Shareholders are requested to sent the attached Form duly filled and signed, along with attested copy of their CNIC to the Company's Share Registrar, M/s Vision Consulting Ltd., 3-C, LDA Flats, 1st Floor, Lawrence Road, Lahore. CDC shareholders are requested to submit their Dividend Mandate Form and attested copy of CNIC directly to their broker (participant)/ CDC.

I hereby communicate to receive my future dividends directly in my Bank Account as detailed below:

Name of shareholder

Folio Number/CDC Account No.

Contact number of shareholder

Title of Account

IBAN (*)

Name of Bank

Bank branch

Mailing Address of Branch

CNIC No. (attach attested copy)

NTN (in case of corporate entity)

It is stated that the above particulars given by me are correct and to the best of my knowledge; I shall keep the Company informed in case of any changes in the said particulars in future.

____________________ Shareholder's Signature

____________________ Date

NOTES:

* Please provide complete IBAN (International Bank Account Number), after checking with your concerned Bank branch to enable electronic credit directly into your bank account.