

Annual Report

2025



The National Silk & Rayon Mills Ltd.

Manufacturer & Exporter of Quality Textile Products

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Mission Statement

We Shall provide unparalleled service and best value to our customers through dedicated, responsive and cost effective supply chain.

We are to provide quality products by strict adherence to international standards and best practices through collaboration with leading global companies in markets we serve.

We shall strive to maximize our shareholders value through sustained profitable growth.

We shall enhance existing employee productivity, hire, retain and develop best talent and provide them a competitive environment to excel and grow.

We will aggressively focus on increasing our market penetration by exploring new channels.

We shall continue to set new trends through innovative marketing and manufacturing.



Company Information

Board of Directors

Sh. Faisal Tauheed	(Executive Director)
Sh. Kashif Tauheed	(Executive Director)
Mrs. Samira Faisal	Non Executive Director
Mrs. Tahira Kashif	Non Executive Director/Chairperson
Sh Mustafa Faisal Tauheed	Non Executive Director
Mr. Imran Ali Safdar	Independent Director
Mr. Shehzad Ehsan	Independent Director

Board Audit Committee

Mr. Shahzad Ehsan	(Chairman)
Sh Mustafa Faisal Tauheed	
Mrs. Tahira Kashif	

Board Human Resource and Remuneration Committee

Mr. Shehzad Ehsan	(Chairman)
Mrs. Samira Faisal	
Mrs. Tahira Kashif	

Management Team

Sh. Faisal Tauheed Puri	(Chief Executive)
Qaisar Ali Faheem	(Chief Financial Officer)
Imran Zafar	(Company Secretary)
Muhammad Adeel Idrees	(Internal Auditor)

Auditors

Riaz Ahmad and Company
Chartered Accountants

Bankers

National Bank of Pakistan
The Bank of Punjab
Bank Alfalah Limited
Habib Metropolitan Bank Limited
Askari Bank Limited
Bank Al-Habib Limited
MCB Limited
Meezan Bank Limited
United Bank Limited

Registered Office

House No. 8/3, Aziz Avenue,
Canal Road, Gulberg V, Lahore.

Factory

Dhuddiwala, Jaranwala Road, Faisalabad.

Share Registrar

Corplink (pvt.) Ltd.,
Share Registrar & Corporate Consultants
Wings Arcade, 1-K Commercial, Model Town, Lahore.
Tel: 035916714, 35916719, 035839182 Fax: 92-42-35869037.

Legal Advisor

Sahibzada Muhammad Arif
Advocate High Court,
Chamber No.52, District Courts,
Faisalabad.

Notice of 75th Annual General Meeting

Notice is hereby given that the 75th Annual General Meeting of the Shareholders of The National Silk & Rayon Mills Limited (the "Company") will be held on Tuesday 28th of October 2025 at 3.00 p.m. at Ewan-e-Noor Event Complex, 10-Civic Centre, Johar Town, LDA Office, Lahore to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2025 together with Chairman's Review Report, Directors' Report and Auditors' Report thereon.
2. To appoint Auditors of the Company and fix their remuneration. The members are hereby notified that the Audit Committee and the Board of Directors have recommended the name of retiring auditors, M/s. Riaz Ahmad and Company, Chartered Accountants, who, being eligible, have offered themselves for re-appointment.

SPECIAL BUSINESS:

1. To consider and approve the increase in Directors Remuneration

Place: Lahore
Dated: October 06, 2025

(IMRANZAFAR)
Company Secretary

NOTES:

1. The Share Transfer Books of the Company will remain closed from October 22, 2025 to October 28, 2025 (both days inclusive).
2. The shareholders who are interested to attend the AGM through Video Conference, are hereby requested to get themselves registered with the Company Secretary office by providing the following detail at the earliest but not later than 7 days before the time of AGM.
Mobile / WhatsApp: 0300 8657997 E-mail: imran@nationalsilk.com

Shareholders are advised to mention Name, CNIC Number, Folio/CDC Account Number, Cell number and email ID for identification.

Upon receipt of the above information from the interested shareholders, the Company will send the login credentials at their e-mail address. On the date of AGM, shareholders will be able to login and participate in the AGM proceedings through their smartphone / computer devices.

In view of the above the Shareholders can also provide their comments/suggestions for the proposed agenda items of the AGM by using the aforesaid means.

3. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote instead of him/her.
4. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a materially attested copy of the power of attorney must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting.
5. The financial statements for the year ended June 30, 2024 shall be uploaded on Company's website on or before October 06, 2025.
6. Members are requested to send copies of their computerized National Identity Cards to the company's independent Share Registrar M/s. Corplink (Pvt) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore.
7. Members can exercise their right to demand a poll subject to meeting requirements of Section 143 to Section 145 of the Companies Act, 2017 and applicable clauses of the Companies (Postal Ballot) Regulations, 2018

8. Pursuant to SECP Circular No.10 of 2014 dated May 21, 2014, if company receives consent from members holding aggregate 10% or more shareholding residing in geographical location to participate in the meeting through video conference at least 10 days prior to the date of Annual General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

In order to vote through e-voting and avail video conference facility, please fill the requisite form and submit to Company within time frame mentioned in form.

9. Pursuant to Notification vide SRO 787 (1) / 2014 of September 08, 2014, SECP has directed to facilitate the members of the company receiving Annual Financial Statement and Notices through electronic mail system (e-mail). We are pleased to offer this facility to our members who desire to receive Annual Financial Statement and Notices of the Company through e-mail in future. In this respect members are hereby requested to convey their consent via e-mail has sufficient rights and space available to receive such e-mail which may be larger than 1 MB file in size. Further it is responsibility of the member to timely update the Share Registrar if any change in the registered e-mail address.
10. CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular No.1, of 2000 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan.

A. For Attending the Meeting

- a. In case of individuals, the account holder and/or sub-account holder and their registration details are uploaded as per the CDC Regulation, shall authenticate his/her identity by showing his/her original CNIC or, original Passport at the time of attending the meeting.
- b. In case of Corporate entity, the Board's resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For appointing Proxies

- a. In case of individuals, the account holder and/or sub-account holder and their registration details are uploaded as per the CDC regulations, shall submit the proxy form as per above requirements.
- b. The proxy form shall be witnessed by two persons, whose names, address and CNIC number shall be mentioned on the form.
- c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- d. The proxy shall produce his original CNIC or original passport at the time of the meeting.
- e. In case of corporate entity, the Board's resolution/power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with the proxy form to the company.

Chairpersons' Review Report

As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of The National Silk and Rayon Mills Limited is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

The Company remains committed to deliver on its long-term objectives of sustainable growth and value creation. This has been achieved through continued focus on operational excellence.

For the financial year ended June 30, 2025, the Board's overall performance and effectiveness has been assessed as satisfactory. Improvement is an ongoing process leading to action plans. The overall assessment as satisfactory is based on an evaluation of integral components, including vision, mission and values; engagement in strategic planning; formulation of policies; monitoring the organization's business activities; monitor financial resource management; effective fiscal oversight; equitable treatment of all employees and efficiency in carrying out the Board's business.

The Board of Directors of the Company received agendas and supporting written material including follow up materials in sufficient time prior to the board and its committee meetings. The board meets frequently enough to adequately discharge its responsibilities. The non-executive and independent directors are equally involved in important decisions.

Future Outlook

Pakistan's textile sector faced ongoing challenges, primarily due to sluggish recovery in global economies, squeezed domestic consumer demand, stringent monetary policies aimed at curbing high inflation, and rising energy costs. The continuity of the IMF program has boosted prospects and guaranteed that external financing needs will be met. This, together with expected private and official inflows should continue to keep Pakistan's external position relatively stable. Accordingly, there is a need to strike an appropriate balance between supporting the economy, ensuring debt sustainability, and advancing structural reforms while maintaining social cohesion. Company believes that the fundamental attributes of business operations – sustainability and leadership – have attained more relevance than ever before. This was achieved on the back of the Company's ability to deliver efficient and accessible mobility solutions to the present and future generations.

Acknowledgment

On behalf of the Board of Directors, I would like to express my special gratitude to all the shareholders for their continued support and encouragement. I would also like to place on record the appreciation for the commendable services rendered by the employees of the Company. I also acknowledge the dedication and commitment of my fellow directors during this year and thank our CEO and his Team for their concerted efforts, focused approach and professional commitment.

LAHORE: October 06, 2025



Tahira Kashif
Chairperson

Directors' Report

The Board Directors of The National Silk and Rayon Mills Limited is pleased to present to you the Annual Report along with the Company's Audited Financial Statement for the year ended 30 June 2025

Operating Results:	2025	2024
-----R u p e e s-----		
Gross profit	190,500,999	155,605,067
Selling, administrative and operating expenses	88,117,267	67,633,173
(Loss)/Profit for the year before taxation	111,412,369	96,408,727
Taxation	(28,014,834)	(30,105,192)
(Loss)/Profit after taxation	83,397,535	66,303,535
(Loss)/Earning per share	5.36	4.26

Performance Scorecard

The Company remains committed to deliver on its long-term objective of sustainable growth and value creation. This is being achieved through continued focus on operational excellence, product portfolio diversification, cost reduction and a strong capital structure.

The company's net turnover during the period under review remained Rs. 2,451,390,660/- (2024: 2,154,203,869/-) showing increase of 14%, although during the period input costs remained high, a stable exchange rate, economic environment & operational improvement leads to improved results.

Dividend:

The Board of Director's have not recommended dividend for the year ended June 30, 2025 keeping in view liquidity position of the company and high interest rate scenario.

Debt Obligation:

By the grace of Almighty Allah, despite so many challenges, the Company contains to meet its financial commitments and debt obligation on time.

Contribution to National Exchequer:

Being a responsible citizen, your company made a contribution of Rs.469.13 million to National Exchequer in form of income tax, sales tax, custom duties and excise as compare to Rs.436.48 million during the last year.

Human Resource Management and Employee Relationship:

We strongly believe that our people are our most valuable and essential assets. The Company's policy to retain its people is the best and unmatched. To continue our legacy of being unparalleled leaders, we put efforts to inspire top talent at all levels & aspire to be a destination of choice. The Company strives to develop its existing employees by keeping them motivated and engaged. Our HR department uses various tools to identify high potential employees and arranges various trainings to further groom them. With the enthusiastic team of high caliber professionals, the management is confident to get the business flourished more within the local as well as international markets. We continue to have a strong focus on structured development of our processes to fulfill our business needs through clearly defined authority matrices, policies procedures and systems. Reward and recognition will continue to be tied to transparent performance management systems and procedures.

The purpose of employee engagement and welfare activities is to keep employees engaged and motivated. These activities also serve to inspire and develop our people. The Company has permanent welfare strategy for its employees. Medical facilities for workers and first aid are also provided to the employees. There is a Mosque at plant for pray and to learn teaching of Religion. The company encourages and promotes all employees to participate in sports and various extracurricular activities.

Corporate and Social Responsibility:

Company is fully cognizant of its responsibility towards society and welfare. The company took several initiatives to meet its Corporate Social Responsibility and continued with reasonable financial support for the welfare of its employees, their families, the local community and society at large.

Internal Financial Controls

The directors are award of their responsibility with respect to internal financial controls. Through discussions with management and auditors (both internal and external), they confirm that adequate controls have been implemented by the Company.

Statutory Auditors of the company:

The present auditor M/s. Riaz Ahmad and Company Chartered Accountants, retire and being eligible, have offered themselves for re-appointment. The Audit Committee of the Board has also recommended their re-appointment as Auditors of the company for the year ending June 30, 2026.

Staff retirement benefits

The Company operates a funded contributory provident fund scheme for its employees and contributions based on salaries of the employees, are made to the fund on monthly basis.

Share Price Trend

During the year under review minimum price of share of Rs.10/- each fell up to Rs.24.65 and rose as high as Rs.71.36 and close at Rs.71.36 as on June 30, 2025.

Approval of Vision, Mission and Corporate Strategy by the Board

Pursuant to the Listed Companies (Code of Corporate Governance) Regulation 2019, the Board of Directors has carefully reviewed and approved the Vision, Mission and Corporate Strategy of the Company. It comprehensively states the ideology with which Company was incorporated. We ensure that our Vision and Mission set the direction for our overall corporate strategy. The entire organization is connected and driven by the purpose and it serves the decision making criterion on our day to day business.

Whistle Blowing Policy

Pursuant to the Listed Companies (Code of Corporate Governance) Regulation 2019, Company is committed to achieve high standards of integrity, ethical value and accountability. Accordingly, whistle blowing policy of the Company is approved by the Board of Directors and placed on the website of the company.

Compliance with the Code of Corporate Governance

The requirements of the Code of Corporate Governance set out by Pakistan Stock Exchange in its Listing Regulations relevant for the year ended June 30, 2025 have been adopted by the company and have been duly complied with:

Code of Conduct

The board has adopted the Code of Conduct. All employees are informed of this Code and are required to observe these rules of conduct in relation to customers, suppliers and regulators.

Relation with stakeholders

We are committed to establish mutually beneficial relations with our suppliers, customers and business partners.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

In compliance with the Companies Act 2017 and the Code of Corporate Governance, we give below statements on Corporate and Financial Reporting framework:

- These financial statement, prepared by the management of the company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- The company has maintained proper books of account.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- 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.
- The system of internal control is sound in design and has been effectively implemented. The system is being continuously monitored by internal audit and through other such monitoring procedure. The process of monitoring internal controls will continue as an ongoing process with the objective to further strengthen the controls and bring in improvement in the system.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of the corporate governance, as listed in the listing regulations.
- Key operating and financial data for the last six years in summarized form is annexed.
- Information about taxes and levies is given in the notes to the financial statements.
- The value of investments and bank balances in respect of staff retirement benefits: Provident Fund Rs.41,513,119/- The value of investment includes accrued profit.
- There have been no material changes and commitments affecting the financial position which have occurred between the end

of financial year and the date of annual report.

- The principal risks faced by the Company include tough competition, Rupee devaluation, increasing gas prices and energy costs etc.
- The Company's production has no negative impact on the environment as our plant and operations re complying with international and national environmental standards.
- There are no changes that have occurred during the financial year concerning the nature of the business of the company or any other company in which the company has interest.
- The company has no policy for fixing remuneration package for Non-Executive and Independent Directors as they are not entitled for any remuneration.
- There are no outstanding statutory payments due on account of taxes, levies and charges except as those disclosed in these financial statements.

Board of Director's Meetings:

The Board convened 4 times during the year and attendance of the respective Directors was as under:

Directors	No. of meetings attended
Sh. Faisal Tauheed	4
Sh. Kashif Tauheed	4
Mrs. Samira Faisal	4
Mrs. Tahira Kashif	4
Mr. Shahzad Ihsan	4
Sh. Mustafa Faisal Tauheed	4
Mr. Imran Ali Safdar	4

Board Audit Committee

An audit committee of the Board has been in existence since the enforcement of the Code of Corporate Governance. The audit committee has its terms of reference which were determined by the Board of Directors in accordance with the guidelines provided in the listing regulations and code of corporate governance.

The committee meets at least once every quarter and assists the Board in fulfilling its oversight responsibilities, primarily in reviewing and reporting financial and non-financial information to shareholders, systems of internal control and risk management and the audit process. It has the power to call for information from management and to consult directly with the external auditors as considered appropriate. The Chief Financial Officer regularly attends the Board Audit Committee meeting by invitation to present the accounts. After each meeting, the Chairman of the Committee reports to the Board.

The audit committee comprises of two non-executive directors and one independent director who is also a Chairman. During the year four (4) meetings of the audit committee were held. The attendance of each member is given hereunder:

Names	No. of meetings attended
Mr. Shahzad Ehsan	4
Sh. Mustafa Faisal Tauheed	4
Mrs. Tahira Kashif	4

Human Resource and Remuneration Committee:

In compliance with the requirements of code of corporate governance, the Board of Directors has established this committee comprising three members (including Chairman)' two of whom are non executive directors and one is independent director. Detailed terms of reference of the Committee were duly communicated to the members by the Board.

Composition of Board

The board consists of 5 male and 2 female directors with following composition:

Independent director	2
Other non-executive directors	3
Executive director	2
Total number of directors	7

Remuneration Policy of Non-Executive Directors

The fee of the Non-Executive and independent Directors for attending the Board and Committee meeting of the Company is determined by the Board from time to time.

Remuneration Package of Chief Executive and Directors

Remuneration package of Chief Executive and director is disclosed in Notes to the financial statement.

Gender Pay Gap Statement

As required under the SECP circular no. 10 of 2024, the following is the Gender Pay Gap calculated for the year ended June 30, 2025.

i)	Mean Gender Pay Gap	:	Nil
ii)	Median Gender Pay Gap	:	Nil
iii)	Any other data	:	Nil

Financial Statements

As required under the listing regulations of stock exchanges the Chief Executive Officer and Chief Financial Officer present the financial statements, duly endorsed under their respective signatures, for consideration and approval of the board of directors and the board, after consideration and approval, authorize the signing of financial statements for issuance and circulation.

The financial statements of the company have been duly audited by the auditors of the company. Riaz Ahmad and Company, Chartered Accountants. Auditors have issued clean audit report on financial statements for the year ended 30th June 2025 and clean review report on Statement of Code of Corporate Governance and their reports are attached with the financial statements. No material changes in contingencies and commitments, effecting the financial position of your company, have occurred between the end of the financial year to which this balance sheet relates and the date of the directors' report.

Related Party transaction and Transfer Pricing

It is the policy of the company to ensure that all transactions entered with related parties must be at arm's length. The company has fully complied with the best practices of the transfer pricing as contained in the listing regulation of stock exchanges in Pakistan.

Directors' Training Programs:

The directors of the Company Sh. Faisal Tauheed and Sh. Kashif Tauheed acquired the certification under Director Training Program from Institute of Chartered Accountants of Pakistan and Mr. Shehzad Ehsan, Mr. Imran Ali Safdar, Mrs. Samira Faisal, Mrs. Tahira Kashif and Mr. Mustafa Faisal acquired the certification from Institute of Cost and Management Accountants of Pakistan.

Pattern of Shareholding:

The pattern of shareholding in the prescribed form is annexed which also includes the information required under Code of Corporate Governance.

Trading by Directors etc:

No Share traded by directors, Chief Executive Officer, Chief Financial Officer, Company Secretary and their spouse and minor children during the year.

Appreciation

We would like to thank all of our staff members for the way they have responded to challenges of the year. Their hard work and commitment is greatly appreciated and is reflected in these results.

We are also thankful for the encouragement and support which we received from our suppliers, shareholders, bankers and financial institutions financial institutions.

LAHORE: October 06, 2025



Sh. Faisal Tauheed Puri
Chief Executive

On behalf of the Board



Sh. Kashif Tauheed
Director

Statement of Compliance

with Listed Companies (Code of Corporate Governance) Regulation, 2019

For the year ended June 30, 2025

The National Silk and Rayon Mills Limited (the Company) has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2019 (the "Regulations") in the following manner:

1. The total number of directors are Seven (7) as per the following:

- a. Male: Five
- b. Female: Two

2. The composition of Board is as follows:

Independent Director	Mr. Shahzad Ehsan
	Mr. Imran Ali Safdar
Non-executive directors	Sh. Mustafa Faisal Tauheed
	Mrs. Samira Faisal (Female)
	Mrs. Tahira Kashif (Female)
Executive Directors	Sh. Faisal Tauheed
	Sh. Kashif Tauheed

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 ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. The meetings of the Board were presided over by the Chairperson and, in her absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.

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

9. The Board has already arranged Director's Training program for the following:

Name	Category
Mr. Faisal Tauheed	Executive Director
Mr. Kashif Tauheed	Executive Director
Mrs. Samira Faisal	Non-Executive Director
Mrs. Tahira Kashif	Non-Executive Director
Mr. Mustafa Faisal Tauheed	Non-Executive Director
Mr. Shahzad Ehsan	Independent Director
Mr. Imran Ali Safdar	Independent Director

10. The Board has approved appointment 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. Shahzad Ehsan	(Chairman)
	Mrs. Tahira Kashif	(Member)
	Mr. Mustafa Faisal Tauheed	(Member)

- b) HR and Remuneration Committee
- | | |
|--------------------|------------|
| Mr. Shahzad Ehsan | (Chairman) |
| Mrs. Tahira Kashif | (Member) |
| Mrs. Samira Faisal | (Member) |
- c) Sustainability Committee
- | | |
|----------------------------|------------|
| Mrs. Samira Faisal | (Chairman) |
| Mr. Mustafa Faisal Tauheed | (Member) |
| Mr. Imran Ali Safdar | (Member) |

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

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

- a) Audit Committee: Four meetings during the financial year ended June 30, 2025.
- b) HR and Remuneration Committee: One meeting during the financial year ended June 30, 2025.
- c) Sustainability Committee: One meeting during the financial year ended June 30, 2025.

15. The board has set up an effective internal audit function which comprises the persons 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 other requirements of the Regulations 3, 7, 8, 32, 33 and 36 of the Regulations have been complied with, except for the requirements of regulation 6, against which compliance will be made in due course;

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

Sr. No.	Requirement	Explanation for Non-compliance	Reg. No.
1	Nomination Committee: The Board may constitute a separate committee, designated as the Nomination Committee (NC) of such number and class of directors, as it may deem appropriate in its circumstances.	Currently the Board has not constituted a separate NC and the functions are being performed by the HR committee	29(1)
2	Risk Management Committee: The Board may constitute the Risk Management Committee (RMC), of such number and class of directors, as it may deem appropriate in its circumstances, to carry out review of effectiveness of risk management procedures and present a report to the Board.	Currently the Board has not constituted the RMC and the Company's Risk Manager performs the requisite functions and apprises the Board accordingly.	30(1)

For and on behalf of the Board of Directors



Tahira Kashif
Chairperson

Lahore: October 06, 2025

Independent Auditor's Review Report

To the Members of The National Silk And Rayon 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 **The National Silk And Rayon Mills Limited** 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.

Faisalabad: October 06, 2025
UDIN: CR202510184tKAWOIGLm



RIAZ AHMAD & COMPANY
Chartered Accountants

Independent Auditor's Report

To the members of The National Silk And Rayon Mills Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of The National Silk and Rayon Mills Limited (the Company), which comprise the statement of financial position as at 30 June 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 material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, 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 30 June 2025 and of the profit, other comprehensive income, the 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:

S. No.	Key audit matter(s)	How the matter was addressed in our audit
(i)	Revenue recognition The Company recognized revenue of Rupees 2,451.391 million for the year ended 30 June 2025. We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information on revenue recognition, refer to the following: - Material accounting policy information, Revenue recognition (Note 2.18 to the financial statements). - Revenue from contracts with customers (Note 20 to the financial statements).	Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents. • We compared a sample of revenue transactions recorded around the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. • We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'. • We also considered the appropriateness of disclosures in the financial statements.

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 have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and

significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated 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 Liaqat Ali Panwar.

Faisalabad: October 06, 2025
UDIN: AR202510184DOIecLoG



RIAZ AHMAD & COMPANY
Chartered Accountants

Statement of Financial Position

AS AT JUNE 30, 2025

	NOTE	2025 RUPEES	2024 RUPEES		NOTE	2025 RUPEES	2024 RUPEES
EQUITY AND LIABILITIES				ASSETS			
SHARE CAPITAL AND RESERVES				NON-CURRENT ASSETS			
Authorized share capital	3.1	204,000,000	204,000,000	Property, plant and equipment	9	1,452,934,184	1,366,083,548
Issued, subscribed and paid up share capital	3.2	155,531,740	155,531,740	Intangible asset	10	1,291,591	2,700,597
Reserves				Long term deposits and prepayment	11	26,320,296	26,441,864
Capital reserve - surplus on revaluation of freehold land	4	1,123,279,091	1,123,279,091			1,480,546,071	1,395,226,009
Revenue reserve - unappropriated profit		275,448,018	192,050,483				
Total reserves		1,398,727,109	1,315,329,574				
Total equity		1,554,258,849	1,470,861,314				
LIABILITIES				CURRENT ASSETS			
NON-CURRENT LIABILITY				Stores and spare parts	12	134,916,226	129,529,656
Deferred income tax liability	5	20,925,306	23,950,648	Stock-in-trade	13	534,996	17,146,454
				Trade debts	14	427,481,435	463,491,299
				Loans and advances	15	13,888,739	9,256,446
CURRENT LIABILITIES				Prepayments and other receivables	16	863,508	1,469,887
Trade and other payables	6	583,009,008	622,873,897	Advance income tax and levy - net	17	60,098,622	59,131,723
Short term borrowings	7	49,677,158	63,750,588	Sales tax refundable	18	-	16,942,705
Accrued mark-up		266,957	372,783	Short term investments	19	787,465	57,953,125
Unclaimed dividend		594,836	594,836	Cash and bank balances		89,615,052	32,256,762
TOTAL LIABILITIES		633,547,959	687,592,104			728,186,043	787,178,057
CONTINGENCIES AND COMMITMENTS							
		654,473,265	711,542,752				
TOTAL EQUITY AND LIABILITIES	8	2,208,732,114	2,182,404,066	TOTAL ASSETS		2,208,732,114	2,182,404,066

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



CHIEF EXECUTIVE



DIRECTOR



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	20	2,451,390,660	2,154,203,869
COST OF SALES	21	(2,260,889,661)	(1,998,598,802)
GROSS PROFIT		190,500,999	155,605,067
DISTRIBUTION COST	22	(3,677,591)	(2,750,136)
ADMINISTRATIVE EXPENSES	23	(50,421,824)	(51,632,437)
OTHER EXPENSES	24	(34,017,852)	(13,250,600)
		(88,117,267)	(67,633,173)
		102,383,732	87,971,894
OTHER INCOME	25	12,120,879	9,843,586
PROFIT FROM OPERATIONS		114,504,611	97,815,480
FINANCE COST	26	(3,092,242)	(1,406,753)
PROFIT BEFORE LEVY AND TAXATION		111,412,369	96,408,727
LEVY	27	(360,735)	(741,640)
PROFIT BEFORE TAXATION		111,051,634	95,667,087
TAXATION	28	(27,654,099)	(29,363,552)
PROFIT AFTER TAXATION		83,397,535	66,303,535
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	29	5.36	4.26

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Statement of Comprehensive Income

FOR THE YEAR ENDED JUNE 30, 2025

	2025 RUPEES	2024 RUPEES
PROFIT AFTER TAXATION	83,397,535	66,303,535
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the year	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	83,397,535	66,303,535

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Statement of Changes in Equity

FOR THE YEAR ENDED JUNE 30, 2025

ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	RESERVES			TOTAL EQUITY
	CAPITAL	REVENUE	Total	
	Surplus on revaluation of freehold land	Unappropri- d profit		

----- RUPEES -----

Balance as at 30 June 2023	155,531,740	1,123,279,091	125,746,948	1,249,026,039	1,404,557,779
Profit for the year	-	-	66,303,535	66,303,535	66,303,535
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	66,303,535	66,303,535	66,303,535
Balance as at 30 June 2024	155,531,740	1,123,279,091	192,050,483	1,315,329,574	1,470,861,314
Profit for the year	-	-	83,397,535	83,397,535	83,397,535
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	83,397,535	83,397,535	83,397,535
Balance as at 30 June 2025	<u>155,531,740</u>	<u>1,123,279,091</u>	<u>275,448,018</u>	<u>1,398,727,109</u>	<u>1,554,258,849</u>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Statement of Cash Flow

FOR THE YEAR ENDED JUNE 30, 2025

	NOTE	2025 RUPEES	2024 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	30	164,741,554	79,891,354
Finance cost paid		(2,391,816)	(1,374,352)
Income tax paid		(32,007,075)	(35,299,357)
Workers' profit participation fund paid	6.2	(5,564,188)	-
Net cash generated from operating activities		124,778,475	43,217,645
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(118,044,442)	(28,380,747)
Investments disposed of / (made) - net		55,950,804	(60,437,982)
Proceeds from disposal of property, plant and equipment		4,650,000	-
Dividend received		1,214,781	2,789,857
Profit received on saving account / term deposit receipt		2,882,102	3,837,432
Net cash used in investing activities		(53,346,755)	(82,191,440)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net	30.2	(14,073,430)	(23,169,780)
Net cash used in financing activities		(14,073,430)	(23,169,780)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		57,358,290	(62,143,575)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		32,256,762	94,400,337
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	19	89,615,052	32,256,762

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Notes to the Financial Statements

FOR THE YEAR ENDED JUNE 30, 2025

1. THE COMPANY AND ITS OPERATIONS

- 1.1 The National Silk and Rayon Mills Limited (the Company) is a public limited company incorporated in Pakistan on 27 June 1950 under the Companies Act, 1913 (Now Companies Act, 2017), and its shares are quoted on Pakistan Stock Exchange Limited on 28 May 1962. The registered office of the Company is situated at H 8-3, Aziz Avenue, Canal Road, Gulberg V, Lahore. The head office and production unit are situated at Dhuddiwala, Jaranwala Road, Faisalabad. The principal activity of the company is dyeing, bleaching, finishing and embroidery of fabric.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of preparation

a) 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 (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan (ICAP), 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 IFRSs and IFASs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

issued under the Companies Act, 2017 have been followed.

b) Accounting convention

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

c) Critical accounting estimates and judgements

The preparation of financial statements in conformity with the approved accounting and reporting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and judgements are continually evaluated and are based on historical experience and various other factors, including expedition of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Useful lives, patterns of economic benefits and impairments

The estimate for revalued amount of freehold land is based on valuation performed by external professional valuer and recommendation of technical teams of the Company. The said recommendation also includes estimates with respect to residual values and depreciable lives. Further, the Company reviews the value of the assets including intangible asset for possible impairment on an annual basis. If such indication exists, asset's recoverable amount is estimated in order to determine the extent of impairment loss, if any. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment along with intangible asset with a corresponding effect on the depreciation / amortization charge and impairment.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Inventories

Net realizable value of inventories is determined with reference to currently prevailing selling price less estimated expenditure to make sales. Inventory write-down is made based on current market conditions and historical experiences. It could change significantly as a result of change in market conditions.

Income tax and levy

In making the estimates for income tax and levy currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Revenue from contracts with customers involving sale of goods and services

When recognizing revenue in relation to the sales of goods and services of processing / embroidery to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods and the services to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgment. It is based on the lifetime expected credit loss, based on the Company's experience of actual credit loss in past years.

Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

d) Amendments to published approved accounting standards that is effective in current year and are relevant to the Company

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 July 2024:

- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current;
- Amendments to IAS 1 'Presentation of Financial Statements' - Comply with covenants of non-current Liabilities;
- Amendments to IFRS 16 'Leases' - Lease liability in a sale and leaseback transaction; and
- Amendments to IAS 7 and IFRS 7 'Statement of Cash flow and Financial Statements: Disclosures' - Disclosures requirements.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognized in prior period and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

f) Standard and amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standards and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2025 or later periods:

Classification and Measurements of Financial Instruments (Amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments') effective for annual periods beginning on or after 01 January 2026. These amendments address matters identified during the post - implementation review of the classification and measurement requirements of IFRS 9.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'. IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 'Climate-related Disclosures'. IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

As per the current scenario, the Company will fall in Phase-III of the criteria as per the order from Securities and Exchange Commission of Pakistan (SECP) dated 31 December 2024. Therefore the effective date of these two sustainability standards for the Company is for annual reporting periods beginning on or after 01 July 2027.

The International Accounting Standards Board (IASB) has published 'Annual Improvements to IFRS Accounting Standards — Volume 11'. The amendments are effective for annual reporting periods beginning on or after 01 January 2026. It contains amendments to following standards relevant to the Company, as result of the IASB's annual improvements project:

- IFRS 7 Financial Instruments: Disclosures;
- IFRS 9 Financial Instruments; and
- IAS 7 Statement of Cash flows.

The above standard and amendments are likely to have no significant impact on the financial statements.

g) Standards and amendments to approved published accounting standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published approved standards that are mandatory for accounting periods beginning on or after 01 July 2025 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Employees retirement benefit

The Company operates an employees' provident fund for all its permanent employees effective from 01 July 2016 by replacing unfunded gratuity scheme which was ceased earlier. Equal monthly contributions are made to the fund both by the Company and the employees at the rate of 8.33% percent of the basic salary. The Company's contributions to the Fund are recognized as an expense in the statement of profit or loss as and when incurred. Employees are eligible under the scheme on completion of prescribed qualifying period of service.

2.3 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made. Provision are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.4 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividend is declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

2.5 Taxation and levy

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. Final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in statement of profit or loss. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.6 Property, plant and equipment

a) Operating fixed assets

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at revalued amount less any identified impairment loss. Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to the construction / erection period of qualifying assets and other directly attributable cost of bringing the assets to working condition.

Increases in the carrying amounts arising on revaluation of freehold land are recognized in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognized in the statement of profit or loss, the increase is first recognized in the statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the statement of profit or loss.

Valuations are performed frequently enough to ensure that the fair value of the revalued asset does not differ materially from its carrying amount.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the statement of profit or loss during the period in which these are incurred.

b) Depreciation

Depreciation on operating fixed assets is charged to the statement of profit or loss applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in Note 9.1. The Company charges the depreciation on additions from the month when the asset is available for use and on deletions upto the month preceding the month of disposal. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

c) De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of profit or loss in the year the asset is de-recognized.

d) Capital work-in-progress

Capital work-in-progress is stated at cost less impairment loss, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

2.7 Intangible asset and amortization

Computer software acquired by the Company is stated at cost less accumulated amortization and any identified impairment loss. Software's costs are only capitalized when it is probable that future economic benefits attributable to the software will flow to the Company and the same is amortized applying the straight line method at the rates stated in Note 10 to these financial statements.

Amortization is charged to the statement of profit or loss on straight line basis so as to write off the cost of an asset over its estimated useful life. Amortization is charged from the month in which the asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed of. Intangible asset is amortized over its estimated useful life of five years.

The Company assesses at each reporting date whether there is any indication that intangible asset may be impaired. If such indication exists, the carrying amount of such asset is reviewed to assess whether it is recorded in excess of its recoverable amount. When carrying value exceeds the respective recoverable amount, asset is written down to its recoverable amount and resulting impairment is recognized in the statement of profit or loss. When an impairment loss is recognized, the amortization charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

2.8 Inventories

Cost of inventories is determined as follows:

Stores and spare parts

Stores and spare parts except for items in transit, are stated at lower of cost and net realizable value. Usable stores and spare parts are valued principally at moving average cost, while items considered obsolete are carried at nil value upto the reporting date. Items in transit are valued at cost comprising invoice amount plus other charges paid thereon accumulated upto the reporting date.

Stock-in-trade

Cost of raw materials is determined on weighted average cost. Materials in transit are valued at cost comprising invoice value plus other changes paid thereon.

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

2.9 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts along with other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.11 Financial instruments

i) Classification and measurement of financial instruments

Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured at Fair Value Through Profit or Loss (FVTPL), and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value through profit or loss, gains and losses will be recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments with following measurement categories:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

At Fair Value Through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortized cost or at Fair Value Through Other Comprehensive Income (FVTOCI) are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognized in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). The Company classifies its equity instruments into following measurement category:

At fair value through profit or loss

Changes in the fair value of equity investments at fair value through profit or loss are recognized in other income / (other expenses) in the statement of profit or loss as applicable.

Dividends from such investments are to be recognized in profit or loss when the Company's right to receive payments is established.

Financial liabilities

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

ii) Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low risk at the reporting date; and
- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

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

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

At each reporting date, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganization.

iii) De-recognition of financial assets and financial liabilities

a) Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial assets which is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities

The Company de-recognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expired.

iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements when there is a legal enforceable right to offset and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

2.12 Borrowings

Borrowings are recognized initially at fair value and are subsequently stated at amortized cost. Any difference between the proceeds and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

2.13 Share capital

Ordinary shares of various classes are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

2.14 Government grants

Grants from the Government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company 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 these are intended to compensate.

2.15 Trade debts and other receivables

Trade debts are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

2.16 Trade and other payables

Liabilities for trade and other amounts payable are recognized initially at fair value and are subsequently measured at amortized cost using the effective interest method.

2.17 Functional and presentation currency along with foreign currency transactions and translation

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates (the functional currency). These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Figures are rounded off to the nearest Rupee. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when their fair values are determined.

2.18 Revenue recognition

i) Revenue from contracts with customers

a) Rendering of services

The Company provides dyeing and embroidery services to local customers. These services are sold separately and the Company's contract with the customers for services constitutes a single performance obligation. Revenue from a contract to provide services is recognized at point in time, generally at the time of dispatch. There are no terms giving rise to variable consideration under the Company's contracts with its customers.

b) Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

ii) Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods after providing services to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

iii) Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

iv) Contract liabilities

Contract liability is the obligation of the Company to transfer goods after providing services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is received. Contract liabilities are recognized as revenue when the Company accomplishes its performance obligations under the contract.

v) Other income recognition

a) Interest

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

b) Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

2.19 Earnings per share

The Company presents Earnings Per Share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

2.20 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

2.21 Contingent liabilities

Contingent liabilities are disclosed when the Company has a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation or when amount of this obligation cannot be measured with sufficient reliability.

2.22 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Chief Executive Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

The Company has two reportable business segments comprise of Dyeing and Embroidery.

Due to separate nature of both segments' operations, there are no transactions among the business segments.

2.23 Borrowing cost

General and specific 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, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in statement of profit or loss in the period in which these are incurred.

3. SHARE CAPITAL

3.1 Authorized share capital

2025 (NUMBER OF SHARES)	2024	2025 RUPEES	2024 RUPEES
20,000,000	20,000,000 A - Class Ordinary shares of Rupees 10 each	200,000,000	200,000,000
400,000	400,000 B - Class Ordinary shares of Rupees 10 each	4,000,000	4,000,000
<u>20,400,000</u>	<u>20,400,000</u>	<u>204,000,000</u>	<u>204,000,000</u>

3.2 Issued, subscribed and paid up share capital

15 051 267	15 051 267 A - Class Ordinary shares of Rupees 10 each fully paid in cash	150,512,670	150,512,670
320 100	320 100 B - Class Ordinary shares of Rupees 10 each fully paid in cash	3,201,000	3,201,000
181 807	181 807 A - Class Ordinary shares of Rupees 10 each issued as fully paid bonus shares	1,818,070	1,818,070
<u>15,553,174</u>	<u>15,553,174</u>	<u>155,531,740</u>	<u>155,531,740</u>

3.3 All shares other than B-class shares are equally eligible to receive dividends and represents one vote at shareholders' meetings of the Company. Shareholders of B-class shares will not participate in dividends unless a minimum 10% of dividend is paid to shareholders of A-class shares and will not exercise voting rights except when the management is found to be inefficient and debt servicing by the Company becomes unsatisfactory.

4. CAPITAL RESERVE - SURPLUS ON REVALUATION OF FREEHOLD LAND

Revaluation of freehold land of the Company was carried out on 22 June 2023 by an independent valuer, Messrs Materials and Design Services (Private) Limited applying current market rates. Previously revaluations were carried out by independent valuers on 01 April 2020, 28 June 2016, 27 June 2012 and during the year 2000.

5. DEFERRED INCOME TAX LIABILITY

The deferred income tax liability / (asset) originated due to timing differences relating to:

Deferred income tax liabilities

Accelerated tax depreciation

Unrealized gain on investment at FVTPL

Deferred income tax assets

Gratuity payable - ceased

Allowance for expected credit losses

Provision for doubtful loans and advances

Workers' profit participation fund

Workers' welfare fund

Minimum tax

2025 RUPEES	2024 RUPEES
33,364,916	31,503,676
-	19,187
<u>33,364,916</u>	<u>31,522,863</u>
(62,851)	(62,851)
(3,131,818)	(2,176,638)
(191,952)	(28,733)
(1,809,263)	-
(1,939,733)	-
(5,303,993)	(5,303,993)
<u>(12,439,610)</u>	<u>(7,572,215)</u>
<u>20,925,306</u>	<u>23,950,648</u>

5.1 Movement in the deferred income tax liability balance is as follows:

2025			
	Balance as on 01 July	Recognized in statement of profit or loss	Balance as on 30 June
Accelerated tax depreciation	31,503,676	1,861,240	33,364,916
Gratuity payable - ceased	(62,851)	-	(62,851)
Allowance for expected credit losses	(2,176,638)	(955,180)	(3,131,818)
Provision for doubtful loans and advances	(28,733)	(163,219)	(191,952)
Workers' profit participation fund	-	(1,809,263)	(1,809,263)
Workers' welfare fund	-	(1,939,733)	(1,939,733)
Unrealized gain on investment at FVTPL	19,187	(19,187)	-
Minimum tax carried forward:			
Available	(20,294,049)	6,933,446	(13,360,603)
Movement in deferred income tax not recognized	14,990,056	(6,933,446)	8,056,610
Deferred income tax recognized	(5,303,993)	-	(5,303,993)
	<u>23,950,648</u>	<u>(3,025,342)</u>	<u>20,925,306</u>

2024			
	Balance as on 01 July	Recognized in statement of profit or loss	Balance as on 30 June
Accelerated tax depreciation	32,425,778	(922,102)	31,503,676
Gratuity payable - ceased	(62,851)	-	(62,851)
Allowance for expected credit losses	(1,477,131)	(699,507)	(2,176,638)
Provision for GIDC	(7,861,821)	7,861,821	-
Provision for doubtful loans and advances	(28,733)	-	(28,733)
Unrealized gain on investment at FVTPL	-	19,187	19,187
Unabsorbed depreciation	(103,693)	103,693	-
Minimum tax carried forward:			
Available	(23,812,156)	3,518,107	(20,294,049)
Movement in deferred income tax not recognized	21,987,981	(6,997,925)	14,990,056
Deferred income tax recognized	(1,824,175)	(3,479,818)	(5,303,993)
	<u>21,067,374</u>	<u>2,883,274</u>	<u>23,950,648</u>

- 5.2** Deferred income tax asset has been recognised to the extent that the realization of related tax benefits is probable from future taxable profits. It is probable that sufficient taxable profits will be available for utilization of recognized deferred income tax asset. Detail of minimum tax carried forward is given as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
--	-----------------------	--

RUPEES

2023

13,360,603

2026

6. TRADE AND OTHER PAYABLES

	2025 RUPEES	2024 RUPEES
Creditors	464,514,188	478,605,270
Accrued liabilities	62,770,418	70,885,817
Contract liabilities - unsecured	6,930,644	23,217,763
Gas Infrastructure Development Cess (GIDC) Payable (Note 6.1)	27,109,729	27,109,729
Payable to Employees' Provident Fund Trust	792,254	694,046
Income tax deducted at source	1,067,921	1,702,986
Gratuity payable - ceased	216,727	216,727
Sales tax payable	6,679,555	11,122,114
Workers' profit participation fund (Note 6.2)	6,238,837	4,967,539
Workers' welfare fund (Note 6.3)	6,688,735	4,351,906
	<u>583,009,008</u>	<u>622,873,897</u>

6.1 This represents Gas Infrastructure Development Cess (GIDC) which was levied through GIDC Act, 2015. Supreme Court of Pakistan upheld the GIDC Act, 2015 to be constitutional and intra vires. Meanwhile the Company along with other industrial gas consumers has obtained interim relief dated 23 February 2021 from Lahore High Court, Lahore which restrained Sui Northern Gas Pipelines Limited (SNGPL) from recovering GIDC prior to promulgation of GIDC Act, 2015.

6.2 **Workers' profit participation fund**

Balance as on 01 July

Add:

Provision for the year (Note 24)

Interest for the year (Note 26)

Payments made during the year

Balance as on 30 June

6.3 **Workers' welfare fund**

Balance as on 01 July

Add: Provision for the year (Note 24)

Balance as on 30 June

7. **SHORT TERM BORROWINGS**

From banking company - secured

Cash finances and other short term finances (Note 7.1)

Others - unsecured

From related party (Note 7.2)

2025 RUPEES	2024 RUPEES
4,967,539	-
6,029,234	4,967,539
806,252	-
11,803,025	4,967,539
(5,564,188)	-
6,238,837	4,967,539
4,351,906	2,275,900
2,336,829	2,076,006
6,688,735	4,351,906
49,677,158	47,693,900
-	16,056,688
49,677,158	63,750,588

7.1 These finances having total funded and non-funded limit of Rupees 230 million (2024: Rupees 180 million) from National Bank of Pakistan. Rates of mark up charged during the year ranged from 15.93% to 23.99 % (2024: 24.21% to 28.66%) per annum. These are secured against first charge of Rupees 275 million on present and future fixed assets (land and building) of the Company and hypothecation charge of same amount on present and future current assets of the Company, registered mortgage of Rupees 1 million and equitable mortgage of Rupees 275 million over land and building of the Company along with personnel guarantees of all directors of the company.

7.2.1 This represented interest free and unsecured loan obtained during the financial year ended 30 June 2024 from a Director of the Company to meet the working capital requirements. This loan was repaid during the year.

8. **CONTINGENCIES AND COMMITMENTS**

a) **Contingencies**

(i) SNGPL raised a demand amounting to Rupees 39.805 million against recovery of gas pilferage from the Company, which was reduced to Rupees 26.618 million by Review Committee of SNGPL on 24 May 2012. This amount was firstly deposited by the Company in parts but later was adjusted by SNGPL in its monthly bills. On 17 February 2022, OGRA conducted a hearing on request of SNGPL regarding this adjustment but the decision of OGRA is awaited. In the view of management on advice of legal counsel, the OGRA's decision will be in favour of the Company, and therefore no liability can be arisen.

(ii) Guarantee of Rupees 6.550 million (2024: Rupees 6.550 million) is issued by the Bank of the Company to Faisalabad Electric Supply Company Limited (FESCO) against electricity connection.

b) **Commitments**

(i) Letters of credit for capital expenditure are of Rupees Nil (2024: Rupees 52.271 million).

(ii) Letters of credit other than for capital expenditure are of Rupees 64.099 million (2024: Rupees 23.152 million).

9. **PROPERTY, PLANT AND EQUIPMENT**

Operating fixed assets (Note 9.1)

Capital work-in-progress (Note 9.2)

2025 RUPEES	2024 RUPEES
1,448,694,876	1,361,937,318
4,239,308	4,146,230
1,452,934,184	1,366,083,548

9.1 Operating fixed assets

	Freehold land	Buildings on freehold land		Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Pipeline and electric fitting	Total
		Factory	Residential						
At 30 June 2023									
Cost / revalued amount	1,123,500,000	41,006,147	104,888	499,219,599	762,740	3,510,289	45,238,904	20,885,418	1,734,227,985
Accumulated depreciation	-	(24,583,418)	(100,338)	(310,934,010)	(727,471)	(2,581,868)	(17,065,214)	(12,188,791)	(368,181,110)
Net book value	1,123,500,000	16,422,729	4,550	188,285,589	35,269	928,421	28,173,690	8,696,627	1,366,046,875
Year ended 30 June 2024									
Opening net book value	1,123,500,000	16,422,729	4,550	188,285,589	35,269	928,421	28,173,690	8,696,627	1,366,046,875
Additions	-	-	-	15,163,180	2,310,000	-	6,761,337	-	24,234,517
Depreciation charge	-	(1,642,273)	(228)	(19,460,358)	(80,527)	(92,842)	(6,198,183)	(869,663)	(28,344,074)
Closing net book value	1,123,500,000	14,780,456	4,322	183,988,411	2,264,742	835,579	28,736,844	7,826,964	1,361,937,318
At 30 June 2024									
Cost / revalued amount	1,123,500,000	41,006,147	104,888	514,382,779	3,072,740	3,510,289	52,000,241	20,885,418	1,758,462,502
Accumulated depreciation	-	(26,225,691)	(100,566)	(330,394,368)	(807,998)	(2,674,710)	(23,263,397)	(13,058,454)	(396,525,184)
Net book value	1,123,500,000	14,780,456	4,322	183,988,411	2,264,742	835,579	28,736,844	7,826,964	1,361,937,318
Year ended 30 June 2025									
Opening net book value	1,123,500,000	14,780,456	4,322	183,988,411	2,264,742	835,579	28,736,844	7,826,964	1,361,937,318
Additions	-	-	-	26,115,089	7,604,310	-	16,761,997	67,469,968	117,951,364
Disposals:									
Cost	-	-	-	-	-	-	(2,970,687)	-	(2,970,687)
Accumulated depreciation	-	-	-	-	-	-	1,851,068	-	1,851,068
Depreciation charge	-	(1,478,046)	(216)	(19,615,016)	(627,173)	(83,558)	(1,119,619)	(1,424,809)	(1,119,619)
Closing net book value	1,123,500,000	13,302,410	4,106	190,488,484	9,241,879	752,021	37,533,853	73,872,123	1,448,694,876
At 30 June 2025									
Cost / revalued amount	1,123,500,000	41,006,147	104,888	540,497,868	10,677,050	3,510,289	65,791,551	88,355,386	1,873,443,179
Accumulated depreciation	-	(27,703,737)	(100,782)	(350,009,384)	(1,435,171)	(2,758,268)	(28,257,698)	(14,483,263)	(424,748,303)
Net book value	1,123,500,000	13,302,410	4,106	190,488,484	9,241,879	752,021	37,533,853	73,872,123	1,448,694,876
Annual rate of depreciation (%)	-	10	5	10	10	10	20	10	

9.1.1 Had there been no revaluation, the value of freehold land would have been lower by Rupees 1,123.279 million (2024: Rupees 1,123.279 million). The book value of freehold land on cost basis is Rupees 0.221 million (2024: Rupees 0.221 million).

9.1.2 Forced sale value of freehold land as per last revaluation is Rupees 955 million.

9.1.3 Depreciation charge for the year has been allocated as follows:

Cost of sales (Note 21)

Administrative expenses (Note 23)

	2025 RUPEES	2024 RUPEES
Cost of sales (Note 21)	27,066,768	25,509,667
Administrative expenses (Note 23)	3,007,419	2,834,407
	<u>30,074,187</u>	<u>28,344,074</u>

9.1.4 Particulars of immovable properties (i.e. land and buildings) in the name of the Company are as follows:

Particulars	Location	Area of land Kanals	Covered area of buildings Sq. ft.
Manufacturing facility and Dhuddiwala, Jaranwala Road, Faisalabad.		80.25	312 996

9.1.5 Detail of operating fixed asset, exceeding the book value of Rupees 500,000, disposed of during the year is as follows:

Description	Quantity	Cost	Accumulated depreciation	Net book value	Sale Proceeds	Gain	Mode of disposal	Particulars of purchaser
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----- RUPEES -----

Vehicles

Toyota	1	2,970,687	1,851,068	1,119,619	4,650,000	3,530,381	Negotiation	Mr. Muhammad Murtaza, Shorkot
Corolla Altis								

9.2 Capital work-in-progress

At 30 June 2023

Additions during the year

Transferred to operating fixed assets during the year

At 30 June 2024

Additions during the year

Transferred to operating fixed assets during the year

At 30 June 2025

Pipeline and electric fitting	Plant and machinery	Total
RUPEES	RUPEES	RUPEES
-	-	-
4,146,230	15,163,180	19,309,410
-	(15,163,180)	(15,163,180)
<u>4,146,230</u>	<u>-</u>	<u>4,146,230</u>
63,903,770	27,184,399	91,088,169
(64,880,002)	(26,115,089)	(90,995,091)
<u>3,169,998</u>	<u>1,069,310</u>	<u>4,239,308</u>

10. INTANGIBLE ASSET

Computer software

Net carrying value basis

Opening net book value

Amortization charged during the year (Note 23)

Closing net book value

Gross carrying value

Cost

Accumulated amortization

Closing net book value

Amortization rate (per annum)

11. LONG TERM DEPOSITS AND PREPAYMENT

Security deposits

Prepayment

Current portion shown under current assets (Note 16)

2025 RUPEES	2024 RUPEES
2,700,597	4,109,603
(1,409,006)	(1,409,006)
<u>1,291,591</u>	<u>2,700,597</u>
7,045,032	7,045,032
(5,753,441)	(4,344,435)
<u>1,291,591</u>	<u>2,700,597</u>
<u>20%</u>	<u>20%</u>
26,217,046	26,217,046
224,818	346,386
<u>26,441,864</u>	<u>26,563,432</u>
(121,568)	(121,568)
<u>26,320,296</u>	<u>26,441,864</u>

	2025 RUPEES	2024 RUPEES
12. STORES AND SPARE PARTS		
Dyes and chemicals	96,585,948	61,171,185
Thread, textured / filament yarn (Note 12.1)	24,162,365	14,127,378
Coal	3,156,124	40,407,303
Spare parts	6,041,872	7,985,354
Packing materials	981,761	1,759,620
Other stores	3,988,156	4,078,816
	<u>134,916,226</u>	<u>129,529,656</u>
12.1 These includes thread, textured / filament yarn in transit amounting to Rupees 7.655 million (2024: Rupees Nil).		
12.2 Other stores and spare parts includes items which may result in fixed capital expenditure but are not distinguishable.		
13. STOCK-IN-TRADE		
Raw materials	534,996	17,146,454
14. TRADE DEBTS		
Considered good:		
Secured	-	3,590,629
Unsecured - local	438,280,806	467,406,317
	438,280,806	470,996,946
Allowance for expected credit losses (Note 14.4)	(10,799,371)	(7,505,647)
	<u>427,481,435</u>	<u>463,491,299</u>
14.1 Trade debts in respect of foreign and local jurisdiction is given here under:		
Pakistan	438,280,806	467,406,317
South Africa	-	3,590,629
	<u>438,280,806</u>	<u>470,996,946</u>
14.2 Revenue is recognized at the time of delivery of goods after providing services and sale of goods, while payment is generally due within 15 to 30 days from issuing invoice in case of local sales, and within 60 to 90 days from delivery in case of export sales.		
14.3 As at 30 June 2025, trade debts receivable amounting to Rupees 188.153 million (2024: Rupees 288.026 million) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:		
Not yet due	239,328,605	175,465,313
Past due but not impaired:		
Upto 1 month	117,148,530	126,450,025
1 to 6 months	58,222,205	139,156,694
More than 6 months	12,782,095	22,419,267
	188,152,830	288,025,986
	<u>427,481,435</u>	<u>463,491,299</u>
14.4 Allowance for expected credit losses		
Balance as on 01 July	7,505,647	5,093,556
Recognized during the year (Note 24)	7,013,885	5,887,112
	14,519,532	10,980,668
Reversal of allowance for expected credit losses (Note 25)	(3,720,161)	(3,475,021)
Balance as at 30 June	<u>10,799,371</u>	<u>7,505,647</u>
15. LOANS AND ADVANCES		
Considered good:		
Advance to suppliers / service providers	13,587,353	8,491,307
Letters of credit	301,386	765,139
	13,888,739	9,256,446
Considered doubtful:		
Advance to suppliers / service providers	661,904	99,078
Provision for doubtful advances (Note 15.1)	(661,904)	(99,078)
	-	-
	<u>13,888,739</u>	<u>9,256,446</u>
15.1 Provision for doubtful advances		
Balance as at 01 July	99,078	99,078
Add: Recognized during the year (Note 24)	562,826	-
	<u>661,904</u>	<u>99,078</u>

		2025 RUPEES	2024 RUPEES																																																						
16.	PREPAYMENTS AND OTHER RECEIVABLES																																																								
	Considered good:																																																								
	Profit receivable on term deposit receipt / saving accounts	41,848	180,969																																																						
	Current portion of long term deposits and prepayment (Note 11)	121,568	121,568																																																						
	Prepayments	700,092	1,167,350																																																						
		863,508	1,469,887																																																						
17.	ADVANCE INCOME TAX AND LEVY - NET																																																								
	Advance income tax - net																																																								
	Advance income tax	90,765,702	85,612,001																																																						
	Provision for taxation	(30,667,080)	(26,480,278)																																																						
		60,098,622	59,131,723																																																						
	Levy - net																																																								
	Prepaid levy	360,735	741,640																																																						
	Levy payable	(360,735)	(741,640)																																																						
		-	-																																																						
		60,098,622	59,131,723																																																						
18.	SHORT TERM INVESTMENTS																																																								
	At amortized cost - Term deposit receipt (Note 18.1)	305,000	305,000																																																						
	At fair value through profit or loss (FVTPL) - Mutual funds (Note 18.2)	482,465	57,648,125																																																						
		787,465	57,953,125																																																						
18.1	This represents term deposit receipt issued by National Bank of Pakistan having maturity period of 6 months with roll over facility. This investment is carried at amortized cost. Rate of profit ranged from 9.46 percent to 9.58 percent (2024: 14.02 percent to 14.72 percent) per annum.																																																								
18.2	At fair value through profit or loss (FVTPL) - Mutual funds																																																								
	<table><tr><th colspan="3">2025</th><th colspan="3">2024</th></tr><tr><th>Carrying value</th><th>Fair value adjustment</th><th>Market Value</th><th>Carrying value</th><th>Fair value adjustment</th><th>Market Value</th></tr><tr><td>NBP Money Market Fund</td><td>-</td><td>-</td><td>47,000,099</td><td>76,573</td><td>47,076,672</td></tr><tr><td>Nil (2024: 4 703 810) units held</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>NBP Income Opportunity Fund</td><td>79,571</td><td>(75)</td><td>71,574</td><td>74</td><td>71,648</td></tr><tr><td>7950 (2024: 7 157) units held</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Meezan Daily Income Fund</td><td>402,969</td><td>-</td><td>10,499,805</td><td>-</td><td>10,499,805</td></tr><tr><td>8 059 (2024: 209 996) units held</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td>482,540</td><td>(75)</td><td>57,571,478</td><td>76,647</td><td>57,648,125</td></tr></table>			2025			2024			Carrying value	Fair value adjustment	Market Value	Carrying value	Fair value adjustment	Market Value	NBP Money Market Fund	-	-	47,000,099	76,573	47,076,672	Nil (2024: 4 703 810) units held						NBP Income Opportunity Fund	79,571	(75)	71,574	74	71,648	7950 (2024: 7 157) units held						Meezan Daily Income Fund	402,969	-	10,499,805	-	10,499,805	8 059 (2024: 209 996) units held							482,540	(75)	57,571,478	76,647	57,648,125
2025			2024																																																						
Carrying value	Fair value adjustment	Market Value	Carrying value	Fair value adjustment	Market Value																																																				
NBP Money Market Fund	-	-	47,000,099	76,573	47,076,672																																																				
Nil (2024: 4 703 810) units held																																																									
NBP Income Opportunity Fund	79,571	(75)	71,574	74	71,648																																																				
7950 (2024: 7 157) units held																																																									
Meezan Daily Income Fund	402,969	-	10,499,805	-	10,499,805																																																				
8 059 (2024: 209 996) units held																																																									
	482,540	(75)	57,571,478	76,647	57,648,125																																																				
18.2.1	The fair value of funds are based on the Net Asset Value (NAV) being the current bid price at reporting date as quoted by the respective asset management companies.																																																								
19.	CASH AND BANK BALANCES	2025 RUPEES	2024 RUPEES																																																						
	With banks:																																																								
	on current accounts	85,799,776	23,304,321																																																						
	on saving accounts (Note 19.1)	3,502,821	7,321,972																																																						
		89,302,597	30,626,293																																																						
	Cash in hand	312,455	1,630,469																																																						
		89,615,052	32,256,762																																																						
19.1	Rate of profit on saving account was ranging from 2.78 percent to 13.10 percent (2024: 10.00 percent to 11.01 percent) per annum.																																																								
20.	REVENUE FROM CONTRACTS WITH CUSTOMERS																																																								
	Export sales (Note 20.1)	17,633,177	35,781,636																																																						
	Local sales (Note 20.2)	11,398,548	4,294,332																																																						
	Processing income (Note 20.3)	2,422,358,935	2,114,127,901																																																						
		2,451,390,660	2,154,203,869																																																						

		2025 RUPEES	2024 RUPEES
20.1 Export sales			
	Dyed fabric	17,633,177	35,781,636
20.2 Local sales			
	Dyed fabric	13,450,287	5,067,312
	Less: Sales tax	2,051,739	772,980
		11,398,548	4,294,332
20.3 Processing income			
	Dyeing services	2,333,438,514	2,119,710,188
	Less: Sales tax	355,948,248	323,345,622
		1,977,490,266	1,796,364,566
	Embroidery services	525,091,640	375,099,334
	Less: Sales tax	80,222,971	57,335,999
		444,868,669	317,763,335
		2,422,358,935	2,114,127,901
20.4	The amount of Rupees 16.928 million included in contract liabilities (Note 6) at 30 June 2024 has been recognised as revenue during the year (2024: Rupees 24.652 million).		
21. COST OF SALES			
	Salaries, wages and other benefits (Note 21.1)	185,418,530	153,415,347
	Dyes, chemicals and cloth consumed	1,265,963,008	1,068,486,930
	Thread, textured / filament yarn consumed	140,417,740	169,157,633
	Fuel and power	560,549,044	537,849,369
	Stores and spare parts consumed	44,318,034	17,483,217
	Oil and greases consumed	10,858,136	7,189,631
	Packing materials consumed	22,382,719	19,261,008
	Repair and maintenance	3,915,682	246,000
	Depreciation (Note 9.1.3)	27,066,768	25,509,667
		2,260,889,661	1,998,598,802
21.1	Salaries, wages and other benefits include provident fund contribution of Rupees 3.505 million (2024: Rupees 3.413 million) by the Company.		
22. DISTRIBUTION COST			
	Salaries and other benefits (Note 22.1)	3,094,356	2,264,889
	Sampling charges	-	297,147
	Shipping and freight charges	583,235	188,100
		3,677,591	2,750,136
22.1	Salaries and other benefits include provident fund contribution of Rupees 0.258 million (2024: Rupees 0.139 million) by the Company.		
23. ADMINISTRATIVE EXPENSES			
	Salaries, wages and other benefits (Note 23.1)	15,083,302	15,959,384
	Directors' remuneration	12,000,000	12,000,000
	Rent, rates and taxes	123,714	307,125
	Traveling and conveyance	1,166,895	1,099,606
	Electricity and water	5,820,379	5,910,492
	Communication expenses	1,992,885	2,274,178
	Printing and stationery	199,500	348,805
	Vehicles' running	3,450,007	4,159,379
	Fees and subscriptions	1,405,336	654,197
	Legal and professional	184,754	668,699
	Auditor's remuneration (Note 23.2)	1,150,000	1,040,000
	Newspapers and advertisement	87,700	38,690
	Entertainment	859,984	586,813
	Insurance	2,466,027	2,321,817
	Amortization (Note 10)	1,409,006	1,409,006
	Depreciation (Note 9.1.3)	3,007,419	2,834,407
	Others	14,916	19,839
		50,421,824	51,632,437

23.1 Salaries, wages and other benefits include provident fund contribution of Rupees 1.004 million (2024: Rupees 0.646 million) by the Company.

	2025 RUPEES	2024 RUPEES
23.2 Auditor's remuneration		
Audit fee	950,000	900,000
Half yearly review	150,000	140,000
Reimbursable expenses	50,000	-
	<u>1,150,000</u>	<u>1,040,000</u>
24. OTHER EXPENSES		
Workers' profit participation fund (Note 6.2)	6,029,234	4,967,539
Workers' welfare fund (Note 6.3)	2,336,829	2,076,006
Donations (Note 24.1)	225,000	200,000
Loans and advances written off	280,601	119,943
Sales tax refundable written off	16,942,705	-
Allowance for expected credit losses (Note 14.4)	7,013,885	5,887,112
Provision for doubtful advances (Note 15.1)	562,826	-
Net exchange loss	626,697	-
Unrealized loss on remeasurement of investment at FVTPL	75	-
	<u>34,017,852</u>	<u>13,250,600</u>
24.1 There is no interest of any director or his / her spouse in donees' fund.		
25. OTHER INCOME		
Income from financial assets		
Profit on saving accounts / term deposit receipt	1,528,200	1,103,220
Dividend income	1,214,781	2,789,857
Unrealized gain on remeasurement of investment at FVTPL	-	76,747
Net exchange gain	-	901,828
Reversal of allowance for expected credit losses (Note 14.4)	3,720,161	3,475,021
Gain on sale of investments at FVTPL	151,585	-
	<u>6,614,727</u>	<u>8,346,673</u>
Income from non-financial assets		
Scrap sales	1,975,771	1,495,677
Gain on disposal of property, plant and equipment (Note 9.1.5)	3,530,381	-
Credit balances added back	-	1,236
	<u>5,506,152</u>	<u>1,496,913</u>
	<u>12,120,879</u>	<u>9,843,586</u>
26. FINANCE COST		
Mark-up on short term borrowings	1,521,705	1,158,467
Interest on workers' profit participation fund (Note 6.2)	806,252	-
Bank charges and commission	764,285	248,286
	<u>3,092,242</u>	<u>1,406,753</u>
27. LEVY		
Levy for the year (Note 27.1)	<u>360,735</u>	<u>741,640</u>
27.1 Levy represents capital gain tax and final tax under relevant provisions of Income Tax Ordinance, 2001.		
28. TAXATION		
Current (Note 28.1)	30,667,080	26,480,278
For prior year	12,361	-
Deferred tax (income) / expense (Note 5.1)	(3,025,342)	2,883,274
	<u>27,654,099</u>	<u>29,363,552</u>
28.1 Provision for taxation represents normal tax on taxable income under relevant provisions of Income Tax Ordinance, 2001.		

28.2	Reconciliation between levy and tax expense and accounting profit		2025	2024
			RUPEES	RUPEES
	Accounting profit before levy and taxation		111,412,369	96,408,727
	Tax on profit @ 29%		32,309,587	27,958,531
	Effect of final tax regime taxed at lower rates		(57,718)	(390,580)
	Prior year adjustment		(12,361)	-
	Effect of deferred income tax		(3,025,342)	2,883,274
	Effect of incomes / expenses which are not considered in determining tax liability		(1,199,332)	(346,033)
	Current tax liability and levy as per applicable tax laws		28,014,834	30,105,192
	Taxation (Note 28)		(27,654,099)	(29,363,552)
	Levy (Note 27)		(360,735)	(741,640)
		-	-	
29.	EARNINGS PER SHARE - BASIC AND DILUTED			
	There is no dilutive effect on the basic earnings per share which is based on:			
			2025	2024
	Profit for the year	(Rupees)	83,397,535	66,303,535
	Weighted average number of ordinary shares	(Numbers)	15 553 174	15 553 174
30.	Earnings per share	(Rupees)	5.36	4.26
			2025	2024
	CASH GENERATED FROM OPERATIONS		RUPEES	RUPEES
	Profit before levy and taxation		111,412,369	96,408,727
	Adjustments for non-cash charges and other items:			
Depreciation (Note 9.1)		30,074,187	28,344,074	
Amortization on intangible asset (Note 10)		1,409,006	1,409,006	
Gain on disposal of property, plant and equipment (Note 25)		(3,530,381)	-	
Allowance for expected credit losses - net		3,293,724	2,412,091	
Provision for doubtful advances (Note 24)		562,826	-	
Credit balances added back (Note 25)		-	(1,236)	
Provision for workers' profit participation fund (Note 24)		6,029,234	4,967,539	
Provision for workers' welfare fund (Note 24)		2,336,829	2,076,006	
Exchange loss / (gain) - net		626,697	(1,082,330)	
Profit on saving accounts / term deposit receipt (Note 25)		(1,528,200)	(1,103,220)	
Dividend Income (Note 25)		(1,214,781)	(2,789,857)	
Unrealized loss / (gain) on remeasurement of investment at FVTPL		75	(76,747)	
Sales tax refundable written off (Note 24)		16,942,705	-	
Loans and advances written off (Note 24)		280,601	119,943	
Finance cost (Note 26)		3,092,242	1,406,753	
Working capital changes (Note 30.1)		(5,045,579)	(52,199,395)	
		164,741,554	79,891,354	
30.1	Working capital changes			
	(Increase) / decrease in current assets:			
	Stores and spare parts		(5,386,570)	(13,382,775)
	Stock-in-trade		16,611,458	(17,146,454)
	Trade debts		32,465,192	(146,550,141)
	Loans and advances		(5,195,119)	431,803
	Prepayments and other receivables		588,826	(477,792)
	Sales tax refundable		-	418,462
			39,083,787	(176,706,897)
	(Decrease) / increase in trade and other payables		(44,129,366)	124,507,502
			(5,045,579)	(52,199,395)
30.2	Reconciliation of movement of liability to cash flows from financing activities:			
			Short term borrowings	
			2025	2024
			RUPEES	RUPEES
	Balance as at 01 July		63,750,588	86,920,368
	Borrowings (repaid) / obtained - net		(14,073,430)	(23,169,780)
	Balance as at 30 June		49,677,158	63,750,588

31. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements in respect of remuneration including benefits to the Chief Executive Officer, Director and Executives of the Company are as follows:

DESCRIPTION	2025			2024		
	Chief Executive Officer	Director	Executive	Chief Executive Officer	Director	Executives
	-----RUPEES-----					
Managerial remuneration	6,000,000	6,000,000	1,444,440	6,000,000	6,000,000	1,909,000
Medical allowance	-	-	-	-	-	50,000
Contribution to provident fund	-	-	119,952	-	-	159,020
	6,000,000	6,000,000	1,564,392	6,000,000	6,000,000	2,118,020
Number of persons	1	1	1	1	1	2

31.1 The Chief Executive Officer and one Director are provided with Company maintained vehicles and residential telephones.

31.2 No remuneration or meeting fee was paid to any other director of the Company.

32. PROVIDENT FUND

As at the reporting date, The National Silk and Rayon Mills Limited - Employees' Provident Fund Trust is in the process of regularizing its investments in accordance with section 218 of the Companies Act, 2017 and the regulations formulated for this purpose by Securities and Exchange Commission of Pakistan.

33. NUMBER OF EMPLOYEES

	2025	2024
Number of employees as at 30 June	391	381
Average number of employees during the year	389	380

34. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise other related parties and key management personnel. Detail of transactions with related parties along with basis of relationship, other than those which have been disclosed elsewhere in these financial statements are as follows:

Name	Basis of relationship	Nature of transactions	2025 RUPEES	2024 RUPEES
Other related parties				
Mr. Kashif Tauheed	Director of the Company	Loan obtained	-	16,056,688
		Loan repaid	16,056,688	-
The National Silk and Rayon Mills Limited - Employees' plan	Post employment contribution	Contribution made	4,767,651	4,197,919
Provident Fund Trust				

34.1 Detail of compensation to key management personnel comprising of Chief Executive Officer, Director and Executive is disclosed in Note 31.

35. PLANT CAPACITY AND ACTUAL PRODUCTION

Cloth processing

	M/U	2025	2024
Rated capacity	Meters	62,804,000	62,804,000
Actual processing	Meters	28,251,168	27,778,926
Percentage of utilization of rated capacity		44.98%	44.23%

Embroidery processing

	Meters	2025	2024
Rated capacity	Meters	8,607,500	8,607,500
Actual processing	Meters	3,242,175	3,198,357
Percentage of utilization of rated capacity		37.67%	37.16%
Number of working days		311	314

35.1 REASONS FOR LOW PRODUCTION

Under utilization of available capacity is due to different mélange of cloth and stitches per meter of embroidery cloth available for processing and unsustained supply of electricity and sui gas.

36. SEGMENT INFORMATION

	Dyeing		Embroidery		Total - Company	
	2025	2024	2025	2024	2025	2024
	RUPEES					
Revenue from contracts with customers	2,006,521,991	1,836,440,534	444,868,669	317,763,335	2,451,390,660	2,154,203,869
Cost of sales	(1,850,592,359)	(1,709,825,775)	(410,297,302)	(288,773,027)	(2,260,889,661)	(1,998,598,802)
Gross profit	155,929,632	126,614,759	34,571,367	28,990,308	190,500,999	155,605,067
Distribution cost	(3,010,196)	(2,268,862)	(667,395)	(481,274)	(3,677,591)	(2,750,136)
Administrative expenses	(41,271,471)	(43,629,409)	(9,150,353)	(8,003,028)	(50,421,824)	(51,632,437)
	(44,281,667)	(45,898,271)	(9,817,748)	(8,484,302)	(54,099,415)	(54,382,573)
Profit before levy and taxation						
unallocated income and expenses	111,647,965	80,716,488	24,753,619	20,506,006	136,401,584	101,222,494
Unallocated income and expenses:						
Other expenses					(34,017,852)	(13,250,600)
Other income					12,120,879	9,843,586
Finance cost					(3,092,242)	(1,406,753)
Levy					(360,735)	(741,640)
Taxation					(27,654,099)	(29,363,552)
Profit after taxation					83,397,535	66,303,535

36.1 Reconciliation of reportable segment assets and liabilities:

	Dyeing		Embroidery		Total - Company	
	2025	2024	2025	2024	2025	2024
	RUPEES					
Total assets for reportable segments	884,621,077	920,785,065	218,809,449	203,765,123	1,103,430,526	1,124,550,188
Unallocated assets					1,105,301,588	1,057,853,878
Total assets as per statement of financial position					2,208,732,114	2,182,404,066
Unallocated assets represent major portion of property, plant and equipment excluding plant and machinery, intangible asset, long term deposits, loans and advances, prepayments and other receivables, corporate and tax assets and cash and bank balances.						
Total liabilities for reportable segments	432,980,634	453,117,015	38,464,198	48,706,018	471,444,832	501,823,033
Unallocated liabilities					183,028,433	209,719,719
Total liabilities as per statement of financial position					654,473,265	711,542,752

Unallocated liabilities represent some portion of trade and other payables, unclaimed dividend, accrued mark-up, short term borrowings and deferred income tax liability.

36.2 All non-current assets of the Company as at reporting dates are located in Pakistan.

36.3 Revenue is recognized at the point in time as per terms and conditions of underlying contracts with customers.

36.4 Geographical information

The Company's segment wise revenue from external customers as per geographical locations is detailed below:

	Dyeing		Embroidery		Total - Company	
	2025	2024	2025	2024	2025	2024
	RUPEES					
Czech Republic	-	3,583,189	-	-	-	3,583,189
Pakistan	1,988,888,814	1,800,658,898	444,868,669	317,763,335	2,433,757,483	2,118,422,233
South Africa	17,633,177	32,198,447	-	-	17,633,177	32,198,447
	2,006,521,991	1,836,440,534	444,868,669	317,763,335	2,451,390,660	2,154,203,869
36.5 The Company's revenue form external customers in respect of services / products is detailed below:						
Dyeing Services	1,977,490,266	1,796,364,566	-	-	1,977,490,266	1,796,364,566
Embroidery Services	-	-	444,868,669	317,763,335	444,868,669	317,763,335
Dyed fabric	29,031,725	40,075,968	-	-	29,031,725	40,075,968
	2,006,521,991	1,836,440,534	444,868,669	317,763,335	2,451,390,660	2,154,203,869

36.6 Revenue from major customers

Revenue from major customers of the Company's Dyeing segment includes two customer (2024: one customers) representing Rupees 713.430 million (2024: Rupees 369.249 million). Revenue from Embroidery segment of the Company does not include any major customer.

37. FINANCIAL RISK MANAGEMENT

37.1 Financial risk factors

The Company's activities expose it to certain financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

The Company's Board of Directors (the Board) has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. Risk management is carried out by the Company's finance department under policies approved by the Board.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from receivables and short term borrowings that exist due to transactions in foreign currencies at the year end.

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD). Currently, the Company's foreign exchange risk exposure is restricted to the trade debts, trade and other payables and short term borrowings. The Company's exposure to currency risk was as follows:

	2025	2024
Trade and other payables - USD	190,364	203,497
Trade debts - USD	-	12,902
Following significant exchange rates were applied during the year:		
Rupees per US Dollar		
Average rate	279.03	279.05
Reporting date rate	284.10	278.80

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD with all other variables held constant, the impact on profit after taxation for the year would have been Rupees 1.786 million (2024: Rupees 1.754 million) lower / higher, mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. At the year end, the Company is not exposed to commodity price risk.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Index of Mutual Funds Association of Pakistan (MUFAP) on the Company's profit after taxation for the year. The analysis is based on the assumption that the equity index had increased / decreased by 10% with all other variables held constant and the Company's equity instruments moved according to the historical correlation with the index:

Index	Impact on profit after taxation	
	2025	2024
	RUPEES	
MUFAP (10% increase)	44,869	5,361,276
MUFAP (10% decrease)	(44,869)	(5,361,276)

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from short term borrowings, term deposit receipt and bank balance in saving account. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rates expose the Company to fair value interest rate risk.

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

	2025	2024
Fixed rate instruments	RUPEES	RUPEES
Term deposit receipt	305,000	305,000
Floating rate instruments		
Financial assets		
Bank balance - saving account	3,502,821	7,321,972
Financial liabilities		
Short term borrowings	49,677,158	63,750,588

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rupees 0.305 million (2024: Rupees 0.641 million) lower / higher, mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

The maximum exposure to credit risk at the reporting date was as follows:

Long term deposits	26,217,046	26,217,046
Trade debts	427,481,435	463,491,299
Other receivables	41,848	180,969
Short term investments	787,465	57,953,125
Bank balances	89,302,597	30,626,293
	543,830,391	578,468,732

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Sales contracts and credit terms are approved by the senior management and where considered necessary, advance payments are obtained from certain parties. Export sales to customer is secured through letters of credit. The management has set a maximum credit period limit for each type of customers in order to reduce the credit risk.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating			2025	2024
	Short Term	Long term	Agency	RUPEES	RUPEES
Banks:					
Conventional bank accounts					
Habib Bank Limited	A1+	AAA	VIS	70,080	1,064,658
National Bank of Pakistan	A1+	AAA	PACRA	60,257,764	80,336
MCB Bank Limited	A1+	AAA	PACRA	115,966	9,779
Bank AL Habib Limited	A1+	AAA	PACRA	19,847,340	141,840
Askari Bank Limited	A1+	AA+	PACRA	23,453	532,988
The Bank of Punjab	A1+	AA+	PACRA	125,940	125,940
Bank Alfalah Limited	A1+	AAA	PACRA	30,653	30,653
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	91,563	113,927
Allied Bank Limited	A1+	AAA	PACRA	233,028	9,874
United Bank Limited	A1+	AAA	VIS	60,308	132,577
Sub total				80,856,095	2,242,572
Shariah compliant bank accounts					
BankIslami Pakistan Limited	A1	AA-	PACRA	7,023	7,023
Bank Makarmah Limited	A3	BBB-	VIS	157,582	157,582
Meezan Bank Limited	A1+	AAA	VIS	5,444,018	22,694,189
Bank Alfalah Limited	A1+	AAA	PACRA	2,837,879	5,524,927
Sub total				8,446,502	28,383,721
Total				89,302,597	30,626,293
Investments:					
Term deposit receipt					
National Bank of Pakistan	A1+	AAA	PACRA	305,000	305,000
Mutual funds					
NBP Money Market Fund		AA(f)	PACRA	-	47,076,672
NBP Income Opportunity Fund		A+(f)	PACRA	79,496	71,648
Meezan Daily Income Fund		AM1	PACRA	402,969	10,499,805
Sub total				482,465	57,648,125
Total				787,465	57,953,125
Grand total				90,090,062	88,579,418

Based on the past experience and deliberations management has recognized allowance for expected credit losses in respect of trade debts as given in Note 14.4 to these financial statements.

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Accordingly the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 June 2025, the Company had Rupees 112.035 million (2024: Rupees 69.412 million) available borrowing limits from financial institutions and Rupees 89.615 million (2024: Rupees 32.257 million) cash and bank balances. The management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2025:

	Carrying amount	Contractual cash flows	6 months or less
Non-derivative financial liabilities:			
Trade and other payables	554,394,335	554,394,335	554,394,335
Short term borrowings	49,677,158	53,253,913	53,253,913
Accrued mark-up	266,957	266,957	266,957
Unclaimed dividend	594,836	594,836	594,836
	<u>604,933,286</u>	<u>608,510,041</u>	<u>608,510,041</u>

Contractual maturities of financial liabilities as at 30 June 2024:

Non-derivative financial liabilities:			
Trade and other payables	576,600,816	576,600,816	576,600,816
Short term borrowings	63,750,588	69,650,323	69,650,323
Accrued mark-up	372,783	594,836	594,836
Unclaimed dividend	594,836	372,783	372,783
	<u>641,319,023</u>	<u>647,218,758</u>	<u>647,218,758</u>

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at 30 June. The rates of mark-up have been disclosed in Note 7 to these financial statements.

37.2 Financial instruments by categories

	2025			2024		
	At fair value through profit or loss	At amortized cost	Total	At fair value through profit or loss	At amortized cost	Total
RUPEES						
Assets as per statement of financial position						
Long term deposits	-	26,217,046	26,217,046	-	26,217,046	26,217,046
Trade debts	-	427,481,435	427,481,435	-	463,491,299	463,491,299
Other receivables	-	41,848	41,848	-	180,969	180,969
Short term investments	482,465	305,000	787,465	57,648,125	305,000	57,953,125
Cash and bank balances	-	89,615,052	89,615,052	-	32,256,762	32,256,762
	482,465	543,660,381	544,142,846	57,648,125	522,451,076	580,099,201
Financial liabilities as per statement of financial position						
				At amortized cost		
				2025	2024	
				RUPEES	RUPEES	
Trade and other payables				554,394,335	576,600,816	
Accrued mark-up				266,957	594,836	
Unclaimed dividend				594,836	372,783	
Short term borrowings				49,677,158	63,750,588	
				604,933,286	614,209,294	

37.3 Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial position is as follows:

	2025			2024		
	Financial assets	Other than financial assets	Total as per statement of financial position	Financial assets	Other than financial assets	Total as per statement of financial position
RUPEES						
Assets as per statement of financial position						
Long term deposits and prepayment	26,217,046	103,250	26,320,296	26,217,046	224,818	26,441,864
Trade debts	427,481,435	-	427,481,435	463,491,299	-	463,491,299
Prepayments and other receivables	41,848	821,660	863,508	180,969	1,288,918	1,469,887
Short term investments	787,465	-	787,465	57,953,125	-	57,953,125
Cash and bank balances	89,615,052	-	89,615,052	32,256,762	-	32,256,762
	544,142,846	924,910	545,067,756	580,099,201	1,513,736	581,612,937
Liabilities as per statement of financial position						
Trade and other payables	554,394,335	28,614,673	583,009,008	576,600,816	46,273,081	622,873,897
Accrued mark-up	266,957	-	266,957	594,836	-	594,836
Unclaimed dividend	594,836	-	594,836	372,783	-	372,783
Short term borrowings	49,677,158	-	49,677,158	63,750,588	-	63,750,588
	604,933,286	28,614,673	633,547,959	641,319,023	46,273,081	687,592,104

37.4 Offsetting financial assets and financial liabilities

As on the reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

37.5 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, and to make adjustments to it in the light of changes in economic conditions, the Company may adjust the amount of dividends to be paid to shareholders or issue new shares. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as net borrowings divided by total capital employed. Borrowings represent short term borrowings obtained by the Company as referred to Note 7. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'. The Company monitors capital on the basis of gearing ratio calculated as follows:

	2025	2024
	RUPEES	RUPEES
Borrowings	49,677,158	63,750,588
Total equity	1,554,258,849	1,470,861,314
Total capital employed	1,603,936,007	1,591,346,866
	PERCENTAGE	
Gearing ratio	3.10	4.01

The decrease in gearing ratio resulted primarily from decrease in borrowings of the Company.

38. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into following three levels. An explanation of each level follows underneath the table:

	Level 1	Level 2	Level 3	Total
RUPEES				
Recurring fair value measurements				
Financial assets				
At 30 June 2025				
At fair value through profit or loss - Mutual funds	482,465	-	-	482,465
Total financial assets	482,465	-	-	482,465
At 30 June 2024				
At fair value through profit or loss - Mutual funds	57,648,125	-	-	57,648,125
Total financial assets	57,648,125	-	-	57,648,125

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts. Certain financial assets and financial liabilities are not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation technique used to value listed financial instruments include the use of quoted market prices.

39. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgements and estimates are made for the non-financial assets that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

	Level 1	Level 2	Level 3	Total
RUPEES				
At 30 June 2025				
Freehold land	-	1,123,500,000	-	1,123,500,000
Total non-financial assets	-	1,123,500,000	-	1,123,500,000
At 30 June 2024				
Freehold land	-	1,123,500,000	-	1,123,500,000
Total non-financial assets	-	1,123,500,000	-	1,123,500,000

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuation for its freehold land (classified as property, plant and equipment) at least after every three years. The management updates the assessment of the fair value of freehold land, taking into account the most recent independent valuation. The management determines freehold land's value within a range of reasonable fair value estimates. The best evidence of fair value of freehold land is current prices in an active market for similar lands.

Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's freehold land. The latest valuation of freehold land was performed by Messrs Materials and Design Services (Private) Limited as at 22 June 2023.

Changes in fair values are analyzed during the valuation discussion between the Chief Financial Officer and the valuers. As part of this discussion the team presents a report that explains the reason for the fair value movements.

40. **DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES**

Description	NOTE	2025	2024
-----RUPEES-----			
Short term borrowings obtained as per Islamic mode		-	16,056,688
Interest or mark-up accrued on any conventional loan			
Mark-up on short term borrowings		266,957	372,783
Short-term Shariah compliant investments	18.2	402,969	10,499,805
Shariah-compliant bank deposits and bank balances			
Bank balances	37.1(b)	8,446,502	28,383,721
Revenue earned from shariah compliant business segment	20	2,451,390,660	2,154,203,869
Dividend earned on Shariah compliant investments	25	1,204,217	1,499,805
Profit earned from shariah compliant bank deposits and bank balances			
Profit on deposits with banks		1,496,395	1,081,832
Net exchange gain earned from actual currency		-	901,828
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income			
Shariah-compliant			
Dividend income on investments at FVTPL		1,204,217	1,499,805
Profit on saving accounts and TDRs		1,496,395	1,081,832
Net Exchange gain	25	-	901,828
Reversal of allowance for expected credit losses - trade debts	25	3,720,161	3,475,021
Scrap sales	25	1,975,771	1,495,677
Gain on disposal of property, plant and equipment	25	3,530,381	-
Credit balances written back		-	1,236
Non-compliant			
Profit on term deposit receipt		31,805	21,388
Dividend income on investments at FVTPL		10,564	1,290,052
Unrealized gain on remeasurement of investments at FVTPL		-	76,747
Gain on sale of investments at FVTPL	25	151,585	-

There were no late payments or liquidity damages during the year. The relationship with all shariah compliant banks for the current year is related to bank accounts as given in Note 37.1 (b).

Relationship with Shariah-compliant banks

Bank Name	Relationship
Meezan Bank Limited	Bank balance
Bank Makramah Limited	Bank balances
Bank Islami Pakistan Limited	Bank balances
Bank Alfalah Limited	Bank balances

41. **DATE OF AUTHORIZATION FOR ISSUE**

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

42. **CORRESPONDING FIGURES**

Corresponding figures have been re-arranged, wherever necessary for the purpose of comparison. However, no significant re-arrangements have been made except for trade and other payables of Rupees 56.735 million which has now been shifted from short term borrowings keeping in view of their nature.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Pattern of Shareholding

as at June 30, 2025

1.1 Name of the Company

THE NATIONAL SILK & RAYON MILLS

2.1. Pattern of holding of the shares held by the shareholders as at

June 30, 2025

-----Shareholdings-----			
2.2 No. of Shareholders	From	To	Total Shares Held
405	1	100	12,091
123	101	500	32,625
34	501	1,000	24,532
32	1,001	5,000	63,703
2	5,001	10,000	15,780
1	10,001	15,000	10,900
2	20,001	25,000	44,597
2	40,001	45,000	81,776
1	50,001	55,000	53,984
1	100,001	105,000	105,000
1	105,001	110,000	106,698
1	230,001	235,000	233,055
1	325,001	330,000	329,000
1	335,001	340,000	339,000
1	380,001	385,000	382,000
1	1,475,001	1,480,000	1,479,144
1	2,060,001	2,065,000	2,061,639
1	2,300,001	2,305,000	2,304,588
2	2,495,001	2,500,000	5,000,000
1	2,870,001	2,875,000	2,873,062
614			15,553,174

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	15,308,362	98.4260%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	0	0.0000%
2.3.3 NIT and ICP	900	0.0058%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	0	0.0000%
2.3.5 Insurance Companies	20	0.0001%
2.3.6 Modarabas and Mutual Funds	0	0.0000%
2.3.7 Shareholders holding 10% or more	13,759,433	88.4670%
2.3.8 General Public		
a. Local	242,142	1.5569%
b. Foreign	0	0.0000%
2.3.9 Others (to be specified)		
Joint Stock Companies	1,750	0.0113%

Categories of Shareholding

required under Code of Corporate Governance (CCG)
as at June 30, 2025

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):		-	-
Mutual Funds (Name Wise Detail)		-	-
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	SH. FAISAL TAUHEED	5,373,062	34.5464%
2	SH. KAHSIF TAUHEED	4,020,144	25.8477%
3	MS. AMNA TAUHEED	350,000	2.2503%
4	MS. SAADIA TAUHEED	350,000	2.2503%
5	MST. SAMIRA FAISAL	2,304,588	14.8175%
6	MST. TAHIRA KASHIF	2,061,639	13.2554%
7	MR. SHEHZAD IHSAN	2,500	0.0161%
8	SH. TAUHEED ELAHI PURI	107,500	0.6912%
9	MRS. SHAHIDA TAUHEED	115,098	0.7400%
10	MST. SAIMA TAUHEED	350,000	2.2503%
11	MR. MUSTAFA TAUHEED	40,776	0.2622%
12	MR. MAHAD KASHIF	233,055	1.4984%
Executives:		-	-
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		20	0.0001%
Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)			
1	SH. FAISAL TAUHEED	5,373,062	34.5464%
2	SH. KAHSIF TAUHEED	4,020,144	25.8477%
3	MST. SAMIRA FAISAL	2,304,588	14.8175%
4	MST. TAHIRA KASHIF	2,061,639	13.2554%

Summary of Last Six Years Financial Results

Description	2025	2024	2023	2022	2021	2020
Turnover	2,451,390,660	2,154,203,869	1,758,081,798	1,302,943,379	1,087,044,667	802,728,536
Gross Profit	190,500,999	155,605,067	53,487,008	111,683,928	102,083,657	32,884,758
Operating Profit (Loss)	114,504,611	97,815,480	5,153,840	65,641,885	63,986,961	(36,408,642)
Profit/(Loss) before taxation	111,412,369	96,408,727	(3,633,273)	52,867,484	56,491,860	(43,080,022)
Profit/(Loss) after taxation	83,397,535	66,303,535	(22,932,736)	14,251,470	45,087,373	(46,907,121)
Balance Sheet						
Shareholders equity	155,531,740	155,531,740	155,531,740	155,531,740	155,531,740	155,531,740
Unappropriated profit/(loss)	275,448,018	192,050,483	125,746,948	148,679,684	134,428,214	89,340,841
Surplus on revaluation of fixed assets	1,123,279,091	1,123,279,091	1,123,279,091	561,529,091	561,529,091	561,529,091
Tangible fixed assets	1,452,934,184	1,366,083,548	1,366,046,875	820,161,917	831,599,418	811,341,382
Net Current Assets	728,186,043	787,178,057	609,506,131	532,595,129	425,042,161	329,124,647
Earning per share before tax	7.20	6.20	(0.23)	3.40	3.63	(2.76)
Earning per share after tax Share break-up value	5.36	4.26	(1.47)	0.92	2.90	(3.02)
Significant Ratios:						
Gross Profit %	7.77	7.22	3.04	8.57	9.59	4.10
Operating profit to sales	4.67	4.54	0.29	5.04	5.89	(4.53)
Profit before tax to sales	4.54	4.48	(0.21)	4.06	5.20	(5.37)
Profit after tax to sales	3.40	3.08	(1.30)	1.09	4.15	(5.84)
Return on equity	53.62	42.63	(14.74)	9.16	28.99	(30.15)
Current Ratio	1.11	1.01	1.01	0.97	0.98	0.96

نام	میٹنگ کی تعداد میں شرکت کی۔
شہزاد احسان	4
شیخ مصطفیٰ فیصل توحید	4
مسز طاہرہ کاشف	4

انسانی وسائل اور معاوضہ کمیٹی:

کوڈ آف کارپوریٹ گورننس کے تقاضوں کی تعمیل میں، بورڈ آف ڈائریکٹرز نے یہ کمیٹی قائم کی ہے جس میں تین ممبران (بشمول چیئرمین) شامل ہیں، جن میں سے دو نام ایگزیکٹو ڈائریکٹرز ہیں اور ایک آزاد ڈائریکٹر ہے۔ کمیٹی کے حوالے سے تفصیلی شرائط بورڈ کی طرف سے ممبران کو باضابطہ طور پر مطلع کر دی گئیں۔

بورڈ کی تشکیل

بورڈ مندرجہ ذیل ساخت کے ساتھ 5 مرد اور 2 خواتین ڈائریکٹرز پر مشتمل ہے:

آزاد ڈائریکٹر	2
دیگر نام ایگزیکٹو ڈائریکٹرز	3
ایگزیکٹو ڈائریکٹر	2
ڈائریکٹر کی کل تعداد	7

غیر ایگزیکٹو ڈائریکٹرز کے معاوضے کی پالیسی

کمپنی کے بورڈ اور کمیٹی کے اجلاس میں شرکت کے لیے غیر ایگزیکٹو اور آزاد ڈائریکٹرز کی فیس کا تعین بورڈ وقتاً فوقتاً کرتا ہے۔

چیف ایگزیکٹو اور ڈائریکٹرز کے معاوضے کا ہیکج

چیف ایگزیکٹو اور ڈائریکٹر کے معاوضے کے ہیکج کا انکشاف مالی بیان کے نوٹس میں کیا گیا ہے۔

صنعتی تنخواہ کے فرق کا بیان

جیسا کہ ایس ای سی پی سرکلر نمبر کے تحت مطلوب ہے۔ 2024 کا 10 ذیل میں 30 جون 2025 کو ختم ہونے والے سال کے لیے صنفی پے گیپ کا حساب لگایا گیا ہے۔

(i) اوسط صنفی تنخواہ کا فرق: کوئی نہیں۔ (ii) اوسط صنفی تنخواہ کا فرق: صفر (iii) کوئی دوسرا ڈیٹا: صفر

مالی بیانات

اسٹاک ایکسچینج کے لسٹنگ کے ضوابط کے تحت ضرورت کے مطابق چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر بورڈ آف ڈائریکٹرز اور بورڈ کے غور و خوض اور منظوری کے لیے اپنے اپنے دستخطوں کے تحت درست توثیق شدہ مالی بیانات پیش کرتے ہیں، غور و خوض اور منظوری کے بعد، جاری کرنے اور گردش کرنے کے لیے مالیاتی گوشواروں پر دستخط کرنے کی اجازت دیتے ہیں۔

کمپنی کے مالیاتی گوشواروں کا کمپنی کے آڈیٹرز کے ذریعہ تصحیح طریقے سے آڈٹ کیا گیا ہے۔ ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس۔ آڈیٹرز نے 30 جون 2025 کو ختم ہونے والے سال کے مالیاتی گوشواروں پر کلین آڈٹ رپورٹ جاری کی ہے اور کوڈ آف کارپوریٹ گورننس کے بیان پر صاف جائزہ رپورٹ اور ان کی رپورٹس مالی بیانات کے ساتھ منسلک ہیں۔ آپ کی کمپنی کی مالی پوزیشن پر اثر انداز ہونے والے ہنگامی حالات اور وعدوں میں کوئی مادی تبدیلیاں مالی سال کے اختتام اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان واقع نہیں ہوئی ہیں۔

متعلقہ پارٹی ٹرانزیکشن اور ٹرانسفر پرائسنگ

یہ کمپنی کی پالیسی ہے کہ اس بات کو یقینی بنائے کہ متعلقہ فریقوں کے ساتھ داخل ہونے والے تمام لین دین کی لمبائی میں ہونا چاہیے۔ کمپنی نے پاکستان میں اسٹاک ایکسچینج کے لسٹنگ ریگولیشن میں موجود ٹرانسفر پرائسنگ کے بہترین طریقوں کی مکمل تعمیل کی ہے۔

ڈائریکٹرز کے تربیتی پروگرام:

کمپنی کے ڈائریکٹرز Sh. فیصل توحید اور شیخ۔ کاشف توحید نے انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان سے ڈائریکٹر ٹریننگ پروگرام کے تحت سرٹیفیکیشن حاصل کیا اور مسز شہزاد احسان، مسز عمران علی صفدر مسز سمیرا فیصل، مسز طاہرہ کاشف اور مسز مصطفیٰ فیصل نے انسٹی ٹیوٹ آف کاسٹ اینڈ مینجمنٹ اکاؤنٹنٹس آف پاکستان سے سند حاصل کی۔

شیئرز ہولڈنگ کا پیئرن:

مقررہ فارم میں شیئرز ہولڈنگ کا پیئرن منسلک ہے جس میں کوڈ آف کارپوریٹ گورننس کے تحت درکار معلومات بھی شامل ہیں۔

ڈائریکٹرز وغیرہ کے ذریعے تجارت:

سال کے دوران ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، کمپنی سیکرٹری اور ان کی شریک حیات اور نابالغ بچوں کے ذریعہ کوئی شیئرز ٹریڈ نہیں کیا گیا۔

تعریف

ہم اپنے تمام عملے کے ارکان کا شکریہ ادا کرنا چاہیں گے کہ انہوں نے سال کے چیلنجوں کا جس طرح جواب دیا ہے۔ ان کی محنت اور عزم کو بہت سراہا جاتا ہے اور ان نتائج سے ظاہر ہوتا ہے۔ ہم اس حوصلہ افزائی اور حمایت کے لیے بھی شکر گزار ہیں جو ہمیں اپنے سپلائرز، شیئرز ہولڈرز، بینکروں اور مالیاتی اداروں کے مالیاتی اداروں سے ملا۔

بورڈ کی جانب سے

شیخ کاشف توحید
ڈائریکٹر

شیخ فیصل توحید
چیف ایگزیکٹو

لنڈن کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2019 کے مطابق، کمپنی دیا ننداری، اخلاقی قدر اور جوابدہی کے اعلیٰ معیارات حاصل کرنے کے لیے پرعزم ہے۔ اس کے مطابق، کمپنی کی سیٹی کم کرنے کی پالیسی بورڈ آف ڈائریکٹرز سے منظور کی جاتی ہے اور کمپنی کی ویب سائٹ پر رکھی جاتی ہے۔

کارپوریٹ گورننس کے ضابطہ کی تعمیل

پاکستان اسٹاک ایکسچینج کی جانب سے 30 جون 2025 کو ختم ہونے والے سال کے لیے متعلقہ فہرست سازی کے ضوابط میں وضع کردہ ضابطہ کارپوریٹ گورننس کے تقاضوں کو کمپنی نے اپنایا ہے اور ان کی باقاعدہ تعمیل کی گئی ہے:

ضابطہ اخلاق

بورڈ نے ضابطہ اخلاق اپنایا ہے۔ تمام ملازمین کو اس ضابطہ کے بارے میں مطلع کیا جاتا ہے اور ان سے ضروری ہے کہ وہ صارفین، سپلائرز اور ریگولیٹرز کے سلسلے میں ان ضابطوں کی پابندی کریں۔

اسٹیک ہولڈرز کے ساتھ تعلقات

ہم اپنے سپلائرز، صارفین اور کاروباری شراکت داروں کے ساتھ باہمی طور پر فائدہ مند تعلقات قائم کرنے کے لیے پرعزم ہیں۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

کمپنیز ایکٹ 2017 اور کوڈ آف کارپوریٹ گورننس کی تعمیل میں، ہم کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک پر ذیل میں بیانات دیتے ہیں:

- یہ مالیاتی بیانات، جو کمپنی کی انتظامیہ کی طرف سے تیار کیے گئے ہیں، اس کی حالت، اس کے کاموں کے نتائج، یکیش فلوارا کیوٹی میں ہونے والی تبدیلیوں کو پیش کرتے ہیں۔
- کمپنی نے حساب کتاب کی مناسب دیکھ بھال کی ہے۔

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

• بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالیاتی بیانات کی تیاری میں بیرونی کی گئی ہے اور وہاں سے کسی بھی رواںگی کا مناسب طور پر انکشاف اور وضاحت کی گئی ہے۔

• اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے مؤثر طریقے سے نافذ کیا گیا ہے۔ اندرونی آڈٹ اور اس طرح کے دیگر نگرانی کے طریقہ کار کے ذریعے نظام کی مسلسل نگرانی کی جارہی ہے۔ اندرونی کنٹرول کی نگرانی کا عمل ایک جاری عمل کے طور پر جاری رہے گا جس کا مقصد کنٹرولز کو مزید مضبوط کرنا اور نظام میں بہتری لانا ہے۔

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

• کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی، جیسا کہ فہرست سازی کے ضوابط میں درج ہے۔

• گزشتہ چھ سالوں کا کلیدی آپرینٹنگ اور مالیاتی ڈیٹا خلاصہ شکل میں منسلک ہے۔

• ٹیکس اور لیور کے بارے میں معلومات مالیاتی گوشواروں کے نوٹوں میں دی گئی ہیں۔

• عملی ریٹائرمنٹ کے فوائد کے سلسلے میں سرمایہ کاری اور بینک بیننس کی قدر: پراویڈنٹ فنڈ روپے -/41,513,119 سرمایہ کاری کی قدر میں جمع شدہ منافع شامل ہے۔

• مالی سال کے اختتام اور سالانہ رپورٹ کی تاریخ کے درمیان ہونے والی مالی پوزیشن کو متاثر کرنے والی کوئی مادی تبدیلیاں اور وعدے نہیں ہوئے ہیں۔

• کمپنی کو درپیش بنیادی خطرات میں سخت مقابلہ، روپے کی قدر میں کمی، گیس کی قیمتوں میں اضافہ اور توانائی کے اخراجات وغیرہ شامل ہیں۔

• کمپنی کی پیداوار کا ماحول پر کوئی منفی اثر نہیں پڑتا ہے کیونکہ ہمارے پلانٹ اور آپریشنز بین الاقوامی اور قومی ماحولیاتی معیارات کی تعمیل کرتے ہیں۔

• مالی سال کے دوران کمپنی یا کسی دوسری کمپنی کے کاروبار کی نوعیت سے متعلق کوئی تبدیلی نہیں ہوئی ہے جس میں کمپنی کی دلچسپی ہے۔

• کمپنی کے پاس غیر ایگزیکٹو اور آڈٹائزڈ ایکٹرز کے لیے معاوضے کے پیکج کو طے کرنے کی کوئی پالیسی نہیں ہے کیونکہ وہ کسی بھی معاوضے کے حقدار نہیں ہیں۔

• ٹیکسز، لیور اور چارجز کی مدد کو کوئی بقایا قانونی ادائیگیاں نہیں ہیں سوائے ان مالیاتی گوشواروں میں جن کا انکشاف کیا گیا ہے۔

بورڈ آف ڈائریکٹرز کے اجلاس:

بورڈ نے سال کے دوران 4 مرتبہ اجلاس منعقد کیا اور متعلقہ ڈائریکٹرز کی حاضری حسب ذیل تھی۔

اجلاسوں کے ڈائریکٹرز نے شرکت کی۔

ڈائریکٹرز	اجلاس میں حاضری
شیخ فیصل توحید	4
شیخ کاشف توحید	4
مسز میرا فیصل	4
مسز طاہرہ کاشف	4
شہزاد احسان	4
شیخ مصطفیٰ فیصل توحید	4
عمران علی صغدر	4

بورڈ آڈٹ کمیٹی

کوڈ آف کارپوریٹ گورننس کے نفاذ کے بعد سے بورڈ کی ایک آڈٹ کمیٹی موجود ہے۔ آڈٹ کمیٹی کے پاس حوالہ جات کی شرائط ہیں جن کا تعین بورڈ آف ڈائریکٹرز نے فہرست سازی کے ضوابط اور کارپوریٹ گورننس کے کوڈ میں فراہم کردہ رہنما خطوط کے مطابق کیا تھا۔

کمیٹی ہر سہ ماہی میں کم از کم ایک بار میٹنگ کرتی ہے اور بورڈ کو اپنی نگرانی کی ذمہ داریوں کو پورا کرنے میں مدد کرتی ہے، بنیادی طور پر شیئر ہولڈرز کو مالی اور غیر مالیاتی معلومات کا جائزہ لینے اور رپورٹ کرنے، اندرونی کنٹرول کے نظام اور رسک مینجمنٹ اور آڈٹ کے عمل میں۔ اسے انتظامیہ سے معلومات طلب کرنے اور بیرونی آڈیٹرز سے براہ راست مشورہ کرنے کا اختیار ہے جیسا کہ مناسب سمجھا جاتا ہے۔ چیف فنانشل آفیسر کا وٹنس پیش کرنے کی دعوت کے ذریعے بورڈ آڈٹ کمیٹی کے اجلاس میں باقاعدگی سے شرکت کرتا ہے۔ ہر میٹنگ کے بعد، کمیٹی کا چیئر مین بورڈ کو رپورٹ کرتا ہے۔

آڈٹ کمیٹی دو نان ایگزیکٹو ڈائریکٹرز اور ایک آڈٹائزڈ ایکٹرز پر مشتمل ہوتی ہے جو چیئر مین بھی ہوتا ہے۔ سال کے دوران آڈٹ کمیٹی کے چار (4) اجلاس ہوئے۔ ہر ممبر کی حاضری ذیل میں دی جاتی ہے:

ڈائریکٹرز کی جائزہ رپورٹ

نیشنل سِلک اینڈ رِیون ملز لمیٹڈ کے بورڈ ڈائریکٹرز کو آپ کے سامنے 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی بیان کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

2024	2025	آپریٹنگ نتائج
155,605,067	190,500,999	کل منافع
67,633,173	88,117,267	فروخت، ترسیل اور انتظامی اخراجات
96,408,727	111,412,369	نقصان / منافع قبل از ٹیکس
(30,105,192)	(28,014,834)	ٹیکس
66,303,535	83,397,535	نقصان / منافع بعد از ٹیکس
4.26	5.36	نقصان / منافع فی حصص

کارکردگی اسکور کارڈ

کمپنی پائیدار ترقی اور قدر کی تخلیق کے اپنے طویل مدتی مقصد کو پورا کرنے کے لیے پرعزم ہے۔ یہ آپریٹنگ ایکسیلنس، پروڈکٹ پورٹ فولیو میں تنوع، لاگت میں کمی اور مضبوط سرمائے کے ڈھانچے پر مسلسل توجہ کے ذریعے حاصل کیا جا رہا ہے۔

زیر جائزہ مدت کے دوران کمپنی کا خالص کاروبار روپے 2,451,390,660/- (2024) 2,154,203,869/- کا اضافہ ظاہر کر رہا ہے، اگرچہ مدت کے دوران ان پٹ لاگت زیادہ رہی، مستحکم شرح مبادلہ، اقتصادی ماحول اور آپریٹنگ بہتری بہترین نتائج کا باعث بنتی ہے۔

ڈیویڈنڈ:

بورڈ آف ڈائریکٹرز نے 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کی ایکویٹی بنی پوزیشن اور اعلیٰ شرح سود کے منظر نامے کو مد نظر رکھتے ہوئے ڈیویڈنڈ کی سفارش نہیں کی ہے۔

قرض کی ذمہ داری:

اللہ تعالیٰ کے فضل سے، بہت سارے چیلنجوں کے باوجود، کمپنی اپنے مالی وعدوں اور قرض کی ذمہ داری کو وقت پر پورا کرنے پر مشتمل ہے۔

قومی خزانے میں شراکت:

ایک ذمہ دار شہری ہونے کے ناطے، آپ کی کمپنی نے انکم ٹیکس، سلز ٹیکس، کسٹم ڈیوٹی اور ایکسائز کی مد میں قومی خزانے میں 469.13 ملین روپے کا حصہ ڈالا جو کہ گزشتہ سال کے دوران 436.48 ملین روپے تھا۔

انسانی وسائل کے انتظام اور ملازم کے تعلقات:

ہمیں پختہ یقین ہے کہ ہمارے لوگ ہمارا سب سے قیمتی اور ضروری اثاثہ ہیں۔ کمپنی کی اپنے لوگوں کو برقرار رکھنے کی پالیسی بہترین اور بے مثال ہے۔ بے مثال لیڈر ہونے کی اپنی وراثت کو جاری رکھنے کے لیے، ہم ہر سطح پر اعلیٰ صلاحیتوں کو متاثر کرنے کی کوشش کرتے ہیں اور انتخاب کی منزل بننے کی خواہش رکھتے ہیں۔ کمپنی اپنے موجودہ ملازمین کو متحرک اور مصروف رکھ کر ترقی دینے کی کوشش کرتی ہے۔ ہمارا محکمہ HR اعلیٰ صلاحیت والے ملازمین کی شناخت کے لیے مختلف ٹولز کا استعمال کرتا ہے اور انہیں مزید تیار کرنے کے لیے مختلف تربیتی کا اہتمام کرتا ہے۔ اعلیٰ صلاحیتوں کے پیشہ ور افراد کی پرجوش ٹیم کے ساتھ، انتظامیہ مقامی اور بین الاقوامی منڈیوں میں کاروبار کو مزید فروغ دینے کے لیے پراعتماد ہے۔ واضح طور پر بیان کردہ اتھارٹی میٹرکس، پالیسیوں کے طریقہ کار اور نظاموں کے ذریعے اپنی کاروباری ضروریات کو پورا کرنے کے لیے ہم اپنے عمل کی ساختی ترقی پر بھرپور توجہ مرکوز کیے ہوئے ہیں۔ انعام اور شناخت شفاف کارکردگی کے انتظام کے نظام اور طریقہ کار سے منسلک رہے گی۔

ملازمین کی مصروفیت اور فلاحی سرگرمیوں کا مقصد ملازمین کو مصروف رکھنا اور حوصلہ افزائی کرنا ہے۔ یہ سرگرمیاں ہمارے لوگوں کی حوصلہ افزائی اور ترقی کا کام بھی کرتی ہیں۔ کمپنی کے پاس اپنے ملازمین کے لیے مستقل فلاحی حکمت عملی ہے۔ کارکنوں کے لیے طبی سہولیات اور ملازمین کو ابتدائی طبی امداد بھی فراہم کی جاتی ہے۔ پودے میں نماز پڑھنے اور دین کی تعلیم حاصل کرنے کے لیے ایک مسجد ہے۔ کمپنی تمام ملازمین کو کھیلوں اور مختلف غیر نصابی سرگرمیوں میں حصہ لینے کے لیے حوصلہ افزائی اور فروغ دیتی ہے۔

کارپوریٹ اور سماجی ذمہ داری:

کمپنی معاشرے اور فلاح و بہبود کے تئیں اپنی ذمہ داری سے پوری طرح باخبر ہے۔ کمپنی نے اپنی کارپوریٹ سماجی ذمہ داری کو پورا کرنے کے لیے کئی اقدامات کیے اور اپنے ملازمین، ان کے خاندانوں، مقامی کمیونٹی اور بڑے پیمانے پر معاشرے کی فلاح و بہبود کے لیے معقول مالی مدد جاری رکھی۔

داخلی مالیاتی کنٹرول

اندرونی مالیاتی کنٹرول کے حوالے سے ڈائریکٹرز کو ان کی ذمہ داری سے نوازا جاتا ہے۔ انتظامیہ آڈیٹرز (اندرونی اور بیرونی دونوں) کے ساتھ بات چیت کے ذریعے، وہ اس بات کی تصدیق کرتے ہیں کہ کمپنی کی طرف سے مناسب کنٹرول نافذ کیے گئے ہیں۔

کمپنی کے قانونی آڈیٹرز:

موجودہ آڈیٹر M/s. ریاض احمد اور کمپنی چارٹرڈ اکاؤنٹنٹس، ریٹائر ہونے اور رائل ہونے کے بعد، خود کو دوبارہ تقرری کے لیے پیش کر چکے ہیں۔ بورڈ کی آڈٹ کمیٹی نے 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹر کے طور پر ان کی دوبارہ تقرری کی بھی سفارش کی ہے۔

اسٹاف ریٹائرمنٹ کے فوائد

کمپنی اپنے ملازمین کے لیے ایک فنڈ ڈسٹریبیوٹری پروویڈنٹ فنڈ اسکیم چلاتی ہے اور ملازمین کی تنخواہوں پر مبنی چند ماہانہ بنیادوں پر فنڈ میں دیا جاتا ہے۔

شیر قیمت کارجان

زیر نظر سال کے دوران 10/- روپے کے شیئر کی کم از کم قیمت 24.65 روپے تک گر گئی اور 30 جون 2025 تک 71.36 روپے تک بڑھ کر 71.36 روپے پر بند ہوئی۔

بورڈ کی طرف سے ووٹن، مشن اور کارپوریٹ حکمت عملی کی منظوری

لنڈیکینیئر (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2019 کے مطابق، بورڈ آف ڈائریکٹرز نے کمپنی کے ویژن، مشن اور کارپوریٹ حکمت عملی کا بغور جائزہ لیا ہے اور اس کی منظوری دی ہے۔ یہ جامع طور پر اس نظریے کو بیان کرتا ہے جس کے ساتھ کمپنی کو شمول کیا گیا تھا۔ ہم اس بات کو یقینی بناتے ہیں کہ ہمارا ویژن اور مشن ہماری مجموعی کارپوریٹ حکمت عملی کی سمت متعین کریں۔ پوری تنظیم اس مقصد سے منسلک اور کارفرما ہے اور یہ ہمارے روزمرہ کے کاروبار میں فیصلہ سازی کے معیار کو پورا کرتی ہے۔

نمائندگی کا فارم (پراکسی فارم)

میں رہم۔

کے

دی نیشنل سلک اینڈ ریان ملز لمیٹڈ کے رکن اور عام شیئر کے حامل کی حیثیت کے

(شیئر کی تعداد)

رجسٹر کا فولیو نمبر

اور ریسی ڈی سی فولیو کا آئی ڈی نمبر

اور ذیلی اکاؤنٹ نمبر،

یا کے

کو کمپنی کے 75 واں سالانہ عام اجلاس جو منگل، 28 اکتوبر 2025 کو سہ پہر 3 بجے ایوانِ نور ایونٹ کمپلیکس، 10 سوک سنٹر، جوہر ٹاؤن، ایل ڈی اے آفس، لاہور میں منعقد ہوگا، میں میرے/ہمارے لئے اور میری/ہماری طرف سے بحیثیت اپنا پراکسی، ووٹ دینے کے لئے نامزد کرتا ہوں/کرتے ہیں۔

گواہ: 2

گواہ: 1

دستخط

نام

پتہ

سی این آئی سی نمبر

نوٹ: پراکسی فارم/نمائندگی فارم کو موثر ہونے کے لیے سالانہ اجلاس سے کم از کم 48 گھنٹے پہلے موصول ہونا ضروری ہے۔ اور اس پر دستخط، ریونیوٹکٹ اور شہادت ہونا ضروری ہے۔

FORM OF PROXY

Folio No.

I/WE _____

Of _____

Being a member of The National Silk & Rayon Mills Limited hereby appoint

(Name)

Of _____

(Another member of the) failing him

(Name)

Of _____

(Another member of the Company) to attend, act and vote for me and on my/our behalf at the 75th Annual General Meeting of the Shareholders of The National Silk & Rayon Mills Limited will be held at Ewan-e-Noor Event Complex, 10-Civic Centre, Johar Town, LDA Office, Lahore on Tuesday 28th of October 2025 at 3.00 p.m. and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2025

Signature on
Revenue Stamp
of Correct Value

(Signature should agree with the specimen
Signature registered with the Company)

Date: _____

NOTE:

Proxy form must be signed across a correct value Revenue Stamp and it should be deposited in the Registered Office of the company not later than 48 hours before time of holding the meeting.



The National Silk & Rayon Mills Ltd.

Manufacturer & Exporter of Quality Textile Products

Jaranwala Road, Faisalabad - Pakistan

Tel: 0092 41 8721760-61, Fax: 0092 41 8712216

Email: info@nationalsilk.com Web: www.nationalsilk.com