



Gadoon Textile Mills Limited

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Karachi 75350 Pakistan

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# Crafting the Future

Annual Report 2025



# Crafting the Future

## A Journey of Transformation & Sustainability

Here at Gadoon, transformation is more than adaptation; it is about shaping new possibilities. Our theme for this year, "Crafting the Future" reflects our commitment to growth through transformation, sustainability, and operational excellence ensuring long-term value for all stakeholders.

Our journey is one of relentless progress. We actively explore opportunities to restructure and enhance efficiency ensuring we remain competitive in a constantly changing world. Through digital solutions and process automation, we are fostering a culture of agility, creativity, and forward-looking strategies that prepare us for long-term success in global markets.

But technology isn't the only thing transforming us. It's a comprehensive strategy based on our deep sense of duty to our communities, people, and the environment. Our efforts are centred on sustainability, which directs each action we take to lessen our impact on the environment, conserve resources, and foster equitable growth. Every action we take, whether it be process improvement or restructuring, builds resilience and promotes a more sustainable, greener future.

As you read through this report, you'll see how accountability, transformation, and care shape our vision of growth. But this is only the beginning. Gadoon's transformation is an ongoing journey. Adapting to the ever-changing landscape, we'll keep advancing with the same dedication and passion. Together, we are not just crafting the future - we're building it, step by step, every day.





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# Crafting the Foundation

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# Company Information

## Board of Directors

Mr. Muhammad Ali Tabba (Chairman)  
Mr. Muhammad Sohail Tabba (Chief Executive Officer)  
Mr. Ibrahim Sohail Tabba (Non-Executive Director)  
Mr. Jawed Yunus Tabba (Non-Executive Director)  
Ms. Zulekha Tabba Maskatiya (Non-Executive Director)  
Mr. Muhammad Hassan Tabba (Non-Executive Director)  
Syed Muhammad Shabbar Zaidi (Independent Director)  
Mr. Moin M. Fudda (Independent Director)

## Audit Committee

Syed Muhammad Shabbar Zaidi (Chairman)  
Mr. Moin M. Fudda  
Mr. Muhammad Ali Tabba  
Mr. Jawed Yunus Tabba  
Mr. Ibrahim Sohail Tabba

## HR & Remuneration Committee

Mr. Moin M. Fudda (Chairman)  
Mr. Jawed Yunus Tabba  
Ms. Zulekha Tabba Maskatiya  
Mr. Ibrahim Sohail Tabba

## Executive Director Finance

Mr. Abdul Sattar Abdullah

## Chief Operating Officer

Mr. Imroz Iqbal

## Chief Financial Officer

Mr. Muhammad Imran Moten

## Chief Internal Auditor

Mr. Haji Muhammad Mundia

## Company Secretary

Mr. Fuad Zakaria Bhuri

## Auditors

Yousuf Adil  
Chartered Accountants  
Independent correspondent firm of  
Deloitte Touche Tohmatsu

## Registered Office

200-201, Gadoon Amazai Industrial Estate,  
Distt. Swabi, Khyber Pakhtunkhwa.  
Phone: 093-8270212-13  
Fax: 093-8270311  
E-mail: secretary@gadoontextile.com

## Head Office

7-A, Muhammad Ali Society, Abdul Aziz Haji Hashim,  
Tabba Street, Karachi 75350.  
Phone: 021-35205479-80  
Fax: 021-34382436

## Liaison Office

Office No. 401, 4th Floor, Tri Tower,  
Opposite Sarhad University, Ring Road,  
Peshawar.  
Phone: 091-5701496  
Fax: 091-5702029

## Factory Locations

- 200-201, Gadoon Amazai Industrial Estate, Distt. Swabi, Khyber Pakhtunkhwa.

- 57 km on Super Highway, near Karachi.

## Bankers

- Al Baraka Bank Limited
- Allied Bank Limited
- Askari Bank Limited
- Bank Al-Falah Limited (Islamic Banking)
- Bank AL Habib Limited
- BankIslami Pakistan Limited
- Dubai Islamic Bank Pakistan Limited
- Faysal Bank Limited
- Habib Bank Limited
- Habib Metropolitan Bank Limited
- Industrial and Commercial Bank of China Limited
- JS Bank Limited
- MCB Bank Limited
- Meezan Bank Limited
- National Bank of Pakistan
- Soneri Bank Limited
- Standard Chartered Bank Pakistan Limited
- The Bank of Khyber
- The Bank of Punjab
- United Bank Limited

## Development Financial Institution

- Pak Kuwait Investment Company (Private) Limited
- Lucky Investments Limited
- UBL FUNDS
- MCB FUNDS
- Al Meezan Investment Management Limited

## E-Communication

Website: [www.gadoontextile.com](http://www.gadoontextile.com)  
Facebook: [www.facebook.com/Gadoontextile](https://www.facebook.com/Gadoontextile)  
LinkedIn: <https://www.linkedin.com/company/gadoontextilemillslimited>  
YouTube: <https://www.youtube.com/@GadoonTextileMillsLimited1988>

## Share Registrar / Transfer Agent

CDC Share Registrar Services Limited  
CDC House, 99-B, Block B, S.M.C.H.S.  
Main Shahrah-e-Faisal, Karachi  
Toll Free: 0800 23275

# Gadoon at a Glance

## Our Story

In the late 1980s, the Government invited Pakistan's corporate sector to establish industrial units in the Gadoon Amazai area of District Swabi, Khyber Pakhtunkhwa, to eradicate poppy cultivation and provide alternative sources of employment.

The Yunus Brothers Group (YBG), recognizing the opportunity for corporate social responsibility, partnered with the Government and laid the foundation for Gadoon Textile Mills Limited (GTML) in 1988. The Company continued its operations even after the Government unilaterally withdrew the incentives for setting up industrial units in 1991.

With a sustainable strategy and a commitment to the principles of "No Poverty" and "Zero Hunger," GTML expanded further by establishing an additional production facility in Karachi, followed by a merger with Fazal Textile Mills Limited (FTML). This enduring commitment to societal development has made GTML "one of the largest spinning units of Pakistan."

## Our Business

GTML, primarily engaged in Pakistan's textile industry, operates in the B2B segment. Involved in fiber spinning with significant value-addition to marked extent, its production facilities can spin and process all categories of cotton and artificial fiber. Furthermore, the Company also manufactures and sells knitted bedding products, as well as provides dyeing services.

In line with our solid track record in business, which spans decades, we are committed to making a significant impact on the Pakistani textile industry. Good product quality and a range of innovative products, combined with corporate ethics and professionalism, have attracted customers from both domestic and international markets, establishing a customer-centric portfolio in key international market. These connections have been strengthening the fabric of relationships for the last thirty-seven years.

After marking a significant impact within the textile industry, the Company also operates in the dairy segment, where its primary business is the production and sale of milk, with a current herd size exceeding 1,034 animals.

## Product Portfolio

The Company offers a diverse product portfolio mentioned as follows:

## Yarns

- Yarn Types (Spinning Method)**
  - Ring Spun Yarn (Carded / Combed / Compact) 6/1 to 160/1
  - Open-End Yarn (Autocoro / RN) 6/1 to 30/1
  - Murata Vortex Spun Yarn (MVS) 12/1 to 60/1

## 2. Yarn Structures & Special Constructions

- Core Spun Yarn (Lycra / Poly Core)
- Siro Spun Yarn / Siro Slub Yarn
- Slub Yarn (Regular / Multi Count)
- Neppy Yarn
- Zero Twist Yarn
- S-Twist / Z-Twist Yarn
- TFO Yarn (Two-for-One Twisted Yarn)

## 3. Fiber-Based Yarn Categories

- 100% Cotton Yarn (MS, LS, ELS) - Customized Blend
- Poly / Cotton (PC) Yarn - Any Ratio
- Poly / Viscose (PV) Yarn - Any Ratio
- CVC Yarn (Chief Value Cotton) - Any Ratio
- Tri-blend Yarn (Poly/Cotton/Viscose or Modal) - Customized Blend
- Man-Made / Cellulose Yarn (Polyester, Acrylic, Viscose, Modal, Lyocell, Bamboo)
- Recycled Polyester Yarn
- Melange Yarn / Heather Grey Yarn

## 4. Fancy or Functional Yarns

- Fancy Yarn (Slub, Neppy, Loop, Multi-count)
- Lycra / Spandex Yarn (Stretch Yarn)
- PVA Yarn (Water Soluble)
- High Bulky Yarn
- Waxed Yarn

## Knitted Bedding Products

- Single Jersey Knitted Fitted Sheets
- Jersey Duvet Sets
- Jersey Pillowcases
- Sheet Sets with Fitted / Flat Sheets & Pillowcases
- Therapeutic Pillow
- Institutional and Hospital Laundry Sheet
- Nursery Kids Sheets
- Terry Fitted Sheets
- Mattress Covers
- Molten Fitted Sheets
- Greige and Dyed Fabrics

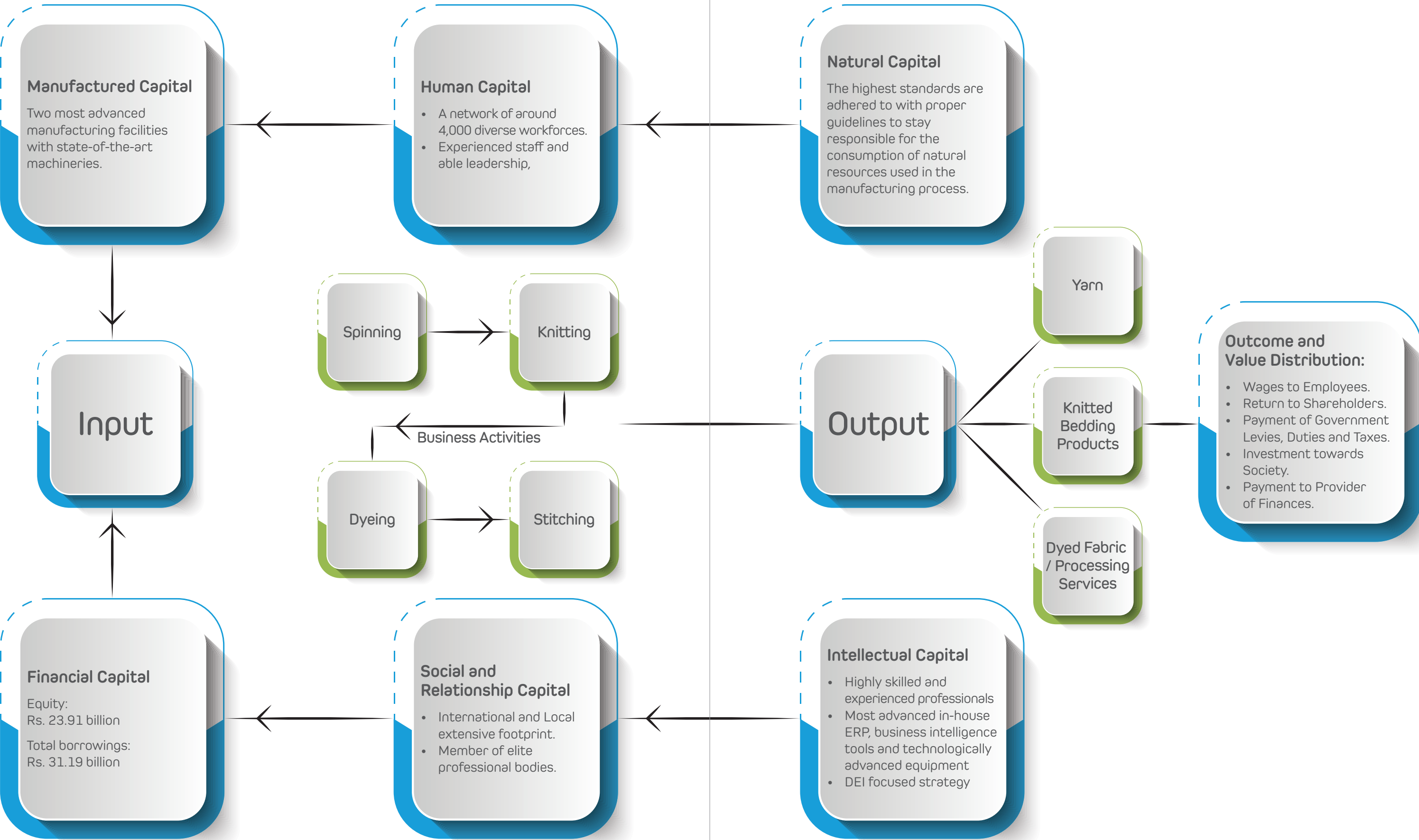
## Dyeing Services

- Disperse Reactive
- Disperse Vat
- Disperse Acid
- CDP Dyeing
- Nylon Dyeing
- Bleach

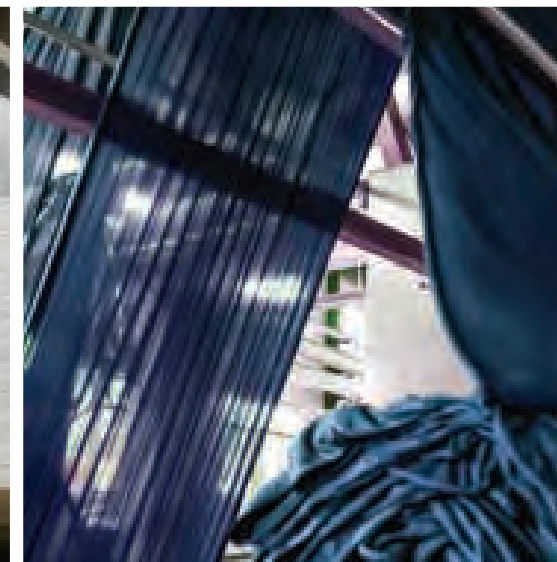
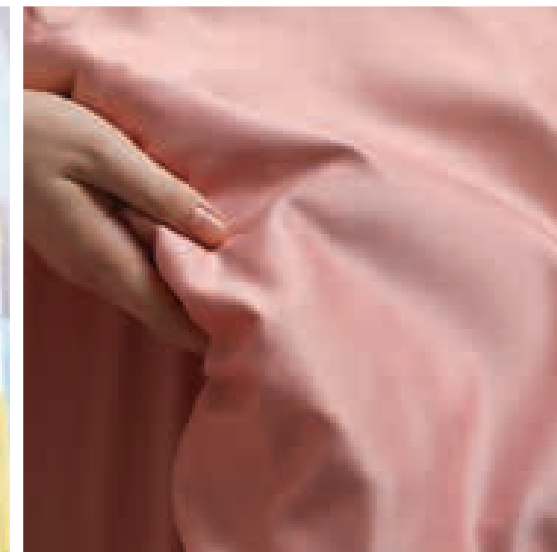
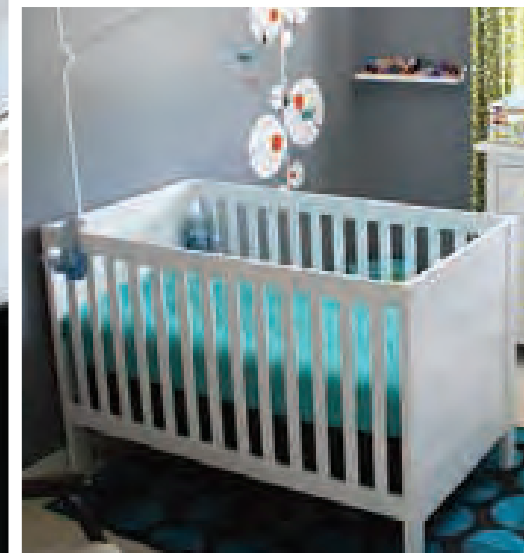
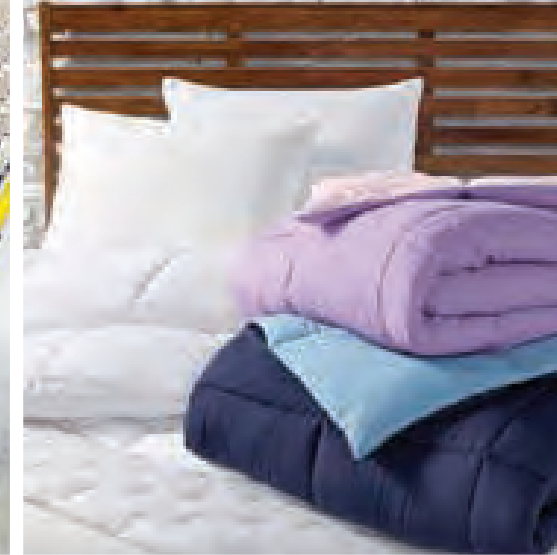
## Our Brands

Koyal and Peach are our two brands that have significant prominence in the market.

# Business Model



# Product Gallery





# Geographical Spread



# Our Vision, Mission, Culture and Core Values

## Vision

To be the textile manufacturer of the first choice for customers at home and abroad, doggedly pursuing sustained leadership in the markets where it competes and making its valuable contribution to the Country's exports.

## Mission

Our mission is to manage a textile business entity aimed at producing quality yarns through innovative technology and effective resource management, maintaining high ethical and professional standards, and coming up to the expectations of all our customers.

We persevere to achieve the highest possible operating efficiencies and lowest costs and expand the business through selective expansion so that we are able to deliver maximum value to stakeholders.

## Culture

GTML embraces a culture that is driven by a people-oriented approach and empowers a collaborative environment for employees. The management is committed in promoting a

coherent culture and facilitating effective teamwork at the workplace; thus, our strong belief in cultivating open communication is reflected in all that we do. Frequent feedback and performance evaluation on various levels are ensured to sustain equity and transparency of employees, which supplement mutual trust and respect among employees and with management.

## Core Values

- **Total Quality Management**  
To maintain the quality throughout the value chain.
- **Ethical Practices**  
To synergize and promote equity among all stakeholders.
- **Environmentally Conscious**  
To cover the maximum aspects of sustainability and corporate social responsibility.
- **Innovation**  
To build and enhance the future of innovation within the industry.

# Business Conduct and Code of Ethics

## Statement of Intent

The Company ensures that high ethical standards are maintained and observed in the conduct of its business functions. The Code of Conduct policy has been devised to provide direction to the Company's employees on meeting the standards of professional and personal integrity and guiding them towards proficient conduct. The Human Resources department serves its purpose of ensuring that the employees are well aware of the guidelines. The following are the salient features of the Code of Conduct:

## Compliance with Laws and Regulations

Each employee must comply with all the applicable laws and regulations. Further, it is also imperative to ensure that the rights of all stakeholders are being protected.

## Conflict of Interest

Employees are required to avoid engaging in activities that conflict with the company's best interest. In case an employee or their close relatives are suppliers or competitors of the company, it shall be disclosed upon the date of joining, as it might result in a situation of conflict of interest. In pursuit of the sustainable goal of peace, justice, and strong institutions, GTML strongly condemns the abuse of power to achieve any form of self-interest.

## Anti-Bribery and Anti-Corruption

Employees are required to conduct business operations fairly and honestly to maintain the company's integrity and reputation. Involvement in acts of bribery or corruption for business or financial gain is prohibited and must be reported.

The company does not associate itself or is involved with any political party. Thereby, all employees are instructed to refrain from utilizing the assets of the company in indulgence and appearance for any political activities by any means.

## Confidentiality

Confidential information must not be disclosed to unauthorized personnel or used for personal benefit by the employees. Disclosure of sensitive data is permissible in the provision of written approval from authorized individuals or the court, regulatory body, or governmental agency that requires the information. Confidentiality of the Company information shall be adhered to throughout the employment period and even after leaving the company.

## Property Protection

The company expects its employees to abide by the law and refrain from embezzling its property, including both tangible and intangible assets, entrusted to them and to handle them responsibly.

## Fair and Respectful Workplace

Providing a positive work environment for its employees is the utmost priority. The company has high intolerance for disrespect, gender discrimination, favoritism, harassment, and misuse of authority. GTML is an equal-opportunity employer and encourages diversity and gender equality in the workforce.

The company expects its employees to uphold similar principles while conducting business functions professionally, as they represent the company.

## Health, Safety, and Environment

Ensuring the health and safety of its employees and environmental Protection is the focus of GTML. In this regard, the company has adopted measures to offer a safe working environment and minimize its environmental impact.

The possession of firearms or other weapons or any other dangerous or illegal articles on Company premises or while on Company business, except employment/job requirement in the Company operations, is strictly prohibited.

## Quality Assurance

Product quality is the core focus of GTML. The company is committed to discovering, developing, and manufacturing high-quality products without compromising on the contractual or agreed quality of the product.

## Separation from the Company's Employment

Employees must ensure that, upon leaving the company's employment for any reason, they hand over the charge and all Company belongings to the satisfaction of management. All the material, electronic equipment, computer and accessories, mobile set and SIM card, soft or hard copies of Company documents, or any other Company information or property in any shape or form is returned.



# Beneficial Ownership Group Shareholding



# Group Profile



### About YBG

The Yunus Brothers Group (YBG) stands as one of Pakistan’s most prominent and diversified industrial conglomerates. With a legacy spanning over six decades, YBG has played a transformative role in shaping the country’s industrial landscape. The group operates across a wide range of sectors, including textiles, cement, building materials, real estate, power generation, automobiles, electronics, FMCG, entertainment, pharmaceuticals, chemicals, agricultural sciences, financial institutions, and philanthropy. Beyond its business achievements, YBG is deeply committed to social impact, with significant contributions in healthcare and education through its philanthropic endeavors. This enduring commitment to innovation, excellence, and nation-building cements YBG’s reputation as a trusted leader in Pakistan’s economic development.



### YB Holdings (Private) Limited (YBHPL)

YBHPL was incorporated in Pakistan on August 16, 2013, as a private company limited by shares under the Companies Ordinance, 1984.

To lead Pakistan’s corporate landscape with sector diversity and a focus on forward and backward integration, aiming to become the nation’s top exporter, the Company seizes opportunities, takes calculated risks, and drives growth across sectors, fostering economic expansion while prioritizing environmental sustainability.

### Associates



### Lucky Core Industries Limited (LCIL)

Lucky Core Industries Limited (LCI), a publicly listed Company incorporated in Pakistan, is a dynamic and diversified organisation that manufactures and trades essential products, supporting almost every sector of the economy. Reflective of its mission, the Company works towards improving lives across the socio-economic fabric of Pakistan. With a rich legacy spanning over eight decades, the Company’s origin predates the formation of Pakistan itself. Commencing operations from a small trading concern with a single manufacturing unit located in Khewra, the Company has transformed over the decades into one of the largest industrial conglomerates in the country. LCI became a part of the Yunus Brothers Group (YBG) in 2012, following

the sale by ICI Omicron B.V. of its shareholding in the Company. Established as a trading house in 1962, YBG has transitioned into one of the fastest growing and most prolific conglomerates in the country, with diversified interests in cement, textiles, chemicals, real estate, power generation and automobiles.

LCI’s operational strength lies in its diversified business portfolio, with each segment playing a vital role in advancing economic development and social well-being. The Soda Ash Business is a key domestic producer of high-quality soda ash, supplying essential raw materials to industries such as glass, detergents, and textiles. The Polyester Business manufactures polyester staple fibre, providing critical input for yarn and fabric production in the textile sector. The Pharmaceuticals Business focuses on delivering trusted, high-quality healthcare products to meet a range of medical needs. The Animal Health Business offers veterinary solutions aimed at improving the health and productivity of livestock and poultry. Lastly, the Chemicals & Agri Sciences Business supports industrial and agricultural sectors by supplying industrial chemicals, crop protection, and plant nutrition products tailored to evolving market requirements.

In addition to its strong domestic presence, LCI maintains a growing international footprint through its export operations. LCI’s commitment to quality, innovation, and reliability has enabled it to serve customers across diverse global markets.



### Lucky Holdings Limited (LHL)

LHL is a subsidiary of Lucky Cement Limited (LCL) and was incorporated in Pakistan in 2012 as a public unlisted company limited by shares under the Companies Ordinance, 1984. LCL holds 75% of the shares of LHL. GTML holds 1.00% ownership in LHL.



### Yunus Energy Limited (YEL)

YEL was incorporated as a Special Purpose Vehicle (SPV) with a corporate structure of a public unlisted company in 2011 to exclusively develop a 50 MW Wind Power Project in Deh Kohistan, Jhimpir, District Thatta.

The project is equipped with state-of-the-art European technology. Wind Turbine Generators (WTGs) have been manufactured by Nordex Energy Germany, one of the top WTG manufacturers from Europe; the electrical balance of plants has been supplied by Alstom France, a leading grid solution provider, whereas Descon Engineering Limited, the leading construction and engineering company of Pakistan



have carried out construction activities. It is a clean energy project that harnesses renewable wind resources to generate electric power without any carbon emissions. The project has been supplying electricity to the national grid on a regular basis since commencing commercial operations in September 2016. GTML holds 19.99% ownership in YEL.

Associated Companies



Aziz Tabba Foundation

Aziz Tabba Foundation (ATF)

Established in 1987, the Aziz Tabba Foundation (ATF) is a not-for-profit organization committed to uplifting lives through its core values of Hope, Healing, and Human Development. Guided by a deep sense of social responsibility, ATF has been at the forefront of humanitarian efforts, delivering impactful services across multiple sectors.

With a strong focus on healing, the Foundation provides accessible healthcare to underprivileged communities through state-of-the-art medical facilities and charitable support. To foster hope, ATF extends financial assistance for housing, shelter, and marriage support, easing the burden on families facing economic hardship. In its commitment to human development, the Foundation actively supports educational initiatives by providing scholarships and resources to deserving students, enabling them to pursue quality education and build brighter futures.

ATF also offers monthly aid programs for low-income families and maintains a strictly non-commercial, non-political, and non-denominational approach in all its services.

As part of its evolving mission, ATF has recently introduced Tabba Microfinance, an initiative aimed at empowering individuals and small enterprises through financial inclusion and sustainable economic opportunities—helping people help themselves with dignity.

Together, these efforts reflect the Foundation’s unwavering dedication to creating meaningful change and building a more compassionate society.



Lucky Motor Corporation Limited (LMCL)

Lucky Motor Corporation Limited (LMC), a subsidiary of Lucky Cement Limited (LCL) has completed six years of CKD operations in June 2025. The Company has been structured into three business divisions, namely, Automotive, Auto-Parts and Electronics.

The Automotive Division is engaged in the business of assembling, marketing, distribution and sales of “Kia” and “Peugeot” brand vehicles, parts and accessories in Pakistan. LMC has technical collaboration with Kia Corporation, which is South Korea’s 2nd largest business group “Hyundai Motor Group” and the world’s 3rd largest automobile group, and Peugeot which is part of the Stellantis Group, which is the world’s 4th Largest Automobile Group.

The Auto-Parts Division was established with the objective of achieving localization of auto parts for locally assembled Kia and Peugeot models.

The Electronics Division was formed in July 2021 as an outcome of an agreement signed with Samsung Gulf Electronics FZE for assembling Samsung brand mobile phones in Pakistan.

LMC is distinct in terms of its operations and portfolio diversification and is creating substantial value for its shareholders.



Lucky Air (Private) Limited (LAPL)

LAPL was incorporated in Pakistan in the year 2012 as a private company limited by shares. The Company operates an LCL aircraft and provides services for crew management, as well as technical and engineering support, on both inbound and outbound flights.



Lucky Cement Limited (LCL)

Founded in 1993, Lucky Cement Limited is the flagship company of the Yunus Brothers Group (YBG). As the largest cement producer in Pakistan, with an annual production capacity of 15.30 million tons, the company has firmly established its leadership in the industry. Lucky Cement is also one of the country’s top exporters of high-quality cement, having exported over 3 million tons by sea during the current year, the highest volume ever exported by a Pakistani cement manufacturer via sea. It is listed on the Pakistan Stock Exchange (PSX) and holds the distinction of being Pakistan’s first Shariah-compliant company, certified by the Securities and Exchange Commission of Pakistan (SECP).

Over the years, Lucky Cement has witnessed exceptional growth. It operates two strategically located production facilities, one in Karachi serving the southern market, and another in Pezu, Khyber Pakhtunkhwa catering to the northern region. Internationally, the company has strengthened its presence with two joint venture cement manufacturing facilities in Iraq, enhancing regional capacity and market share, and one joint venture facility in the

Democratic Republic of the Congo. Notably, Lucky Cement was the first company in Pakistan to export significant volumes of loose cement, supported by dedicated silos located at port premises. Its proprietary loading and storage terminal at Karachi Port further ensures a seamless and reliable export process, setting it apart from other cement manufacturers.

Aiming to remain an efficient and low-cost producer, Lucky Cement has pioneered the adoption of advanced energy and sustainability initiatives. These include the installation of Waste Heat Recovery Systems (WHRS), a 74.3 MW solar power plant, a 28.8 MW wind power facility, the largest in the industry as well as Refuse Derived Fuel (RDF) and Tyre Derived Fuel (TDF) plants. The company also operates a self-sufficient 214 MW captive power generation facility, which contributes surplus electricity to the national grid. To support its extensive logistics network, Lucky Cement owns a fleet of bulkers and trailers, ensuring timely and cost-effective deliveries across Pakistan.

Sustainability is deeply embedded in Lucky Cement’s core values. The company remains focused on the responsible use of natural resources, reducing its environmental footprint while enhancing operational efficiency. All of its eco-efficient initiatives are aligned with the United Nations Sustainable Development Goals (SDGs) 2030, reflecting a firm commitment to creating a positive and lasting impact on the environment and society.

In addition to its leadership in cement manufacturing across Pakistan, Iraq, and the DRC, Lucky Cement has evolved into a diversified conglomerate with strategic investments in high-growth sectors such as chemicals, automobiles, mobile phone manufacturing, power generation, and mineral exploration—particularly copper and gold mining in Balochistan, a venture that holds significant promise for Pakistan’s economic future. Guided by a long-term strategy focused on diversification and value creation, the management is committed to taking Lucky Cement to new heights by exploring transformative ventures that aim to strengthen the company’s future and enhance shareholder value.

Today, Lucky Cement operates as part of a large and diversified business group with direct and indirect investments in a wide range of companies across various industries which includes the following:

- Lucky Electric Power Company Limited
- Lucky Core Industries Limited
- Lucky Core Powergen Limited
- Lucky Core Ventures (Private) Limited
- NutriCo Morinaga (Private) Limited
- NutriCo International (Private) Limited
- Lucky Motor Corporation Limited
- LCL Investment Holdings Limited
- Lucky Al Shumookh Holdings Limited (LASHL)
- Al Mabrooka Cement Manufacturing Company Limited

- Al Shumookh Lucky Investments Limited (ASLIL)
- Najmat Al-Samawah Company for Cement Industry
- Lucky Rawji Holdings Limited
- Nyumba Ya Akiba S. A. (NYA)
- LR International General Trading FZCO
- Lucky Holdings Limited
- Yunus Energy Limited
- National Resources (Private) Limited
- Lucky TG (Private) Limited



Lucky Commodities (Private) Limited (LCPL)

LCPL is a trading arm of YBG and is the leading supplier of Coal in Pakistan. LCPL aims to be the preferred supplier for customers by conducting business with integrity, unparalleled services and professionalism. Pakistan currently is facing a severe shortage of electricity with the Government’s initiative and the execution of coal fired power plants in the country, many industries in Pakistan are using coal for the cheaper electricity and steam generation. As the largest supplier of coal in Pakistan, the Company makes an important contribution to the industrial sector by fulfilling their coal requirements.

LCPL is currently one of the largest importers of all types of Coal in Pakistan and at present catering to a significant portion of the country’s coal requirement. Being part of the largest business conglomerate of Pakistan, LCPL has strong market presence, which support the company to build up a network of high-profile clients, which include power, chemical, textile, steel and other major manufacturing industries.



Lucky Investments Limited (LIL)

Lucky Investments Limited was established on December, 13 2024 through the acquisition of Interloop Asset Management Limited and is registered with the SECP under NBFC Rules, 2003 and NBFC Regulations, 2008. It is a subsidiary of the YB (Lucky) Group, marking the Group’s strategic entry into Islamic capital markets.

Lucky Investments aims to be Pakistan’s leading Shariah-compliant Asset Management Company. The Company holds an AM2 + Asset Manager Rating with a stable outlook from PACRA. Its operations began in April 2025, achieving Pakistan’s largest-ever mutual fund IPO, raising over PKR 50 billion, and surpassing PKR 80 billion in AUM within just over three months, making it the fastest-growing AMC of the year.

Licensed for Asset Management, Investment Advisory, and Voluntary Pension Scheme Management, Lucky Investments offers ethical, innovative, and sustainable financial solutions. Current funds under management include:

- Lucky Islamic Money Market Fund – PKR 65B AUM
- Lucky Islamic Income Fund – PKR 5B AUM
- Lucky Islamic Stock Fund – PKR 4B AUM
- Lucky Islamic Fixed Term Fund Plan I – PKR 7B AUM

The Company has also acquired a Pension Fund Manager license and will soon launch its first Voluntary Pension Scheme. Leveraging nationwide presence of group companies and using fintech platforms, Lucky Investments delivers Shariah-compliant savings and investment solutions, driving financial inclusion and exceptional customer experiences for individuals and institutions.



Lucky Electric  
Power Company

#### Lucky Electric Power Company Limited (LEPCL)

Lucky Electric Power Company Limited (LEPCL) is a 660 MW supercritical coal-fired power plant located in Bin Qasim, Karachi. The plant commenced commercial operations on March 21, 2022, and supplies electricity to the national grid under a long-term Power Purchase Agreement (PPA) with the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G). While currently operating on imported coal, LEPCL is designed for long-term utilization of indigenous Thar lignite—making it the first Thar coal-based power project established outside the Thar region.

The plant employs advanced technology, which enhances thermal efficiency and supports emissions control. To ensure full environmental compliance, LEPCL incorporates integrated systems including Electrostatic Precipitators (ESP), NOx control mechanisms, and Flue Gas Desulfurization (FGD) units.

Aligned with its sustainability commitment, LEPCL utilizes seawater for its cooling requirements, thereby conserving freshwater resources. The transition to 100% Thar coal is dependent on the completion of Phase III of the Sindh Engro Coal Mining Company (SECMC) project, now expected by June 2026. This shift is expected to enhance energy affordability, reduce foreign exchange exposure from coal imports, and strengthen the country's energy security.



#### Lucky Energy (Private) Limited (LEPL)

Lucky Energy Pvt Limited (LEPL), a government-licensed Small Power Producer (SPP) under National Electric Power Regulatory Authority Government of Pakistan, in service as a Captive Power Plant, was incorporated in July 1993. LEPL, is a gas-based thermal power generation unit, with total production capacity of 56.575 Megawatts (MW). It is equipped with one of the most sophisticated and highly efficient generators and supplies uninterruptible power to its group companies. It supplies un-interruptible power to Group Textile Companies.

Lucky Energy (Pvt.) Ltd. (LEPL) is actively working to upgrade and expand its existing power generation capacity by integrating renewable energy sources. The company plans to add up to 15 MW of wind power and 1.2 MW of solar power to its energy mix, demonstrating its commitment to sustainability and cleaner energy solutions.



#### Lucky Entertainment (Private) Limited (LEL)

Onderland - LEL, established in 2016, is dedicated to spreading accessible Screams of Happiness. As the largest Family Entertainment Center (FEC) in Pakistan, Onderland offers over 100 attractions across a two-story facility spanning 45,000 square feet. Our award-winning Spinning Roller Coaster and thrilling rides like Maverick, Twist & Swing, and Drop Tower provide an exhilarating experience. Guests can also enjoy virtual reality adventures, sports activities, and a range of arcade games. Onderland has recently revamped its So Play and Toddlers area, providing an even more enjoyable and safe experience for Onderland's youngest visitors and their families.

Inclusivity is a core value, ensuring that people of all ages, genders, and socio-economic backgrounds can find joy at Onderland

Onderland have been nominated for the Best Family Entertainment Center by MENALAC, ranking among the top 5 in the MENA region. Onderland's state-of-the-art facility has received acclaim from customers and recognition from the education sector, serving over 10,000 students annually. The company committed to maintaining its position as the leader in Pakistan's entertainment landscape by prioritizing the environment, offering diverse packages, and ensuring a safe and enjoyable experience for all.

Onderland invites everyone to embrace their inner child and join in creating lifelong memories filled with laughter and happiness.



#### Lucky Exim (Private) Limited (LEXL)

LEPL, an indenting arm of YBG, is the largest indenter of all types of Coal in Pakistan. The Company is the preferred supplier of customers as the business is conducted with integrity, unparalleled service and professionalism. Therefore, customers are provided with premium coal that offers the best value for money without compromise on quality. With an initial focus on coal trading, the LEPL plans to diversify its trade activities to various energy and dry bulk commodities.



#### Lucky Foods (Private) Limited (LFPL)

LFPL has a strategic aim to be one of the leading corporate dairy farms in Pakistan. The LFPL currently produces a wide range of dairy products, including milk and yogurt, and strives to provide high-quality products throughout Pakistan. The LFPL aims to become a leading player in food-related products nationwide by maintaining high standards of products and services for its consumers.



#### Lucky Knits (Private) Limited (LKL)

LKL started its operations in 2005, located in Karachi. The factory consists of a vertically integrated setup, having its own knitting, cutting, printing, stitching, and packing facilities. The company manufactures and exports a substantial variety of knitted fabric and garments, with its product line ranging from T-shirts, polo shirts, hoodies, jackets, shorts, and trousers. As LKL is one of the premier apparel manufacturers in Pakistan with the advantage of having all the facilities “under one roof,” it has succeeded in building effective systems in quality control and inspection procedures.



#### Lucky Landmark (Private) Limited (LLPL)

Lucky Landmark (Private) Limited situated in the heart of the city, the LuckyOne Mall opened its doors to the public on 6th May 2017. One of the largest malls in Pakistan, with

more than 200 retail and F&B brands, LuckyOne Mall provides an unprecedented retail space that includes a Health & Wellness Avenue, a Wedding Galleria, a Banking Enclave, and a Food Court. Having the largest in-mall Carrefour and the biggest Atrium in Pakistan under its name, LuckyOne Mall is the first in the industry to have co-working space, an international standard family entertainment center (FEC) Onderland, and the largest in-mall fitness club, TriFit, having state-of-the-art equipment and staffed by international trainers.

LuckyOne Mall has always been at the forefront of satisfying its customers by all means. To further facilitate the customers, it offers a dedicated baby feeding room, the largest male praying area in the country, a dedicated female praying area, free wheelchairs, valet parking, and a double-story indoor parking space sufficient for around 1500 cars. To ensure a safe and secure environment, a fully trained and well-equipped staff is available to deal with any unforeseen event.

Recognized for providing an ultimate shopping experience, LuckyOne Mall continues to expand, renovate, and offer an innovative and engaging experience to its audience making it the place to be trendy, happy, entertained, foodie, and the place to be YOU!

Lucky One Apartments is a magnificent, multifaceted, first-of-its-kind-end residential complex that will revolutionize the luxury living experience in Pakistan. The project comprises two phases of which Phase -1 has been launched. Conveniently situated at the prime location of Karachi on main Rashid Minhas Road, opposite UBL Sports Complex, the apartments are easily accessible through major Flyovers of Karachi. The unbeatable mix of top-class luxury apartments and high-end amenities like Swimming Pool, Gymnasium, Jogging Track, Tennis Courts, Reading Room, Event Hall, and Play areas will make LuckyOne Apartments the premiere lifestyle destination for urban living in Karachi.



#### Lucky Textile Mills Limited (LTML)

LTML, a leading textile manufacturer in the country since 1983, primarily focuses on the manufacturing and export of top-notch quality fabrics, home textiles, and garments, reflecting its commitment to excellence. With two cutting-edge weaving mills, it has an impressive fleet of 425 Sulzer Shuttle-less looms and 408 Air Jet looms, all equipped with state-of-the-art computerized processes featuring Karlmayer warping and sizing machines.

The LTML can process 96 million meters per annum of fabric. Further LTML has its power generation facility at one of its

manufacturing units. The stitching division is equipped with sophisticated high-tech machines that can stitch fabrics and transform them into home textiles as well as apparel products with a high degree of precision. Stitching machines include an automated Texpa plant as well.

In pursuit of its vision to become a vertically integrated setup, LTML has successfully established its own Spinning Unit. The initial phase involved the import of 22 Murata Vortex Spinning (MVS) machines and 08 Saurer Automatic Rotor Spinning Machines, all of which are fully operational.

As part of its continuous pursuit to become a “Preferred Employer”, the LTML is undertaking a transformative journey to align company structure with market dynamics, showcasing dedication to policy standardization and the implementation of best practices across the organization. Emphasizing diversity and inclusion, the Company fosters an inclusive work environment that encourages innovation and collaboration.

To contribute to a sustainable future, the company is transitioning from manual to automated mechanisms, steadily reducing paper consumption. Moreover, recognizing the significance of energy conservation and sustainability, the LTML has installed a Solar Renewable Energy plant with a cumulative capacity of 13 MWs. LTML is actively promoting green climate practices, protecting biodiversity, and utilizing energy conservation resources, emphasizing on its commitment to a greener future.

With unwavering dedication, state-of-the-art facilities, and a continuous drive for improvement, the company is poised to remain at the forefront of the textile industry. As the LTML continues to set new benchmarks, it reaffirms its commitment to excellence and anticipates a future of sustained success in the ever-evolving textile sector.



**Tabba Heart Institute (THI)**

Tabba Heart Institute (THI) is the flagship healthcare venture of the Aziz Tabba Foundation, under the umbrella of the Yunus Brothers Group. Since its inauguration in 2005, THI has redefined cardiac care in Pakistan. Its 170-bed purpose built facility in Karachi combines state of the art technology with evidence based protocols to deliver patient centric, outcomes driven care—setting a benchmark for tertiary cardiac services nationwide.

Unmatched Clinical Distinction: THI holds the singular honor of being the first and only hospital in Pakistan to receive the American College of Cardiology’s Platinum Performance Achievement Award for five consecutive years. This unparalleled achievement underscores our sustained excellence in procedural quality, patient safety, and outstanding clinical outcomes.

Global Standards, Local Stewardship: Our commitment to operational excellence is affirmed by ISO certifications across three critical domains: ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), and ISO 45001:2018 (Occupational Health & Safety). These accreditations reflect THI’s integrated approach to quality, sustainability, and workplace well being, ensuring a safe environment for patients, staff, and the community.

Comprehensive Continuum of Care: Beyond flagship services in interventional cardiology, cardiac surgery, and electrophysiology, THI champions preventive cardiology and rehabilitation programs that optimize long term heart health. Our in house pharmacy dispenses cardiac and general medications under stringent quality protocols. Through strategically located Outreach Centers in Karachi, Hyderabad, and Quetta—and plans for further expansion—we bring expert cardiac diagnostics and care closer to the community.

Innovative Home Healthcare & Education: Recognizing the importance of continuity, THI’s Home Healthcare service delivers specialist teleconsultations, at door laboratory sampling, portable ECG and ECHO diagnostics, skilled nursing care, and pharmacy delivery—all under the same rigorous standards as our hospital setting. Equally vital is our role as a teaching institution: structured fellowships in Interventional Cardiology, Cardiac Surgery, and Cardiac Anesthesiology, together with comprehensive Nursing and Allied Health training, reinforce THI’s commitment to nurturing the next generation of clinical leaders.

Guided by integrity, innovation, and compassionate service, Tabba Heart Institute—proudly part of the Aziz Tabba Foundation and the Yunus Brothers Group—continues to elevate cardiovascular care, advance medical education, and deliver exceptional outcomes for patients and communities across Pakistan.



**Tabba Kidney Institute (TKI)**

It is a 100-bed Post Graduate Training & Research Center with state-of-the-art technology and expertise of well experienced doctors, famous for the cure of kidney related diseases, extends Emergency, In-Patient Department, Consultant Clinics/OPD, Clinical Laboratory, Pharmacy, Radiology services besides providing High-Tech Operation theaters facility equipped with Flexible Ureterorenoscope, 3D Laparoscopic, 140-watt Laser, Trilithology and 4K Camera technology. It is certified by the International Organization for Standardization (ISO) and accredited by the College of Physicians and Surgeons Pakistan for post graduate training in Nephrology and Urology.



**Lucky Renewables (Private) Limited (LRPL)**

LRPL is another step towards sustainable green energy by YBG, incorporated as a Special Purpose Vehicle (SPV) with a corporate structure similar to that of a private limited company, to exclusively develop a 50 MW Wind Power Project in Deh Kohistan, Jhimpir, District Thatta.

The project is equipped with a state-of-the-art wind turbine generator (WTG) manufactured by Siemens Gamesa China. Various recognized vendors have supplied the electrical balance of plants, while construction activities have been carried out by Hydro China International Engineering Company Limited and Orient Energy Systems (Private) Limited.

A consortium of local and foreign lenders finances the project. The local Lender consortium comprises Bank AL Habib Limited and Allied Bank Limited. Foreign financing has been secured from the International Finance Corporation. The company achieved its financial close on November 18, 2019, and started commercial operations in September 2021. It is a clean energy project that harnesses renewable wind resources to generate electric power without any carbon emissions.



**Y.B. Pakistan Limited (YBPL)**

Yunus Brothers (Y.B) began in 1962 as a partnership between Mr. Abdul Razzak Tabba and Mr. Muhammad Yunus Tabba, initially focused on trading grey cloth. Over time, the business expanded into other commodities such as wheat, rice, corn, and pulses. In 2012, the partnership was restructured into a public limited company—Y.B. Pakistan Limited—to foster a more corporate and diversified operational structure.

Today, Y.B. Pakistan holds a robust and diversified investment portfolio across key business sectors. In line with its strategic growth vision, during the year, the company acquired a 70% stake in Lucky Investments Limited, an asset management company, marking its entry into Islamic capital markets

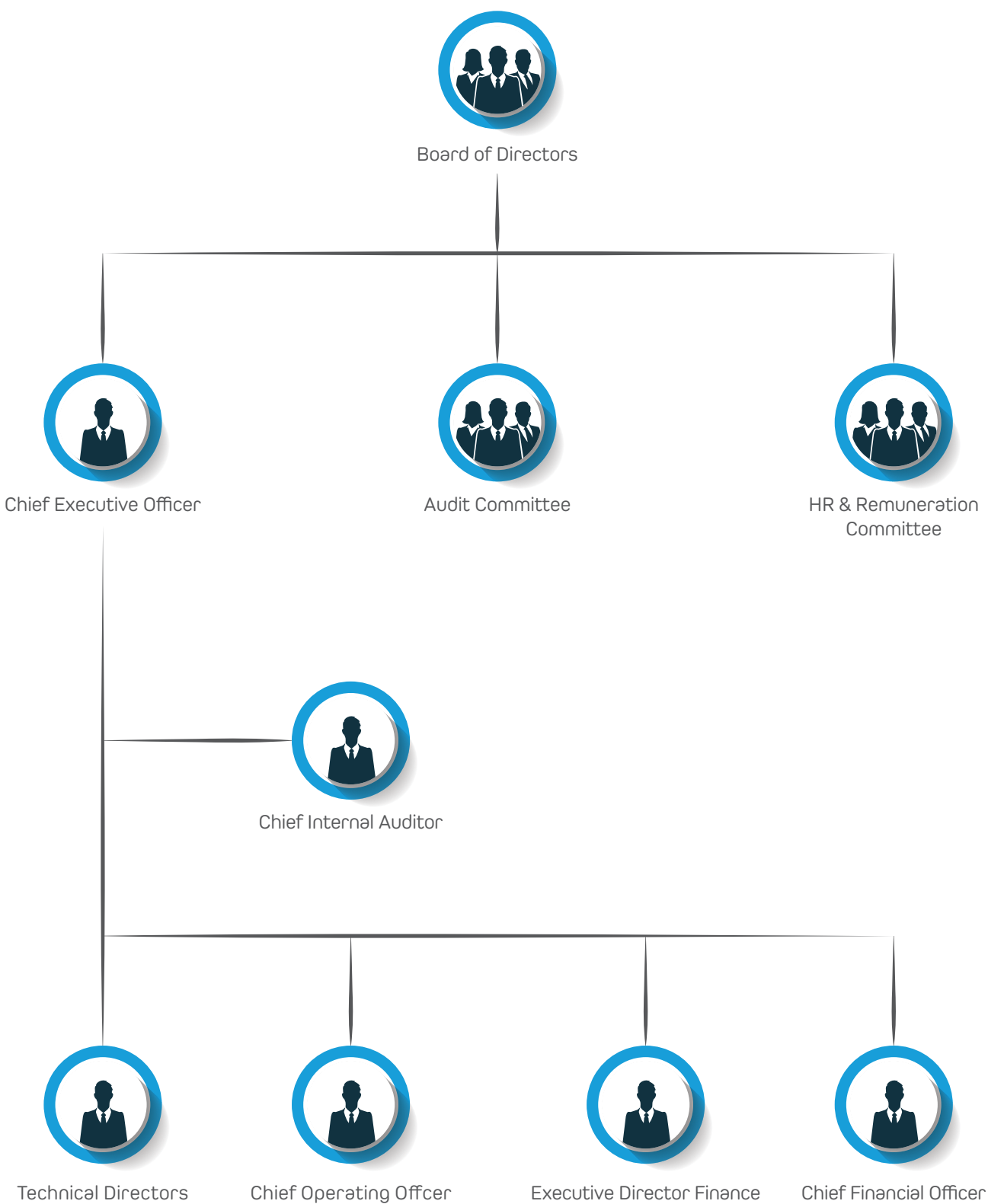


**Yunus Textile Mills Limited (YTML)**

YTML is a vertically integrated home textile unit established in 1998, consisting of spinning, weaving, dyeing, printing, finishing, and cut & sewing. In a span of 10 years, it became the number 1 home textile exporter of Pakistan with a 10% share (approx.) of all home textiles exported from Pakistan. The company has its international warehousing, distribution, and design development offices in USA, UK, and France.


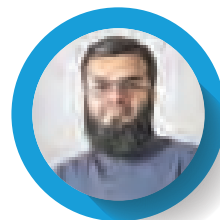

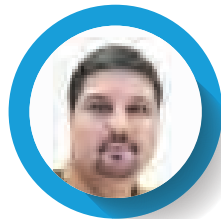
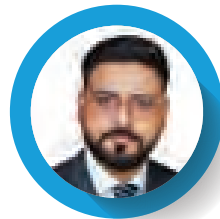
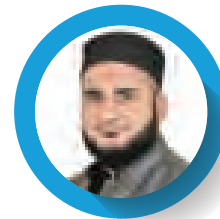


# Organizational Chart

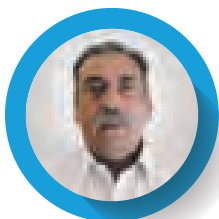

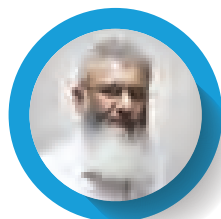
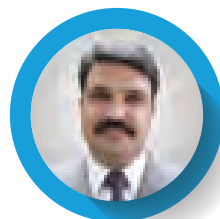
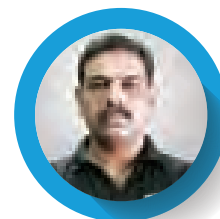


# Senior Management


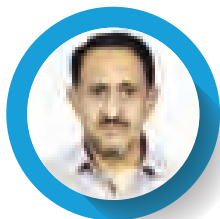
## Head Office

 <b>Mr. Muhammad Sohail Tabba</b> Chief Executive Officer	 <b>Mr. Abdul Sattar Abdullah</b> Executive Director Finance	 <b>Mr. Imroz Iqbal</b> Chief Operating Officer	 <b>Mr. Muhammad Imran Moten</b> Chief Financial Officer	
 <b>Mr. Haji Muhammad Mundia</b> Chief Internal Auditor	 <b>Mr. Salman Lakhani</b> Director Procurement	 <b>Mr. Asif Rafique</b> Director IT	 <b>Mr. Ali Asim</b> Director HR	 <b>Mr. Fuad Bhuri</b> Company Secretary

## Gadoon Amazai Plant

 <b>Mr. Waqar Ahmed Khan</b> Director Administration	 <b>Mr. Iftikhar Ahmed</b> Director Technical	 <b>Mr. M. Nadeem Riaz</b> Director Technical	 <b>Mr. Shafqat Mumtaz Ahmed</b> Director Technical	 <b>Mr. Asad Ansari</b> Director Technical Power Plant
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## Karachi Plant

 <b>Mr. Tahir Saleem</b> Executive Director Technical	 <b>Mr. Suleman Joya</b> Director Technical
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## Key Quantitative Information

The number of persons employed as on the date of financial statements and the average number of employees during the year, along with factory employees, is disclosed in note 37 of the financial statements.

### Annual Performance Review:

Despite a challenging business environment, the Company delivered a resilient performance during the year. The gross profit margin was strengthened through effective production planning and efficient raw material procurement. In addition, reduced policy rates contributed to lower finance costs. Supported by these factors, the Company achieved a 201% growth in net profit during the period.

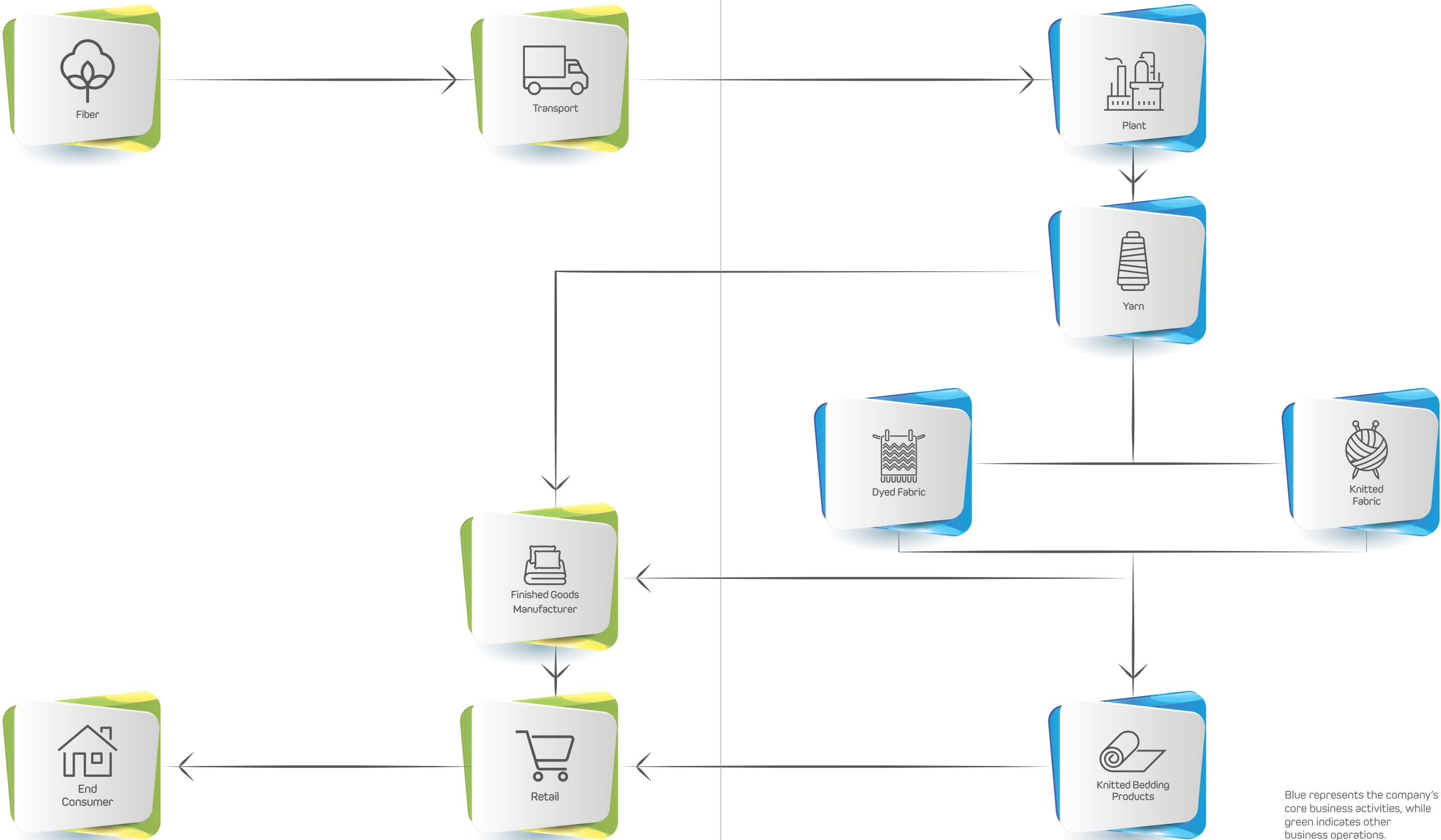
Among the Company's associates, Yunus Energy Limited reported a 42% decline in profit, while Lucky Core Industries Limited recorded a 7% increase in net profit for the year.

### Performance Overview of Activities, Products, Services, and Segments

The Company's business is primarily divided into two reportable segments i.e., yarn and knitted bedding products. Both segments demonstrated steady performance during the year, maintaining stable revenue streams despite a challenging operating environment. The improvement in net margins was primarily attributable to effective cost optimization measures, including tighter control over production expenses and a reduction in finance costs through prudent treasury management.

In addition, the Company executed a capital expenditure program amounting to Rs. 5.7 billion. A substantial portion of this investment was allocated to the installation of solar power plants, aimed at meeting a significant share of the Company's energy requirements through renewable sources. In parallel, the Company replaced outdated machinery with advanced, state-of-the-art technology, enhancing production efficiency, improving product quality, and reducing energy costs, thereby, delivering long-term value in the years ahead.

# Value Chain Positioning





# PESTLE Analysis

## Significant Factors Affecting the External Environment and the Organization’s Response

Organizations are directly or indirectly affected by the external environment in which they operate. It is stated with certitude that companies cannot work in a vacuum or isolation from their surroundings. The different elements of the external environment are discussed as follows:

Nature of Factors	Possible Impacts
Political	Unstable political conditions impede the growth of any economy. Frequent changes in Government policies affect the confidence level of the investors, and accordingly, overall business operations are suffered.
Economic	Economic conditions have a direct impact on the Company’s performance. An adverse movement in the exchange rate, interest rates, inflation rate, etc., might negatively impact the business of the Company.
Social	Being socially responsible is another significant factor of critical importance that adds to the Company’s performance levels. An organization that does not play an active role for the welfare and betterment of society affects its customers, employees or other stakeholders.
Technological	Technological developments and innovation determine the progression of an organization. Without technological developments and innovations, the growth of the organization may be slowed down.
Legal	<div>Compliance with legal / regulatory requirements is necessary for the Company’s smooth operations.</div> <div><ul style="list-style-type: none"><li>The Company is liable to monitor the latest laws and regulations to stay ahead without facing any sort of legal complications in the future.</li><li>Certain penalties and legal action by regulators may raise the chance of any unfavorable conditions that harm the prestigious reputation of the Company.</li></ul></div>
Environmental	<div>Company activities have an impact on the environment in which they operate. Failing to give due importance to the environmental laws may lead to reputational loss and legal repercussion.</div> <div><ul style="list-style-type: none"><li>Current climate conditions such as air pollution, water pollution and adverse global warming create a significant impact on the sustainable manufacturing of goods.</li></ul></div>

## Organization’s Response

- Consistent market analysis by senior management and proactive planning to mitigate any unfavorable outcome for the Company’s business.
- Proactive advocacy via industry associations to voice concerns and propose solutions.
- Maintaining open communication with stakeholders to build trust amid uncertainty.

The Company actively monitors the economic factors and takes steps to minimize its negative impact. Some of the steps taken during the past years are:

- Conversion from foreign currency-denominated borrowings to local borrowings, and vice versa, owing to possible devaluation / appreciation of the currency or decrease / increase in interest rates.
- Efficient cotton and other raw material procurement.
- Investment in diversified avenues.
- Diversification into value-added products and markets ensures resilience against macroeconomic pressures
- Cost-effective initiatives to control production and non-production related costs

- The Company not only participates diligently in the CSR activities but also encourages its employees to devote their time to the betterment and well-being of the society. In this respect, different activities are planned each year.
- The Company significantly focuses on training and employment opportunities for the welfare of society and to ensure that the employees are equipped with recent developments and skills.
- Donations have been made to support local NGOs under the vision of better education, health and empowerment.
- The Company possesses a reliable reputation among the stakeholders in terms of CSR initiatives.
- Promotes inclusive hiring and local job creation at all levels.

- In order to gain a competitive advantage, the Company regularly invests significant amounts in new technologically advanced machinery. This year CAPEX of Rs. 5.7 billion also contain a significant portion spent on technology advancement of machineries.
- The Company also ensures participation of its senior management in various national / international exhibition / training session, to acquaint them with the latest technology.
- The Company’s technical management is committed to adopting latest trends of the industry for optimization of its operations in an effective manner.

- In addition to its professional team, the Company also hires legal/ tax expert services, on a need basis, to ensure compliance with all legal / regulatory requirements.
- Further, the Company’s operations are transparent and do not have any history of violating laws or being penalized.

In addition to ensuring compliance with applicable environmental laws and regulations, the Company also takes additional steps regularly, few instances are:

- Successfully installed a Waste Heat Recovery Steam Generator (WHRS) plant. This plant operates by transforming the engine’s heat and smoke into power that is used for further processes.
- Installation of an RO water plant within the premises of the factory in order to provide clean water and sanitation for the entire workforce.
- Proper implementation of dry waste management plan to ensure the purpose of sustainable consumption and production.
- The Company has invested in Solar system to reduce carbon footprint.
- Installed Effluent Treatment Plant (ETP) mainly to recycle water and responsible consumption.
- Compliance with local & international environmental laws to support sustainable business practices.

Seasonality Over Business

The Company’s operations are significantly shaped by seasonality, with both domestic and international factors influencing demand, procurement, and production cycles. Local sales peak during the fashion calendar, religious festivals, and wedding seasons, while exports follow global retail timelines such as Christmas, Easter, Black Friday, and summer sales. Procurement is aligned with seasonal apparel needs, and business performance is closely tied to the cotton crop cycle, affecting costs and supply. To meet demand surges, the Company adjusts production schedules, inventory, workforce allocation, and cash flow planning, while mitigating risks by balancing domestic and export markets and strategically securing raw materials. Overall, the Company leverages seasonal variations as opportunities through proactive and sustainable planning.

Legitimate and Regulatory Environment

GTML in addition to fulfilling the requirement as laid under the various Corporate and taxation laws, is also required to comply with listed Company’s requirements under PSX regulations and other relevant laws. Although Spinning industry is not a regulated industry, however, the Company has obtained various certifications, to adhere to the requirements as laid under those certifications. Further, the Company also has obtained respective certifications for its value-added segment. Moreover, the Company has its own power generation and is accordingly required to comply with rules and regulations of regulatory bodies including NEPRA.

Significant Changes from Prior Years

There were no significant changes within the organization (including business model) regarding the information disclosed in this section.

Awards and Achievements

- Awarded with Best Corporate Report Awards.
- Best Consumer Award.
- Business Excellence Award.
- Businessman of the Year Gold Medal Award
- Environment Excellence Award.
- SAFA Certificate of Merit for Best Corporate Report
- Secured First Place in National Finance Olympiad (NFO) 2016 organized by ICAP.
- Top 25 Companies for the Year Awards.
- Top Exporter (Foreign Exchange Earner) of the Province.
- Top Line Exporters Award.
- Top Income Tax Payer of the Province (KPK).

Awards Received During the FY 2024-2025

Best Corporate Report Award

The Company believes in providing the stakeholders with a well-integrated corporate annual report and ensures the quality and transparency of information provided to them. Keeping in view, the Company’s best corporate reporting practices, the Company’s Annual Report for the year 2023

secured the second position in the Textile sector in the Best Corporate Report Award recognition ceremony jointly held by the Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMAP).



Competitive Landscape and Market Positioning

Porter’s Five Forces model has been used to analyze the industry structure and the corporate strategy of GTML for further measuring the competitive intensity, attractiveness, and profitability of the textile industry.

Annual OSH Merit Award

We are deeply humbled and thrilled to share that the company has been awarded the 18th Annual Occupational Safety & Health (OSH) Merit Award by Employers’ Federation of Pakistan due to our commitment to advancing HSE protocols at the workplace.

This recognition reflects the collective dedication of our HSE & Compliance team to prioritizing the well-being of our employees. Together, we've worked to create a safer environment and inspire a culture of safety excellence.



Porter's Five Forces



# SWOT Analysis

SWOT analysis is an approach to identify the strengths, weaknesses, opportunities, and threats of the business.

GTML ensures that it uses its strengths to utilize the opportunities available, eliminate the threats, and turn its weaknesses into the business's strengths.

S

**Strengths**

- Market dominance.
- In-house power generation.
- Strong group structure.
- Economies of scale / financial position.
- Brand positioning / customer loyalty.
- Diversified product range for B2B clients in global markets.
- State-of-the-art plant and production facilities.
- Global reach to internationally acclaimed clients.
- Experienced and professional workforce.

W

**Weaknesses**

- Mature market with a number of product substitutes.
- Labor-intensive operations.
- Being primarily a commodity-based business, the margins get distorted on account of significant reduction in market price of commodities, thus impacting the sales price of yarn.
- Major reliance on the spinning segment.
- High working capital requirement to cater for the seasonal procurement of the Raw material – mainly the cotton.

O

**Opportunities**

- Overall exposure of untapped export market.
- Availability of expansion in segmented market with bare minimum capital expenditure.
- Target the niche market due to a wide range of product manufactured.
- Technological advancement.
- Horizontal and vertical integration.

T

**Threats**

- Continuous increase in operational cost.
- Political instability.
- Poor economy and inflation fluctuation.
- Imposition of innovative taxes, tariff and uncertain Government policies.
- Shortage of raw material due to natural disasters.
- High interest rates and abrupt fluctuation in exchange rates.
- Availability of subsidized yarn by regional competitors.
- Global shipping supply constraints.





# History of Major Occasions

1990-1995

- The Company started commercial production by producing poly/cotton yarn with 14,400 spindles.
- The number of spindles increased to 64,800

1995-2000

- The number of spindles increased to 128,160.
- Introduced "Compact Spinning" with 15,840 spindles, or the first time in Pakistan.

2000-2005

- Pioneered and set up "Jet Spinners" in the Country.
- Replaced diesel generators with gas generators.
- Number of spindles increased to 194,392.
- Acquired 14 acres of land for erecting additional sheds and underground water reservoirs.

2005-2010

- Set up an additional production facility at Karachi.
- Performed marvelously despite the global financial meltdown.

2010-2015

- Planned investment in an environment-friendly 50 MW Wind Power Project.
- Started commercial operations at Karachi Plant and increasing installed capacity to 245,000 spindles.
- Acquired assets of another textile mill located in Gadoon Amazai Industrial Estate.
- Invested in shares of ICI Pakistan Limited (now Lucky Core Industries).
- Acquired new electric generators based on natural gas to enhance power generation capacity.
- Signed a PC contract to generate an additional 2.66 MW based on Waste Heat Recovery.
- Fazal Textile Mills Limited (FTML) merged with and into GTML.
- The number of spindles increased to around 321,000 under the merger of FTML.

2015-2020

- Installation of state-of-the-art equipment and machinery within the plant.
- For the sake of sustainable environment and community, invested in wind projects and solar and announced investments in hydel projects.
- Successful operation of the Waste Heat Recovery and RO Water Plants at the manufacturing site.
- Entry into the dairy industry to capture the potential of an untapped market.

2020-2025

- Construction of a facility for the Knitted Bedding Segment.
- Successful expansion of the dairy segment.
- Installed spindle capacity increased to over 380,000.
- Investment in state-of-the-art value-added segment.
- Installation and expansion of a waste heat boiler and ETP.
- Installation of a 25.36 MW solar plant at the factory site, with an agreement executed for an additional 18.86 MW

# Calendar of Notable Events

## Employees Engagement Activities

July 30, 2024

Retirement Ceremony

October 25, 2024

Breast Cancer Awareness Day

December 21, 2024

Sports Fiesta

May 15, 2025

WIBCON - 2025

June 5, 2025

World Environment Day

August 13, 2024

Independence Day Celebration

November 20, 2024

World Children's Day

January 14-17, 2025

Heimtextil - 2025

April 5, 2025

Eid Get Together

June 10, 2025

World Ocean Day

October 10, 2024

World Mental Health Day

December 10, 2024

World Human Rights Day

March 08, 2025

Women's Day Celebration

April 23, 2025

World Earth Day

## Notable Events for the Financial Year

August 6, 2024

BOD Meeting for Yearly Accounts - 2024

January 30, 2025

BOD Meeting for Half year ended December 31, 2024

August 7, 2025

BOD Meeting for Yearly Accounts - 2025

September 26, 2024

36th Annual General Meeting - 2024

April 23, 2025

BOD Meeting for third quarter ended March 31, 2025

June 14, 2025

BOD Meeting for Budget

October 26, 2024

BOD Meeting for first quarter ended September 30, 2024

## Tentative Dates for Next Financial Year

September 26, 2025

Annual General Meeting - 2025

April 25, 2026

BOD Meeting for third quarter ending March 31, 2026

June 15, 2026

BOD Budget Meeting 2026 - 2027

October 25, 2025

BOD Meeting for first quarter ending September 30, 2025

January 30, 2026

BOD Meeting for half year ending December 31, 2025

August 6, 2026

BOD Meeting for Yearly Accounts - 2026



# Crafting Strategic Growth

Strategy and Resource Allocation

042	Strategic Objectives & Plans	045	Aligning Strategic Objectives with Vision & Mission
044	Key Resources and Capabilities, Providing Sustainable Competitive Advantage	045	Governance of Risk & Internal Controls
044	Company's Strategy on Market Development, Product & Service Development	045	Significant Plans & Decisions
044	Factors Affecting the Strategic Approach and Resource Allocation	045	Liquidity Strategy
		045	Financing Arrangements



# Strategy and Resource Allocation

The foundation of an organization’s planning lies in the identifiable goals towards which all organizational activities are directed. Objectives serve the basis of managerial functions and the organizational existence of any organization. The Company devises challenging objectives for attaining profitable results and gaining a competitive advantage in the market. This approach integrates the Company's strategic objectives with efficient resource allocation to maximize operational efficiency and profitability. The Company’s strategic objectives and plans are mentioned below.

### Strategic Objectives and Plans

Objectives	Sales maximization and global footprint	Attaining business synergy through operational efficiency	Diversification of risk and businesses to maximize shareholders’ returns
Priority	High	High	High
Timeline	Short term	Short term	Medium term
Current Status	Ongoing process – Targets for the year achieved.	Ongoing process – Targets for the year achieved.	Ongoing process.
Strategy	Maximize sales by exploring and entering new and untapped markets (both local and international), while strengthening its position in existing ones, thus increasing the global footprint of the Company.	To monitor the business processes regularly and explore new ways to make the overall process lean and efficient.	To expand within the spinning and other value-added sectors by continuously exploring new opportunities.
Recourse Allocated	Financial Capital, Social and Relationship Capital and Manufactured Capital.	Human Capital and Manufactured Capital.	Financial Capital and Human Capital.
Recourse Allocation Plan	In addition to the budget allocated for sales and marketing to boost sales (financial capital) and to explore new untapped markets, the management is making further efforts to build a global image of the Company (social and relationship capital). For these reasons, various activities are also being planned for the forthcoming year. The Company, being a member of various forums / associations, also attends investment conferences and seminars on both local and global levels, thus promoting its corporate image (social capital). In addition, to ensure presence at various events / seminars, our Corporate and Branding team continuously monitors upcoming potential seminars and avenues to participate actively	The Company significantly focuses on investments in the training and development of its staff and executives at various local and international levels. This helps them to improve their management and technical skills and equips them with the latest production techniques and developments to enhance their overall efficiency and effectiveness (human capital). Additionally, the Company consistently invests in technologically advanced machinery (manufactured capital) to embed efficiencies within the system	The Company has a strong financial standing and being a part of one of the largest conglomerate groups, YBG, has viable access to financial capital from various sources. To manage the investment in diversified portfolios, Company has an experienced strategic management team. The roles and responsibilities have also been appropriately assigned to a dedicated team of professionals (human capital) who are responsible for managing investments and identifying new prospects, and their level of competency has been ensured
KPIs	1. Market Share. 2. New tapped geographical locations. 3. Brand Image positioning.	1. Cost Management 2. Outcome and Effectiveness of Training sessions. 3. Fostering & monitoring ethical culture.	1. Profitability ratios. 2. Return on Capital Employed. 3. Gearing ratios.

Sustain industry leadership	Maintaining high ethical, professional, and environmental standards	Contribution towards the sustainability of the society
High	High	High
Long term	Medium term	Medium term
Ongoing process – Targets for the year achieved.	Ongoing process – Targets for the year achieved.	Ongoing process – the Company has conducted several CSR activities throughout the year in order to to serve society
Planning and regularly upgrading production facilities; timely deployment of the latest state-of-the-art machinery to maximize overall efficiencies and production of a customer-centric product.	To continuously monitor and incorporate the best industry practices within the Company that contributes to the stakeholders’ well-being. Upholding the highest ethical, professional, and environmental standards in all aspects of its operations.	Implementation of sustainable manufacturing practices focuses on eliminating waste, optimizing processes, and improving product quality. Continuing a chain of sustainability through elimination of carbon and investing in environmentally friendly energy projects. Further contribution towards social initiatives related to employment, health and education
Manufactured Capital, Human Capital and Intellectual Capital.	Social and Relationship Capital and Human Capital.	Financial Capital, Manufactured Capital and Natural Capital.
To sustain industry leadership, the Company has timely invested in To sustain industry leadership, the Company has timely invested in technologically advanced machinery (manufactured capital) and continuously upgraded its system and business intelligence tools (intellectual capital), as a result the Company is able to rationalize its workforce (human capital)	The management of the Company places strong emphasis to ensure that all regulatory requirements and best industry standards are complied with (social and relationship capital). Achievement of this objective would help maintain healthy relations with employees (human capital) and other stakeholders	In order to contribute to society, the management of the Company has taken a keen interest in different kind of CSR activities and has been allocating funds for the same (financial capital). Further, to promote sustainability, regular research is being carried out to eliminate carbon footprints and install technologically advanced and environmentally friendly plant (manufactured capital). To emphasize the minimal wastage of natural resources used in the manufacturing process, techniques are adopted for the effective use of natural resources (natural capital).
1. Profitability ratios 2. Market share	1. Employee retention ratio. 2. Long term relations with stakeholders.	1. Effective CSR fund allocation. 2. Percentage of SDG’s compliance 3. Units of Energy saved 4. Social Impact Assessment

The KPIs stated will continue to be relevant in the future.

Key Resources and Capabilities, Providing Sustainable Competitive Advantage

As one of the leading textile employers, the Company continuously strives for a business culture of improvement, sustainable competitiveness, and top performance in an ethical manner. The Company is committed to particular values of monitoring brand reputation, and ensuring customers' satisfaction over time, thus sustaining a competitive advantage through:

- Self-power generation plants including the generation from renewable sources at factory sites, to reduce the pressure on national grid for energy requirements.
- Presence in two distinct locations for better customer reach and effective implementation the brand positioning strategy.
- Obtaining certifications to maintain the sustainable product portfolio and value creation within the targeted market
- Continuous investments in state-of-the-art sustainable and efficient machineries.
- Seasoned and experienced management to cater new challenges and achieve operational efficiencies.
- Collective feedback from stakeholders (employees, customers, communities) to gauge their perception of ethical, professional, and environmental practices and identify areas for improvement.

Company’s Strategy on Market Development, Product & Service Development

The Company’s strategy on market, product & service development is linked with the core business goals, i.e., plans for growth, profitability, diversification, with the main focus being innovation and differentiation. The Company aims to enhance the product offerings by integrating advanced technologies, responding to customer feedback, and exploring new service models that meet evolving customer needs. The primary objective is to expand the customer base and increase revenue without losing existing customers and markets. This could mean entering new geographical areas, targeting new demographic segments, or introducing products to new customers.

At the same time, effective operating cycle is crucial for both market development, service and product management. An efficient value-chain ensures that the product is manufactured and delivered efficiently, and that customers are satisfied with their overall services/experience. This can greatly influence the success of the market development strategy and the performance of the product in the market. By continuously refining its products and services, the Company seeks to maintain a competitive edge and drive sustainable growth in existing and new markets.

Factors Affecting the Strategic Approach and Resource Allocation

The Company's management is confident in its strategic approach and resource allocation plan for progressive success within the industry. However, there are still several MACRO factors that might affect the plan either directly or indirectly. Following are some factors and their possible effects on the strategic approach and resource allocation plan..

Factors	Effect on Strategic Approach	Effect on Resource Allocation Plan
Technological Changes	The change in technology and innovation opens the door to progress. However, this may result in a change in consumer behavior and their pattern of product/service usage.	Technological changes will affect Financial Capital, as investments will be necessary to adopt new technologies and maintain competitiveness. Additionally, integrating these technologies with existing systems and infrastructure can be challenging, requiring the hiring of trained resources, which will also impact Human Capital.
Sustainability Challenges	Sustainability related challenges such as climatic changes, societal issues, shortage of resources and the loss of ecosystem is inevitable. It also affects the pattern of consumer behavior and their spending thereby impacting the business	Failure to adopt the evolving sustainability landscape can impact the impact Social and Relationship Capital.. Moreover, the Company need to invest in sustainability related initiatives to comply with regulatory standards including CSR framework to maintain transparency among stakeholders, thus impacting the Financial Capital
Promoting and Enabling Innovation	By prioritizing innovation, the Company can adapt to evolving market demands and technological advancements, thereby securing long-term growth and maintaining its competitive edge	The innovation comes with the cost which include the infrastructure costs and hiring specialized resources. Accordingly significant budget might be allocated towards training and upskilling employees to foster a culture of innovation thus impacting the Financial and Human Capital
Resource shortages	Resource shortages can impact the operations of the Company thus impacting target to maximize sales, optimize profits and sustain industry leadership.	The shortage of resources will require Company to opt to alternative suppliers / market (Social and Relationship Capital) which can lead to lower product quality thus impacting the Financial Capital.

Aligning Strategic Objectives with Vision & Mission

The linkage of strategic objectives with mission, vision, and values is fundamental to the Company’s success and sustainability. At GTML, strategic objectives are meticulously crafted to align with the core mission to manage a textile business entity aimed at producing quality yarns through innovative technology and effective resource management, maintaining high ethical and professional standards, and meeting the expectations of all our customers. We strive to achieve the highest possible operating efficiencies and lowest costs and expand the business through selective expansion so that we are able to deliver maximum value to stakeholders. Furthermore, the vision of the Company is to be the textile manufacturer of the first choice for customers at home and abroad, doggedly pursuing sustained leadership in the markets where it competes and making its valuable contribution to the Country’s exports. This alignment fosters coherence and unity within the organization, enabling it to channel its resources and efforts effectively towards achieving its long-term goals, thereby driving sustained growth and success.

Governance of Risk & Internal Controls

The Board oversees the governance of risk and determines the Company’s risk appetite by establishing risk management policies to ensure that the management maintains a sound system of risk identification, risk management, and related systemic and internal controls to safeguard assets, resources, reputation, and interest of the Company and shareholders. The Board affirms that an effective internal control framework is in place and is regularly reviewed and enhanced to address evolving business and technology risks. The Audit Committee, on behalf of the Board, oversees the internal audit function, which conducts regular reviews of key control areas, including IT governance, cybersecurity, access controls, data protection, and business continuity planning.

The Company believes that an effective internal control system is essential to achieving an organization’s overall business objectives and strategy in the critical areas of operations, reporting, and compliance. Keeping this in view, a system of sound internal controls is established and effectively implemented at all levels within the Company.

Significant Plans & Decisions:

From time to time, the Company has diversified its business operations through expansion, restructuring, including the mergers. Furthermore, the Company has set a clear roadmap for growth and transformation, focusing on strengthening its core business while strategically diversifying into emerging and value-added sectors.

Liquidity Strategy

Current Liquidity Position

The liquidity position of the Company is on a solid foundation, and it has an adequate capital structure mainly supported by equity.

	2025	2024
	Rs. (in '000)	
Equity	23,910,907	21,498,298
Long Term Finance	4,502,746	6,747,549

The Company stands on a strong repayment legacy as the Company has never defaulted any payment against financial institutions, vendors, or Government agencies, etc. and the management is confident that the Company will not face any liquidity issues in the future. The decrease in long-term finance is mainly on account of settlement of Term Loan through short-term running finance. The Company has sufficient liquid resources in hand to meet its working capital requirements. The Company has managed its current ratio over the years, and its current ratio is close to 1.3, despite the significant CAPEX incurred over the last 2 years. This depicts the performance of the management in achieving the targets set by the Board. The management ensures all necessary measures are undertaken to manage the ratio at an optimum level.

The principal repayment of Rs. 0.76 billion, out of Rs. 4.5 billion appearing as long-term finance as at June 30, 2025, will be due after five years.

Financing Arrangements

The Company has cordial business relations with all the reputable banks and financial institutions of the Country. Adequate unutilized financing facilities are available at the Company’s disposal. The Company has a stable position and sustainable growth. Moreover, the gearing of the Company has also been monitored and controlled in line with business objectives. The Company regularly monitors the debt-equity ratio to protect the Company from any excessive debt pressure.



# Crafting Resilience

Risk & Opportunities

048	Risk Management	053	Materiality Determination
050	Risk & Opportunity Report	055	Supply Chain Disruption Strategy
052	Robust Assessment of Risk		



# Risk Management

## Methodology

Risk Management Methodology is the key component of the Risk Management Framework, which is mainly divided into three segments. The management is committed to following the international standards of risk management methodology to mitigate or minimize the risks at an acceptable level.



## Framework

Effective risk management plays an essential role in the operational functioning of the Company. Whereas, the implementation of an affirmed risk management framework that embeds best practices into the Company's risk culture can be the cornerstone for the future. Continuous monitoring and review of the risk environment are crucial, allowing the management to adapt its strategies in response to emerging challenges. On behalf of the Risk Management Framework (RMF) following are the major aspects currently in practice to ensure the mitigation of risk at all levels.

- **Identification of Risk**  
(Identify and document potential risks that could affect the achievement of organizational objectives).
- **Measurement of Risk**  
(Evaluate the identified risks based on their likelihood, potential impact, and severity).
- **Mitigation of Risk**  
(Gain a deeper understanding of their causes, potential consequences, and interdependencies).
- **Reporting and Monitoring of Risk**  
(Continuously monitor and review the effectiveness of risk mitigation measures and the overall risk landscape).
- **Governance of Risk**  
(Integrate risk management into the organization's decision-making processes).

## Policy

The purpose of the Risk Management Policy (RMP) is to identify the risks, which may create hindrances for management to achieve the Company's objective and introduce appropriate and effective controls to mitigate the identified risks. The Board of Directors (BOD), Chief Executive Officer (CEO), and concerned Head of Department (HOD) are responsible for the Risk Management Policy.

Following are the salient features of the Risk Management Policy:

- Management must ensure that every HOD must identify the risk of his/her department and describe the measures to mitigate the identified risk. Every department must be updated about relevant regulatory requirements, laws, and codes of conduct pertaining to the activity of his/her department, and these should be observed and implemented at various execution levels.
- Each risk should be categorized into 4 levels, namely low, medium, high, and crucial.
- HOD should set and adjust the levels of risk with the consultation of the Chief Internal Auditor (CIA). HOD will also be empowered to modify the measures to cope up with already identified risks.
- The monitoring and reporting level of each risk will be defined by the CEO with the consultation of CIA and HOD.
- Every HOD will prepare a document of the identified risk of his / her department along with the control measure to mitigate the risk. The HOD will keep a record of changes in the level of risk and will keep track of reporting to higher authorities and measures taken by the concerned department to control the situation. Every change in the level of risk shall be reported to the CIA for assessment and updating in the Risk Register.

## Principal Risks & Uncertainty

Based on the above, the management has developed the Risk Management Policy.

Businesses face numerous risks and uncertainties, which, if not properly addressed, might cause serious financial and non-financial losses to the Company. The Board of Directors of the Company has carried out a vigilant and thorough assessment of both internal and external risks that the Company might face. The following are some of the risks that the Company is currently facing:

- Technological advancements are making it more challenging for the Company to compete at the national and international levels.
- Pressure on export sales due to geopolitical tensions and decreased demand due to the global inflationary impact.

- Increased competition at both global and regional levels, coupled with the impact of global shipping supply disruptions.
- Currency volatility resulting in higher costs of imported raw materials.
- Implementation of customs and anti-dumping duties on the import of raw materials, making them more costly.
- Rising trend of conversion costs on account of inflation, mainly power cost on account of increasing fuel / gas prices.
- Soaring inflation reduces the purchasing power of consumers, thereby decreasing the demand for the Company's products.



# Risk and Opportunity Report

The management of the Company follows a rigorous approach to risk management, through a risk & opportunity report evaluating its likelihood and potential impact. It also outlines the controls and strategies designed to mitigate these risks. reporting, and control mechanisms help to enhance governance and keep the Company aligned with its objectives. By taking these actions, optimizes decision-making, and enhances overall performance and resilience.

**Potential Risks:**

Our Board members possess diversified skills, knowledge, and experience, which enable them to identify and manage the key and opportunities.

Category of Risk	Key Risks	Form of Capital	Source	Assessment
Strategic Risk	Economic and Political instability of the Country	Social and Relationship Capital / Financial Capital	External	<b>Likelihood:</b> Medium <b>Magnitude:</b> High
	New Laws and Regulations	Social and Relationship Capital	External	<b>Likelihood:</b> Medium <b>Magnitude:</b> Medium
Commercial Risk	Increased competition between local and international suppliers of the product	Social and Relationship Capital/Financial Capital	External	<b>Likelihood:</b> Medium <b>Magnitude:</b> High
	Disposal of waste in an appropriate manner	Manufactured Capital / Social and Relationship Capital	Internal	<b>Likelihood:</b> Low <b>Magnitude:</b> Medium
Operational Risk	Safety and Security of assets	Manufactured Capital	Internal	<b>Likelihood:</b> Low <b>Magnitude:</b> Medium
	Employee turnover	Human Capital	Internal	<b>Likelihood:</b> Low <b>Magnitude:</b> Medium
Financial Risk	Adverse changes in interest rates	Financial Capital	External	<b>Likelihood:</b> High <b>Magnitude:</b> High
	Defaults in payments by debtors	Financial Capital	External	<b>Likelihood:</b> Low <b>Magnitude:</b> Medium

which is essential to running a successful and sustainable business. This report includes a detailed analysis of each risk, Furthermore, the Board of Directors of the Company is closely connected to effective risk management. Risk assessment, the Company's management establishes a robust risk analysis that safeguards the organization, protects its assets,

risks that are likely to arise. They also steer the culture of the organization, promoting an appropriate balance between risk

Effect on Strategic Objectives	Plans and Strategies to Mitigate Risk
Unstable economic and political conditions cause difficulties for the management to take strategic decisions in order to maximize returns. Further, it can impact the Company's reputation making it difficult to expand its global footprint.	The Company believes in an open and transparent relationship with the government, regulator, and other political stakeholders. As part of the larger industry, the Company, through its representatives, provides valuable suggestions and input to regulators and their committees / sub-committees. We regularly monitor the economic and legal impacts of government policies and political actions on the Company as well as the textile industry as a whole.
Non-compliance with laws and regulations can have an adverse impact on the Company's position and reputation.	The Legal and Corporate Department proactively monitors and ensures that all relevant laws and regulations are complied with.
Intense competition can impede in sustaining industry leadership.	The Company believes that its years of experience, quality, research and development, brand image, and customer loyalty, and retention are the success factors to sustain operations even in this challenging global economic scenario. The Company employs robust supply chain management practices and contingency planning, to mitigate risks.
Failure to comply with the appropriate mannerisms can damage the Company's reputation in the market.	Management proactively monitors the arrangement of disposal and treatment of waste material in place through proper waste management plan and ensures that all environment-related laws, specifically those mentioned in Global Reporting Initiatives (GRI) guidelines and Sustainable Development Goals (SDG) are complied with.
Damage to assets can cause financial loss and affect the profitability of the Company.	The Company has formulated and implemented a safety and security mechanism throughout its manufacturing and administrative facilities to ensure efficient operational practices. Moreover, all tangible assets are insured through reputable institutions in order to safeguard assets against any unforeseen event, whereas for intangible data, management has an appropriate Disaster Recovery Plan in place.
High employee turnover would prevent the Company from achieving overall business synergies and its KPIs.	The management has in place, a recruitment process with defined career trajectory to cultivate creativity, innovative culture that can add value within the organization. The Company provides a healthy working environment and optimal growth opportunities to its onboard employees in order to keep them motivated and to give them a sense of belonging, without any form of gender discrimination or inequality.
Fluctuation in interest rates can complicate the decision-making process for various investment and growth opportunities which accordingly will have an impact on shareholders' return.	The Company mainly meets its working capital requirements through short term financing facilities. To mitigate the risk of rising interest rates, the management strives to reap maximum benefits of lower benchmark rates of borrowing along with minimum spreads and maintains an efficient portfolio of sources of funds. Further, the Company also obtains foreign currency- denominated lower interest rates borrowings to manage its overall finance costs.
Defaults in payments may impact the Company's cash flows, which in turn may affect the profitability and working capital requirements.	The Company regularly monitors the credit period and balance of major parties. Reconciliation and confirmations are also obtained from parties periodically. Further, the Company has shifted a significant portion of its local sales to advance payment mode, thereby eliminating the risk of default.

Potential Opportunities

The Company is actively pursuing potential opportunities for sustaining its business by strategically expanding into new markets, because Pakistan is one of those countries where the upper-middle class and middle-class population forms the majority. This factor opens up the opportunity to sell knitted wear and garments to the Country’s local mainstream population. Although the competitive local and international market has made it difficult for companies to sustain, however this also provides our Company with the opportunity to acquire smaller players in the market and increase its market share and economic efficiencies.

Key Opportunities	Form of Capital	Source	Effect on Strategic Objectives	Strategy to Materialize
Increasing profits and sustaining the level of employment	Social and Relationship Capital / Financial Capital	External	Enable the Company to maximize sales and returns, facilitating the sustainability of industry leadership	The Company continuously strives to increase its productivity and profitability and efficiently manages business operations to cope with the growing demand
Maintaining healthy external relationships to strengthen the Company’s portfolio	Social and Relationship Capital	External	Aids in expansion and sales maximization, which in turn would maximize shareholder return.	The Company works on managing external relations, promoting the brand by enhancing its social media presence, and branding activities to cultivate its brand image
Recruitment of top-tier employees and skilled professionals to support adaptability in an ever-evolving business environment.	Human Capital	Internal	Help the Company achieve overall business synergies and KPIs set by the Board.	The Company participates in Talent Hunt Programs in reputed universities, regularly updates its job application process, and develops talent assessment tests to hire right-fit candidates and strongly believes in equal employment opportunity. The Company actively conducts learning and development programs for improving the interpersonal and updating the technical skills of the employees so that innovation and change can be brought about
Technology advancement to improve business agility	Manufactured Capital / Intellectual Capital	External	The use of the latest technology would help the Company stay ahead of its competitors and sustain industry leadership	The Company continuously invests considerable amounts in technologically advanced machinery in order to remain competitive and cost-efficient. The core strategy behind this ideation is to uplift the the level of innovation within the industry and to maintain customers’
Diversification of product range by retaining operational efficiency	Social and Relationship Capital / Manufactured Capital	External	Enhancing the overall productivity of the Company, diversifying the risk, and maximizing sales	The Company keeps itself updated regarding new trends, customer choices, thus; the Company is able to cope up with the new ideas accordingly

Robust Assessment of Risk

As disclosed in the Directors’ Report, the Board has undertaken a robust assessment of the principal risks and uncertainties that could potentially impact the Company’s business model, future performance, solvency, or liquidity. This assessment has encompassed a broad spectrum of risks, including operational, IT, regulatory, legal, political, strategic, and credit risks, among others. The Board remains confident that the Company has appropriate strategies, resources, and mitigation plans in place to effectively manage these challenges and to safeguard long-term sustainability and stakeholder value.

Materiality Determination

Materiality Analysis

Materiality determination of the Company is the value-creation strategy that prioritizes the most impactful areas of society, environment and economy. These findings are integrated into the Company’s strategic planning and reporting processes to ensure that critical risks and opportunities are effectively managed. By conducting thorough materiality assessments, the Company aims to align its operations with stakeholder priorities, enhance transparency, and drive sustainable growth





Materiality Matrix

The identified material issues have been presented in the table below. The matters have been marked on the basis of their effect on stakeholders’ assessments and decisions, and significance of their impact on the economy, society and environment. The materiality analysis not only helps in identifying issues to stakeholders but also assists in deciding the area of focus of our internal resources.

Sustainability Area	Material Topic	Marking	Boundary
Social	Business Ethics		GTML/Supplier/Customer
	Human Rights		GTML
	Health and Safety		GTML
	Training and Education		GTML
	Compliance		GTML/Regulator
	Marketing Communications		GTML
	Data Privacy and Cyber Security		GTML
Environment	Stakeholder and Community Involvement		GTML/Community
	Energy and Water		GTML
	Carbon Emissions		GTML/Community
	Material Consumption		GTML/Supplier
Economic	Economic Performance		GTML
	Economic Returns		GTML
	Market Presence		GTML

Significance of Impacts on economy, society and environment

High                      Moderate

Influence on Stakeholder assessment and decision

High

Moderate



# Supply Chain Disruption Strategy

Environmental, Social, and Governance (ESG) factors encompass a wide range of issues, and their impact on supply chains can be significant. Therefore, a comprehensive view of the entire process is essential for a proactive approach. During the year, no major supply chain disruption incidents were noted, except for some issues arising on account of geopolitical tensions. However, the Company’s risk management team is cordially concerned to manage and mitigate supply chain disruptions in future instances.

The Company’s supply chain disruption strategy in terms of ESG principles focuses on enhancing resilience and sustainability throughout its operations. Here's a comprehensive strategy to deal with the risk of supply chain disruptions caused by ESG practices, to enhance the supply chain efficiency, resilience, and overall effectiveness.

- Identification of Risk:** Identifying risks involves recognizing potential events or circumstances that could disrupt the flow of goods, services, information, and finances within the supply chain.

- Supplier Contribution:** Providing basic awareness to the suppliers / customers regarding the ESG-related incidents to ensure a smooth flow of materials and services throughout the supply chain.

- Adaptability:** Supply chain processes need to be adaptable to changes in market conditions, technological advancements, environmental regulations, and governance practices. e.g., alternative transportation routes.

- Monitoring & Reporting:** Transparent monitoring & strategic reporting are required to mitigate the risk & reduce the overall impact on supply chain operations.

This approach not only mitigates risks but also strengthens the Company's reputation and commitment to responsible business practices, contributing to long-term success and stakeholder trust.





# Crafting a Better Tomorrow

Sustainability & Corporate  
Social Responsibility

058	Board Statement on Sustainability Risks and Opportunities	062	Board's Statement for Adoption of Best CSR Practices
058	Sustainability Related Risks and Opportunities	062	Overview on Sustainable Practices Affecting Financial Performance
058	Sustainability and DE&I Disclosure	063	Sustainability Snapshot
058	Board Statement for Strategic Objective on ESG	064	GTML and Sustainable Development Goals (SDGs)
059	Core Content Disclosures: Governance, Strategy, Risk Management, & Metrics	066	Mark of Corporate Social Responsibility
060	Expressions of Sustainability	069	Certifications Acquired for Environmental Sustainability
061	Resource Consumption & Management	070	Corporate Affiliations
062	Establishment & Reporting of Sustainability Committee	072	HSE Roadshow

# Board Statement on Sustainability Risks and Opportunities

In compliance with the recent amendments introduced by the Securities and Exchange Commission of Pakistan (SECP) through SRO 920/2024 to the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board of Directors affirms its commitment to addressing the Company’s sustainability-related risks and opportunities.

As a reputed employer, the Board recognizes that the integration of environmental, social, and governance (ESG) considerations into the Company’s strategic framework is essential for ensuring long-term resilience, business continuity, and value creation. Accordingly, the Board will oversee the identification, assessment, and management of sustainability risks while actively pursuing opportunities that contribute to responsible growth, operational efficiency, and stakeholder trust.

Through this commitment, the Company aims to align its governance practices with evolving regulatory requirements and global sustainability practices.

**Sustainability-Related Risks and Opportunities:**

The management has established an appropriate mechanism for identification, assessment, and monitoring of sustainability risks and opportunities. This reporting approach helps to identify and manage risks related to environmental, social, and governance (ESG) factors, which are increasingly important to investors, regulators, and consumers. Under this context, the Company is mainly exposed to the following sustainability risks:

**Environmental Risks**

Water Usage, Pollution, Waste Management, Carbon Emissions & Chemical Use

**Social Risks**

Labor Practices, Human Rights, Health, and Safety.

**Governance Risks**

Regulatory Compliance, Supply Chain Transparency.

The above factors pose a risk to the Company, non-compliance of which might expose the Company to penalties in a short term, however, in long term it can lead to heavy fine, legal costs, and reputational damage including the loss of customer / business.

Further, inadequate oversight of sustainability practices and insufficient transparency, could diminish investor confidence and limit access to capital in the long term. With the risk, lies the opportunities, therefore by capitalizing the above risks i.e., adopting sustainable practices and enhancing energy efficiency can result in immediate cost savings and improved brand reputation. Long-term opportunities highlight the potential for sustained competitive advantage through continued commitment to ESG principles, which can enhance investor confidence, reduce financial volatility, and ensure long-term profitability.

**Sustainability and DE&I Disclosure**

At GTML, sustainability and diversity, equity & inclusion (DE&I) are central to our long-term strategy and stakeholder value creation. Guided by the Board of Directors, we ensure responsible operations, inclusive workplaces, and transparent governance, in compliance with SECP’s regulatory framework.

**Our Priorities**

- Sustainability: Reduce environmental footprint, enhance resource efficiency, ensure workplace safety, and contribute to community development.
- DE&I: Promote workforce diversity, ensure equity in opportunities and pay, and foster an inclusive organizational culture.

**Targets & Measures**

- Energy consumption reduction, waste recycling, and expanded community programs.
- Increase female representation in leadership, conduct annual pay equity reviews, and provide DE&I training for all employees.

**Monitoring & Performance**

The Board periodically reviews progress against defined sustainability and DE&I targets. Updates are provided to stakeholders through the Company’s annual report and corporate website, ensuring transparency and accountability. During the reporting year, we achieved reductions in energy use, increased women participation in management roles, conducted DE&I awareness workshops, and scaled up community initiatives.

**Board Statement for Strategic Objective on ESG**

The Company’s prospect is transparent to establish a robust and proactive ESG reporting strategy as per the compliance and reporting standards set by SECP, driving meaningful and measurable positive impact on the business sustainability performance. The vision behind this strategic objective is to integrate and prioritize sustainability principles across the Company’s operations and decision-making processes for long term value creation.

“By embracing operational practices, adopting renewable energy policies, and green initiatives, the Company aims to contribute for a sustainable future. Within our diverse workforce and the communities, we stand as advocates for equality, diversity, and inclusivity. The Company’s strategic team is also committed to uphold the highest standards of corporate governance, adhering to corporate laws and regulations to avoid any conflicts of interest”.

Furthermore, the management has set specific and measurable ESG targets that align with the respective KPIs of SECP’s strategic objective to achieve greater sustainable resilience, and positive social impact.

# Core Content Disclosures: Governance, Strategy, Risk Management, & Metrics

The Company's management approach encompasses four key pillars: Governance, Strategy, Risk Management, and Metrics/Targets. Detailed disclosures are provided for each pillar, outlining the specific metrics designed to demonstrate the company's performance and progress.

Core Pillars	Overview	Metrics
Governance	Establish structured policies and processes to oversee the regulatory compliance of sustainability-related factors & ESG practices.	<ul style="list-style-type: none"><li>• Compliance with regulations</li><li>• Whistleblowing incidents</li></ul>
Strategy	Specific objectives and initiatives are outlined to drive sustainable innovation and reduce environmental impact within the industry.	<ul style="list-style-type: none"><li>• Number of sustainable initiatives, including energy efficiency targets, water conservation, waste management, and sustainable sourcing</li></ul>
Risk Management	Sustainability-related risk assessments to address emerging threats and opportunities, ensuring resilience and adaptability by safeguarding Company’s operations and reputation.	<ul style="list-style-type: none"><li>• Number of identified risks mitigated</li><li>• Incident response times</li><li>• Sustainability risk audits</li></ul>
Metrics & Targets	Clear and measurable metrics are established to track the Company's sustainability performance in key areas such as environmental impact, labor practices, and regulatory compliance.	<ul style="list-style-type: none"><li>• Environmental targets (e.g., carbon footprint reduction)</li><li>• Social targets (e.g., community engagement activities)</li></ul>





# Expressions of Sustainability

Organizations accomplish sustainable development by implementing numerous business strategies that protect, sustain, and enhance human and natural resources.

Additionally, the management actively invests in renewable energy sources, to reduce reliance on non-renewable resources. GTML also emphasizes social sustainability, fostering a safe and inclusive work environment, supporting local communities, and adhering to ethical labor practices. Following are the numerous features of sustainability on which the Company’s performance, policies, initiatives, and plans are based for the year:

### Economic

The economic aspect of sustainability is the potential to amalgamate sustainable practices, technology, and profit-making tools.

The Company aims to deliver value to its stakeholders along with consistent growth. The Company's presence in the market has a positive impact on the economic development of Pakistan by boosting employment and business opportunities simultaneously. However, for enhanced productivity and growth the Company uses advanced technology that sustainably contributes toward economic development.

### Environmental

Environmental sustainability is at the core of our corporate values. The Company rigorously complies with environmental laws and continually enhances its implementation of environmental management systems, aiming to meet and exceed new global reporting initiatives voluntarily. The Company is proactive in adopting eco-friendly practices, reflecting a deep commitment from the management to explore and implement sustainable methods. The management actively pursues innovative solutions to reduce its environmental impact, emphasizing its responsibility to achieve set sustainability goals.

### Mitigating Adverse Risk of Industrial Effluents

As a reputed employer of the industry the Company actively aims to mitigate adverse risk and to minimize the overall harmful industrial effluents. The Company also ensures that waste material and chemicals are disposed of in an environmentally friendly manner. Under this context, the Company installed specifically designed Effluent Treatment Plant (ETP) to treat wastewater before it is discharged into natural water bodies or municipal systems. Its functioning ensures compliance with environmental regulations and promotes sustainable industrial operation.

Furthermore, multiple training sessions have been organized to create awareness amongst the employees and staff regarding actions that need to be taken to achieve the business objective.

### Energy Saving Measures

Recognizing the critical importance of reducing energy

consumption, the company has invested in state-of-the-art WHRSG and equipment that are designed to be highly energy-efficient.

WHRSG uses the excess heat or steam generated from the power plant as fuel and does not need any externally fed fuel to operate. The design of these plants hinges on the idea of encapsulating all the excess heat from the production system and using this heat to generate steam from boilers, which drive the turbine engines, thus producing electricity.

Furthermore, the Company has replaced traditional lighting with LED fixtures throughout its facilities, resulting in substantial reductions in energy consumption. Similarly, the Company has also installed solar plant in the factory area to adopt the green, sustainable practices. While basic energy-saving practices are vital, adopting advanced measures like solar panel installation provides a long-term solution that benefits both the user and the environment. As technology becomes more affordable and accessible, solar energy stands out as one of the most practical and impactful measures in achieving sustainable energy efficiency.

The Company’s management has enforced certain small yet effective environment-friendly measures by turning off unnecessary lights, switches, or computers during office breaks alongside using energy-efficient office equipment.

### Paper-Waste Disposal

The Company being a socially responsible organization encourages employees to decrease the overall unnecessary utilization of paper with scanning tools and digital data storage. Over the last few years, the management has been donating tons of waste paper for recycling.

With the circular waste management systems, the Company also converts tons of paper waste into compost soil, which is utilized during tree plantation drives and gardening purposes, making the soil more fertile and richer in nutrients.

### Social

The goal of the Company in this respect is to give utmost priority to the health, wellness, and education of the people and encourages the employees to focus on work-life balance initiatives. The Company's social responsibility is achieved through compliance with relevant legislation and codes of practice, effective management of social, economic and environmental impacts. The Company has a significant impact on livelihoods, professional development opportunities and growth prospects for the people who work towards shared goals.

### Industrial Relations / Employment

The management of the Company ensures a strong connection and fair treatment between the line managers and employees in all matters. If in case of any issue emanates, the Company’s management resolves the matter timely, fairly.

The Company takes part in corporate social activities actively and also believes in spreading ethical values amongst society by giving employment opportunities. The Company started its operations in Swabi which provided employment opportunities to the local residents, who previously used to take part in the cultivation of opium and poppy on their lands as their only source of income. The Company’s CSR team plays a critical role in planning, implementing, and monitoring the social and environmental initiatives. Their responsibilities extend beyond profit generation and focus on creating positive impacts on society and the planet.

Moreover, amenities like subsidized food, medical services, and commute services are also provided to employees for their well-being. The Company also has retirement plans in place for its employees providing them with the financial security post their retirement.

### Communities

The management plays a pivotal role in embedding community-based endeavors into the Company's culture and operations. By effectively managing and implementing social initiatives, the team contributes to the Company's reputation, long-term sustainability, and positive contributions to the community.

Every year, GTML takes various initiatives and fulfills its commitment to the well-being of communities and society. The Company's CSR vision is aligned with its core values, industry context, and the expectations of its stakeholders.

### Technological Innovation Contributing to Sustainability

Technological innovation plays a crucial role in advancing sustainability at GTML. By implementing energy-efficient processes and eco-friendly product designs, we significantly reduce our environmental footprint and promote sustainable practices across our operations. Our investment in state-of-the-art machinery and automation enhances production efficiency, minimizing energy consumption and waste. Additionally, we have integrated renewable energy sources, mainly solar plants, into our energy mix to further reduce our reliance on fossil fuels. Our commitment to developing eco-friendly products, sustainable fabrics and biodegradable materials, aligns with our goal of offering environmentally responsible choices to our customers. Further, by promoting online meetings and virtual seminars, we are significantly reducing the need for travel, saving countless hours and travel costs that were once spent on commuting.

These initiatives not only contribute to environmental preservation but also position us as a leader in sustainable innovation within the textile industry.

### Resource Consumption & Management

An integrated approach to resource management considers the interconnectedness of these areas, aiming for a balanced and sustainable use of resources. This approach involves:

Material	Energy	Water	Waste & Emission
<div>Involves using renewable or sustainably harvested materials and reducing reliance on finite resources.</div> <div><ul style="list-style-type: none"><li>Assesses environmental impacts associated with all stages of a product's life, promoting the use of materials that are less harmful to the environment.</li></ul></div>	<div>Transitioning from fossil fuels to renewable energy sources like solar, and hydroelectric power to lower greenhouse gas emissions.</div> <div><ul style="list-style-type: none"><li>Implementing technologies, including Supervisory Control and Data Acquisition (SCADA) to monitor energy utilization.</li><li>Investing in inverters throughout production facility to save the energy.</li></ul></div>	<div><ul style="list-style-type: none"><li>Improving ETP processes to allow the reuse of treated water effectively.</li><li>Using ablution water for gardening purposes..</li><li>Installed RO water plants to track water quality parameters (e.g., pH, turbidity, contaminant levels) and ensure safe water supplies.</li></ul></div>	<div><ul style="list-style-type: none"><li>Encouraging the recycling of materials and products, and the reuse of items to extend their life cycle and reduce the need for raw materials.</li><li>Converting waste materials i.e., paper into compost soil to reduce overall waste.</li><li>Converting bio-waste into cardboard to reduce overall waste.</li><li>Promoting the use of electric forklifts to reduce the emission at factory premises.</li><li>Implementation of renewable &amp; green projects i.e Green Office Initiative by World Wide Fund, to adopt low-emission practices at work.</li></ul></div>

### Establishment & Reporting of Sustainability Committee

The Board of Directors of the Company firmly recognizes sustainability as a critical driver of long-term corporate value, resilience, and stakeholder trust. At present, the Board of Directors has not established a dedicated Sustainability Committee. However, recognizing the growing importance of sustainability and Environmental, Social, and Governance (ESG) practices in long-term corporate value creation, the Board has formally assigned additional responsibilities related to ESG and sustainability oversight to the Board Audit Committee.

As part of its enhanced responsibilities, the Audit Committee provides a dedicated annual report to the Board on the integration of sustainability principles within the Company's strategy and operations

### Board's Statement for Adoption of Best CSR Practices

The Board ensures that CSR is integrated into the Company's overall business strategy rather than being treated as a separate initiative. The Board is updated on the quarterly basis on CSR initiatives taken by the management through ESG reporting. By embedding these practices, we aim to create long-term value for our stakeholders while driving positive social impact and promoting a more sustainable future for all.

"Our dedication to CSR aligns with our core values of integrity, transparency, and accountability. These principles will guide our decision-making processes and shape the way we conduct our business. By adopting the best practices for CSR, the Company aims to create long-term value for its business, society, and the planet. The Company's management understand that our success is intertwined with the well-being of all our stakeholders, and we are committed to continuous improvement in our CSR efforts for a sustainable & equitable society"

### Overview on Sustainable Practices Affecting Financial Performance

Sustainable practices are becoming increasingly essential in influencing our Company's financial performance. We reaffirm our strong commitment to integrating sustainability into the core of our business model, recognizing that environmental, social, and governance (ESG) practices have a direct and measurable impact on financial performance. The management views sustainability not merely as a compliance requirement but as a strategic enabler of long-term value creation, risk mitigation, and operational efficiency.

While investing in sustainable technologies and practices might initially affect our short-term financial results, these investments are vital for fostering future growth. Embracing eco-friendly practices allows us to meet evolving regulations, boost our brand reputation, attract and retain customers, and reduce risks related to environmental and social factors.

Our commitment to sustainability enables us to seize new market opportunities and enhance operational efficiencies, ultimately improving our financial performance. By continuing to adopt these practices, we are confident in their ability to deliver substantial value and ensure our long-term competitive advantage and profitability

# Sustainability Snapshot

"At Gadoon, we firmly believe that sustainability is a moral duty to our world and future generations, not merely a business responsibility. Incorporating Environmental, Social, and Governance (ESG) concepts into all aspects of our strategy is a priority for the Board of Directors. By doing this, we hope to promote openness, provide value for all stakeholders involved, and stimulate long-term sustainable growth. Our goal is still to conduct business ethically, lessen our environmental impact, and make a significant contribution to the communities in which we operate."

The company has worked to integrate ESG principles into all aspects of businesses. With initiatives to reduce emissions, preserve natural resources, and advance renewable energy, our Climate Action Program (2022–2030) is at the forefront of our environmental policy. Tree planting initiatives, water conservation through sophisticated treatment systems, and waste-to-resource projects are increasingly part of our everyday lives.

On the social side, we have invested in education and empowerment by developing worker-children's schools and vocational training facilities near our industrial locations. We have also increased gender equity and workplace participation through Diversity, Equity, and Inclusion programs such as the Superwomen program and improved access to health and hygiene facilities. In terms of governance, we have concentrated on enhancing accountability and transparency via digitization, ERP system adoption, sustainability certifications, and proactive

adherence to PSX and SECP ESG disclosure requirements. Our dedication to integrating sustainability into corporate operations and community development is demonstrated by these activities taken together.

We have made great strides and gained recognition on a national and worldwide scale because of our persistent efforts. The dedication of our employees and the resilience of our systems are demonstrated by the accolades our company has received for corporate reporting, sustainable practices, and occupational health and safety. We have also achieved certifications from globally recognized institutions such as **WWF Green Office**, **OEKO-Tex® STeP (Level 3)**, reflecting our alignment with international sustainability standards.

Beyond recognition, the impact is evident in the culture we are creating, one in which employees are inspired and involved, women are encouraged to assume leadership positions, and the company's presence positively benefits the areas in which it operates. Partnerships with leading international and local NGOs have strengthened our commitment to advancing the United Nations Sustainable Development Goals, particularly in the areas of education, gender equality, clean water, and responsible production.

Looking ahead, we remain focused on continuous improvement, scaling up sustainable practices within textile sector, and ensuring that each milestone serves as a foundation for greater impact in the future.





# GTML and Sustainable Development Goals (SDGs)

## Management Approach:

The Company is highly committed to initiating and practice the maximum possible Sustainable Development Goals (SDGs) as a responsible employer within the industry and across the country. Our management approach is to integrate the SDGs into Corporate Strategy and Policies.

Being a reputed name in the spinning industry, GTML strictly adheres to its mission and commitment to the sustainability of society. The Parliament of Pakistan unanimously approved the SDGs as the national development agenda on February 16, 2016. The Company is committed to putting its mark by fulfilling the below-mentioned (SDG) with the best practices. Meanwhile, the Company's management is actively exploring and collaborating with the government and local bodies for future collaboration to make this planet a sustainable place.

### Good Health and Well-Being (Aspiring Safe Working Environment)

The Company possesses absolute exaltation regarding high maintenance of health and safety standards at all locations. Ensuring round-the-clock medical facilities along with a well-equipped dispensary helps to significantly reduce the overall chances of serious injuries at work. Further, 30+ external, internal trainings and drills have been conducted during the year at the workplaces to comply with the required international health and safety standards. The Company also dedicated 800+ employee safety hours to educating employees on basic life support and emergency practices. These efforts have resulted in a significant decrease in workplace accidents and an increase in employee satisfaction and productivity, demonstrating our unwavering dedication to creating a healthy and safe working environment for all.



### Quality Education (Equitable Education and Trainings)

The Company has collaborated with various prestigious institutes in Pakistan, providing professional education and training to employees and has allocated a separate budget for it. Over the past year, we have implemented several projects that ensure access to quality education for all, regardless of socio-economic background. To uplift the overall standard of training and development the Company has also dedicated over 1600+ training hours in the current year with an overall effectiveness rating of 80%. The Company also aims to expand access to education in underprivileged communities by collaborating with several NGOs and NPOs.



### Gender Equality: (Saying No to Discrimination)

Gender equality is a cornerstone of the Company's performance, ensuring that all employees, regardless of gender, have equal opportunities to succeed and thrive. GTML is no doubt an equal opportunity employer within the industry. Thus, we always follow a transparent employment process & fair wage policy without any form of gender discrimination, bias, or racism to provide the same opportunity for all candidates. To support this cause under the Gender Pay Gap Statement (Circular 10 of 2024) SECP for the year ended 30th June 2025, the organization's mean gender pay gap among relevant males vs females is 21.85%, while the median gender pay gap stands at 23.75%.



### Clean Water and Sanitation: (Purifying the Needs of Future)

The Company always prioritizes its contribution toward a healthy environment and water sanitation. GTML strives to control the wastage of water by pouring every single drop from the source to the tap by investing in advanced water purification technologies and sustainable water management systems to provide safe drinking water and efficient sanitation solutions. The Company has installed multiple RO plants within the manufacturing premises by implementing integrated water resources management at all levels. To balance the consumption of water resources, during the year 7.8 million gallons' of water saved by the Company. The Company invested considerable resources to ensure 100% renovation and timely maintenance of RO plants to improve and maintain the quality of drinking water for all employees at work. By investing in advanced ETP technologies, the Company successfully treated 230+ million gallons of toxic wastewater from its dyeing plants before safely discharging it.



### Industry, Innovation, and Infrastructure: (Adopting The Technology)

Adopting cutting-edge technology not only enhances operational efficiency but also drives innovation and strengthens infrastructure. The Company has always placed due importance on technology and innovation to reduce the overall cost and to generate business synergies. Further, the significant portion of Rs. 5.7 billion CAPEX incurred during the year, represent the amount spent on the installation of state-of-the-art equipment and machines within the manufacturing area.



### Affordable and Clean Energy: (Conserving Energy, Achieving Synergy)

The Company's commitment to affordable and clean energy has yielded significant progress in both conserving energy and achieving synergy across our operations. By implementing advanced energy-efficient technologies and optimizing our processes, we have substantially reduced our energy consumption. To save energy and reduce the wastage of natural resources i.e., gas, the Company has installed the WHRSG at its Gadoon Amazai factory, Swabi, in addition to investing in efficient gas generators to reduce overall air pollution. Moreover, the Company has made an investment in 17.59 MW Solar Plant, with an additional 26.63 MW currently in the process. These synergies have strengthened our competitive edge and reaffirmed our dedication to providing sustainable energy solutions to our customers and communities.



### Decent Work and Economic Growth: (Sharing Same Platform)

The Company's commitment to promoting decent work and economic growth is exemplified through our collaborative platform, which brings together diverse stakeholders to drive inclusive development. With this goal, the Company offers various internship opportunities and jobs regularly. Further, to meet the objective of promoting a congenial and decent work environment, GTML has always ensured that healthy work norms are maintained and growth and learning opportunities are provided to all of its employees. By ensuring fair wages, decent working conditions, and opportunities for personal and professional growth, we create an empowered workforce that drives innovation, productivity, and sustainable profitability. To support this cause, the management has always ensured the compliance of national and provincial labor laws, legislations, and is committed to fulfilling labor rights. Our dedication to these principles not only enhances our Company's performance but also supports the broader goal of sustainable development.



### Reduced Inequalities (Equal Access To Opportunities)

The Company prides itself on providing equitable employment opportunities, free of discrimination; by implementing a merit-based, non-discriminatory recruitment process. The number of female staff is at quite manageable level at the head office. Meanwhile, to reduce inequalities, the Company continuously strives to hire persons with disabilities and diverse cultural backgrounds to promote an inclusive work environment.



### Responsible Consumption and Production: (Sustaining the Community)

The Company's commitment to responsible consumption and production is evident through our comprehensive initiatives aimed at sustaining the community. By prioritizing sustainable practices, we have not only reduced our environmental footprint but also fostered a culture of accountability and stewardship within our workforce. The Company's manufacturing and supply chain department has the practice of responsible consumption of natural resources in its production processes with an aim to reduce, reuse and recycle. The Company focused is to maximize the overall consumption of sustainable fibers including but not limited to BCI Cotton, GRS, etc.



### Climate Action (Making Living Sustainable)

Recognizing the urgency of climate change, GTML has adopted various measures to mitigate its environmental impact. Our efforts have resulted in a significant reduction in greenhouse gas emissions, demonstrating our dedication to environmental stewardship. Furthermore, we actively engage with our stakeholders, including suppliers and customers, to promote sustainable living and support initiatives that drive positive environmental change. The Company looks for opportunities to avoid the use of hazardous materials and implement the best practices of reusing and recycling materials to minimize our environmental footprint. Following activities were carried out during the year in this respect.

- The Company planted 300+ saplings at Knits & KP;
- 0.89 million pages were saved through digitalization;
- Made cardboard paper by utilizing 280 MT animal waste through installed ETP (Effluent Treatment Plant) at dairy segment; and
- Saved 12,238 MT of CO2 emission through the WHRSG, solar plant, low voltage led lights installation, and the unique infrastructure of the manufacturing area;





# Mark of Corporate Social Responsibility

As a prominent leader in the textile industry, the Company is deeply committed to upholding CSR by embedding sustainable and ethical practices at the heart of our operations. Our efforts are centered on generating a positive impact not only on the environment but also on the communities we serve, while enhancing the integrity of our business practices. We prioritize initiatives that contribute to environmental preservation, foster social well-being, and promote ethical standards within the industry.

## Tree Plantation Drive



A tree-planting initiative was held at factory premises in partnership with group companies named as companies, named "Hara Bhaba Pakistan." This collaborative effort brought together enthusiastic interns and Management Trainee Officers (MTOs) to plant trees across YBG sister companies, contributing to a greener and healthier Pakistan. The initiative not only strengthened green cover but also provided a meaningful platform for interns and specially-abled individuals to actively participate in eco-friendly activities. Through hands-on involvement, participants gained awareness about environmental conservation while fostering a sense of ownership and community spirit

## Hands Foundation Pakistan



As part of the organization's ongoing CSR initiatives, a visit was made to the HANDS Foundation to support their efforts in healthcare, education, and community development. The

team engaged with staff members, learned about the foundation's impactful programs, and contributed essential supplies to aid their ongoing projects. The visit offered valuable insight into the challenges faced by underprivileged communities and highlighted the importance of collaborative efforts in driving sustainable change. It was a meaningful experience that reinforced the organization's commitment to social responsibility and community well-being.

## World Hepatitis Day



In recognition of World Hepatitis Day, our Company has taken proactive steps to promote health and safety among our employees. On this important day, the management arranged a health screening camp for its head office employees. This proactive health initiative focused on early detection and awareness, reinforcing our belief that employee well-being is key to organizational strength.

## Pakistan Association of the Blind

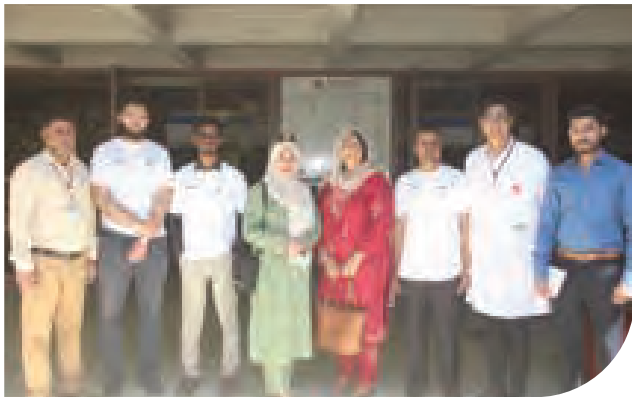


Our CSR initiative, in collaboration with the Sindh Head Office of the Pakistan Association of the Blind, exemplifies our commitment to social responsibility and community support. This CSR drive was meticulously planned and executed to ensure that it had a lasting impact on the lives of blind persons, particularly in the realm of education and lifelong learning.

A group of employees visited the Pakistan Association of the Blind (Sindh). The visit aimed to foster awareness, empathy,

and social responsibility among the interns. During the visit, the interns engaged with visually impaired individuals, learned about the challenges they face, and observed the association's efforts in providing education, vocational training, and support services. The experience was both inspiring and enlightening, leaving a lasting impact on the interns and reinforcing the importance of inclusivity and community support.

## Murshid Hospital & Health Care Center



As part of the organization's Corporate Social Responsibility efforts, a meaningful donation of hospital bedsheets was made to Murshid Hospital & Health Care Center. This initiative aimed to support the hospital in enhancing patient comfort and hygiene standards. The team visited the facility, met with hospital staff, and handed over the donation as a gesture of solidarity and care. The activity reflected the organization's commitment to community health and well-being, and its dedication to making a positive impact through thoughtful, practical support.

## Iftar Drive at Fehmida Senior Care



As part of the organization's Corporate Social Responsibility efforts, a visit was made to Fehmida Old Age House to extend care and compassion to the elderly residents. The team engaged in heartfelt conversations, distributed essential items, and spent quality time with the residents, creating a warm and joyful atmosphere. This meaningful initiative aimed to promote respect for senior citizens and highlight the importance of community support. The visit served as a reminder of the value of kindness and the positive impact that small gestures can have on the lives of others.

## Tree Plantation Drive at Karachi University Business School (KUBS)



Further strengthening our environmental commitment, the Company collaborated with the Karachi University Business School (KUBS) for a tree plantation drive. The goal was to engage youth in sustainability efforts and emphasize the importance of environmental conservation.

## Beach Cleaning



As part of the organization's commitment to environmental sustainability, beach-cleaning CSR activity was organized to promote cleanliness and raise awareness about marine conservation. Employees and volunteers came together to collect plastic waste and other litter from the shoreline, contributing to a cleaner and healthier coastal environment. The initiative not only helped restore the natural beauty of the beach but also reinforced the importance of collective responsibility in protecting the planet. It was a rewarding experience that combined teamwork, environmental awareness, and community service.

**Health Screening Camp for Diabetes & Thalassemia Awareness**



In our ongoing commitment to employee wellness, the Company organized a health screening camp focused on diabetes and thalassemia awareness. This initiative aimed to raise awareness about chronic illnesses and promote early detection and preventive care.

**Blood Donation Drive with Kashif Iqbal Thalassemia Care Center**



On World Blood Donor Day, the Company partnered with Kashif Iqbal Thalassemia Care Center to organize a blood donation camp at the factory premises. Employees showed enthusiastic participation, making a powerful collective impact in supporting children suffering from thalassemia. This CSR aimed to educate participants about the prevention and management of Thalassemia while providing on-the-spot diabetes screening and health consultations. Medical professionals conducted informative sessions and offered free check-ups to attendees. It served as a valuable step toward building a healthier, more informed community.



# Certifications Acquired for Environmental Sustainability

“Our vision of sustainability is transparent to embrace the friendly welfare of society. We are committed to practice the moto of sustainability with the collaboration of our prosperity partners by contributing our share of responsibilities for the community”



SGS-SA-8000



Recycled Blended Claim Standard



OCS 100



Cotton USA



Cotton Made in Africa



Global Organic Textile Standard



Global Recycled Standard



OEKO TEX Standard 100




OEKO TEX-STeP






# Corporate Affiliations

Management Association of Pakistan




map  
Management Association of Pakistan

Karachi Chamber of Commerce and Industry




Better Cotton Initiative (BCI)




BCI  
Better Cotton Initiative

Sarhad Chamber of Commerce and Industry




Supplier Ethical Data Exchange



Sedex

Khyber Pakhtunkhwa Textile Mills Association







# HSE Roadshow

## Management Approach

Our goal is to ensure that every employee has a safe working environment and the knowledge to perform their duties safely. Here, the primary aim of measuring safety performance at the workplace is to mitigate unsafe behaviors and conditions that can lead to accidents. The Company prides itself on complying with all the requirements of relevant environmental, health and safety laws and regulations resulting in an improved brand image and embedding sustainability goals.

## Safety Management Systems

As a responsible & reputed employer, the Company’s management strive to create a secure working environment where safety is integrated into every aspect of our operations, driving our commitment to excellence and sustainability. The Company has put in place comprehensive processes, controls, and guidelines to promote a safe and healthy environment under the proper compliance of the Safety Management System (SMS).

## Monitored HSE Efficiency

The HSE team always focuses on active monitoring for the betterment of organization. In order to ensure the high standard of health and safety at work, following nature of trainings / seminars were conducted during the period of 2024-2025 along with the participation of the workers.

- ETI Base Code
- Chemical Safety
- Hygiene / House Keeping & Waste Disposal
- Safe Practices HSE committee
- Personal Protective Equipment
- New Hiring Induction
- General Discussion about PPE & First Aid Boxes
- Health and Safety Policy Awareness
- First Aid Training CPR
- Fire Fighting Training
- Environmental & Emergency Evacuation Drills
- Chemical Handling Hazards
- General Awareness Regarding CTPAT, SA-8000 Standard, and other social compliance trainings





# Crafting Ethical Leadership

Corporate  
Governance

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101	Human Resource Excellence	120	Company's Contribution to National Exchequer & Economy
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107	Communication with Stakeholders		



# Board of Directors

Under the guidance of our insightful and visionary leaders, we have successfully channeled our team's drive and passion toward the path of prosperity.

Our Board of Directors has been instrumental in transforming the Company across its operations. They have led from the front while steadfastly supporting the workforce through all challenges. Their commitment to excellence, coupled with their ability to innovate and drive industry-wide change, is what has made the Company one of the largest spinning mills in the Country.

Additionally, all legal and regulatory requirements concerning the composition of the Board of Directors have been fully met.



# Directors' Profile



**Mr. Muhammad Ali Tabba**  
Chairman

Mr. Muhammad Ali Tabba ("Mr. Tabba") embarked on his professional journey with the prestigious Yunus Brothers Group (YBG), in 1991, a distinguished family conglomerate that has established itself as a leading example of entrepreneurial excellence, not only in Pakistan but also across the Middle East, Central Africa, Europe, and North America. With diverse interests spanning building materials, chemicals, pharmaceuticals, energy, textiles, automotive, and real estate development, Mr. Tabba has significantly contributed to YBG's growth and transformation, solidifying the group's position as a global player in multiple industries.

Mr. Tabba assumed the role of Chief Executive at Lucky Cement Limited (LCL), succeeding his late father in 2005. His formidable leadership extends far beyond the cement industry, as he holds prominent positions as Chairman of Yunus Textile Mills Ltd., Lucky Motors Corporation, Lucky Electric Power Company Ltd., and Gadoon Textile Mills Ltd. Additionally, he serves as the Vice Chairman of Lucky Core Industries Limited (formerly ICI Pakistan Limited), propelling the company's success through his exemplary strategic acumen.

In addition to these roles, Mr. Tabba is also the Chairman of National Resources Limited (NRL), a mining company that has received exploration leases in the Chagai district of Balochistan. The company has discovered copper-gold mineralization in Eastern Chagai, Baluchistan and continues exploring the area by introducing modern mining methods with world-class consultants and training local engineers for sustainable development.

Beyond the corporate sphere, Mr. Tabba assumes pivotal roles in industry and community organizations. He serves as the Chairman of the All Pakistan Cement Manufacturing Association and his previous responsibilities included the Chairmanship at the Pakistan Textile Council and the Pakistan Business Council. He's actively engaged in several community

welfare initiatives, showcasing his devotion to societal progress. His presence extends to renowned universities, institutions, and foundations, where he diligently sits on the Board of Governors, guiding their missions.

Mr. Tabba's commitment to philanthropy is exemplified through his role as the Chairman of the Aziz Tabba Foundation ("ATF"), a non-profit organization dedicated to the improvement of society in areas such as social welfare, self-employment through microfinance, education, health, and housing. The two cutting-edge hospitals in Karachi, namely the Tabba Heart Institute and Tabba Kidney Institute, are epitomes of ATF's significant contributions to the community.

In acknowledgement of his exceptional support to Pakistan's social development sector, Mr. Tabba was honoured with the title of Young Global Leader by the World Economic Forum in 2010. His remarkable achievements also include receiving the prestigious Karachi Chamber of Commerce and Industry "Businessman of the Year" Gold Medal Award for 2012-2013. In a testament to his unwavering dedication, the Government of Pakistan bestowed upon him the Sitara-E-Imtiaz in 2018, one of the nation's highest civilian awards.

Mr. Muhammad Ali Tabba's multifaceted leadership, combining business excellence with a strong commitment to social welfare, reflects a forward-thinking leader whose work has had a lasting impact in Pakistan and beyond.





**Mr. Muhammad Sohail Tabba**  
Chief Executive Officer

Mr. Muhammad Sohail Tabba stands among Pakistan's most distinguished business leaders and devoted philanthropists, helming a diverse conglomerate of businesses and export houses under the esteemed Yunus Brothers Group (YBG). With a leadership legacy spanning over three decades, he has steered enterprises across textiles, cement, energy, entertainment, and real estate, earning national acclaim and international recognition for both YBG and Pakistan.

As Chief Executive Officer of Gadoon Textile Mills Limited and Lucky Knits (Private) Limited, and a board member of Yunus Textile Mills Limited, Lucky Textile Mills Limited, Lucky Motor Corporation Limited, and other group companies, Mr. Tabba's visionary approach has fostered sustained growth, operational excellence, and global competitiveness. He also chairs Yunus Energy Limited, where he drives transformative initiatives in the power sector, particularly in renewable energy.

Since assuming the Chairmanship of Lucky Core Industries (formerly ICI Pakistan Limited) in 2014, Mr. Tabba has spearheaded the company's strategic expansion and diversification into new frontiers. He also chairs Lucky Cement Limited, an industry benchmark, and has previously chaired Nutrico Morinaga (Private) Limited, a joint venture with Morinaga Milk Japan dedicated to producing premium infant and growing-up formula to advance pediatric nutrition in Pakistan.

A testament to his entrepreneurial vision, Mr. Tabba conceived and developed LuckyOne Mall, Pakistan's premier retail and entertainment destination, welcoming millions of visitors annually. To enhance the family experience, he launched Onederland, a world-class indoor amusement destination for children and young visitors, further cementing his reputation for creating inclusive leisure spaces.

In April 2025, he was appointed Non-Executive Director on the Board of the National Bank of Pakistan, where his

breadth of corporate insight and leadership experience enriches the nation's foremost financial institution.

Beyond business, Mr. Tabba is deeply committed to education and institutional growth. He serves on the Board of Governors of the Textile Institute of Pakistan and has been a board member of Hamdard University. As the founding Vice President of the Italian Development Council, he actively fosters global business linkages.

His philanthropic commitment is equally profound. As Director of the Aziz Tabba Foundation, he oversees leading healthcare institutions such as Tabba Heart Institute and Tabba Kidney Institute, alongside other impactful welfare projects. As Founding Trustee of ChildLife Foundation, a pioneering initiative launched in 2012, he has championed the transformation of pediatric emergency care in public hospitals. Under his stewardship, ChildLife has expanded nationwide, treating millions of children through state-of-the-art emergency rooms and telemedicine centers.

Mr. Tabba's enduring legacy is defined by visionary leadership, an unyielding drive for excellence, and a steadfast dedication to uplifting communities, qualities that continue to inspire progress across Pakistan's corporate and social landscape.



**Mr. Jawed Yunus Tabba**  
Non-Executive Director

Mr. Jawed Tabba has extensive experience in the textile industry and is currently the Chief Executive Officer of Lucky Textile Mills Limited. His untiring efforts helped him acquire deep insight and expertise in export and manufacturing activities. He has been instrumental in managing the textile concerns of the Yunus Brothers Group (YBG) and has transformed Lucky Textile Mills Limited into one of the premier textile companies and among the top five home textile exporters of Pakistan.

Mr. Tabba is on the Board & related sub-committees of Lucky Cement Limited, Gadoon Textile Mills Limited, Lucky Motor Corporation Limited, Lucky Energy pvt Limited, Lucky Investments. He is actively involved in the formulation of the vision, strategies & governance structures of these companies.

Mr. Tabba is also managing the real estate project – LuckyOne Mall & Apartments, the largest mall in Pakistan, and multi-faceted, first of its kind regional shopping mall which has revolutionized the shopping experience in Pakistan.

Mr. Tabba is a Director of Aziz Tabba Foundation where he is extensively engaged in community welfare projects. He is working extensively in the field of social welfare, education, health, and housing. He is also a Member of the Young Presidents' Organization (YPO).



**Ms. Zulekha Tabba Maskatiya**  
Non-Executive Director

Having pursued a Bachelor's degree in Management Sciences from the University of Warwick and a Master's degree in Management, Organizations and Governance from the London School of Economics and Political Science, Ms. Zulekha Tabba Maskatiya has been an indispensable part of the business.

She not only holds a prestigious position within the YBG, but her educational background brings the values of business focus, corporate governance, and social responsibility to the organization.



**Mr. Muhammad Hassan Tabba**  
Non-Executive Director

Mr. Muhammad Hassan Tabba is the Chief Executive Officer of Yunus Textile Mills Limited (YTML), a state-of-the-art home textile mill with subsidiaries in North America and Europe. Hassan spearheads YTML as part of the Executive Management while playing a pivotal role in providing strategic vision to the organization.

He graduated in 2019 from Bentley University, Massachusetts, U.S, in Business & Finance. Post his graduation, Hassan has worked on developing corporate strategies. After joining YTML, he has not only developed the organizational culture and promoted transparency and collaboration throughout the organization but has also worked on developing partnerships with company stakeholders, shareholders, industry regulators, and other relevant parties. He has actively participated in planning for the new projects and served excellently for expansion and development.

He started his career with Yunus Brothers Group (YBG) – a family conglomerate operating in Pakistan since 1962. YBG is one of the premier business houses in Pakistan with diversified interests in Building Materials, Chemicals, Pharmaceuticals, Energy, Textiles, Automotive, and Real Estate Development. The group also has joint venture manufacturing companies in Iraq, and DR Congo and trading operations in UAE. The group has an annual turnover of over USD 2.9 Billion and assets worth USD 2.5 billion.

Being on the Company's Board, he has played a vital role in the development of operational and industrial strategies which eventually resulted in the growth and success of the company. Besides, he has actively engaged in many social and educational projects for the cause of humanity and assisting the needy and deprived in society.

With extensive engagements in many Community Welfare Projects, Muhammad Hassan Tabba serves on the not-for-profit organization, Aziz Tabba Foundation. The Foundation is working extensively in the fields of Social Welfare, Education, Health, and Housing. The Foundation runs two state-of-the-art hospitals in Karachi; the 170-bed Tabba Heart Institute (THI) which is a dedicated Cardiac Care Hospital and the 100-bed Tabba Kidney Institute (TKI), a specialized institution providing comprehensive treatment for Nephro-Urological disorder.

Mr. Tabba also serves as Director at Lucky Cement, Gadoon Textile Mills, Lucky Energy, Yunus Energy, Lucky Renewables, Lucky Textile Mills, Lucky Electric Power Company, Lucky Land Mark and YB Pakistan Limited, also part of the family conglomerate.



**Mr. Ibrahim Sohail Tabba**  
Non-Executive Director

Mr. Ibrahim Sohail Tabba serves as the Executive Director at Lucky Landmark (Private) Limited (the “LLPL”), the owning company of LuckyOne Mall - Pakistan’s largest shopping destination.

A graduate of Goldsmiths, University of London (2023) with a Bachelor's degree in Business Management, Mr. Ibrahim brought a fresh perspective and dynamic leadership to LLPL. Since joining the LLPL, he has been instrumental in developing and steering the LLPL's strategic direction. At LLPL, Mr. Ibrahim has been committed to setting a strategic direction for the company by shaping the culture, driving innovation, and fostering a customer-centric approach. He has implemented key initiatives to enhance operational efficiency and expand the mall's market reach, while also prioritizing sustainability and corporate social responsibility. Through his leadership, he is aiming to maintain its position as a market leader and continue delivering exceptional value to both customers and stakeholders.

With a vision for continuous growth and excellence, Mr. Ibrahim plays an active role in overseeing the group's textile businesses, with a particular focus on sustainability. He is committed to leveraging advancements in technology to drive innovation and add value to the textile sector.



**Syed Muhammad Shabbar Zaidi**  
Independent Director

A chartered accountant by profession, Syed Muhammad Shabbar Zaidi served as the 26th Chairman of the Federal Board of Revenue (FBR) from May 2019 till April 2020. Mr. Zaidi previously also served as a Provincial Minister for Finance, Board of Revenue and Excise & Taxation, in the Government of Sindh during the 2013 caretaker setup. He was also a member of the Federal Government Task Force for Reform of Tax Administration in 2002 and authored the report.

A retired senior partner at A. F. Ferguson & Co, he also serves as Chairman on the Securities & Exchange Commission Committee formed for Corporate Industrial Rehabilitation Reform and is a member of the Economic Advisory Council. Mr. Zaidi is a fellow member of the Institute of Chartered Accountants of Pakistan and has also served as President of the Institute from 2005-2006.

Mr. Zaidi has also served as member of the Developing Nations Committee of International Federation of Accountants, President of the South Asian Federation of Accountants, Founder Director of Pakistan Institute of Corporate Governance, member of the Central Audit Committee of the State Bank of Pakistan and was the Director of the Karachi Stock Exchange Limited from 2012-2015.

Currently, Mr. Zaidi is serving on the board of Lucky Core Industries Limited (formerly ICI Pakistan Limited) as an independent director and as Chairman Audit Committee. Among his non-profit work, he is a trustee of the Sindh Institute of Urology & Transplantation (SIUT) and member of the Board of Governors of Liaquat National Hospital and Karachi School of Business and Leadership (KSBL).

He has also authored books, including

- 1) 'A Journey for Clarity',
- 2) 'Pakistan: Not a Failed State',
- 3) 'Panama Leaks: A Blessing in Disguise',
- 4) 'Pakistan: Rich People: Poor Country',
- 5) 'The Serene Self',
- 6) 'OECD's Multilateral Instruments & Pakistan's Bilateral Double Tax Avoidance Agreements',
- 7) 'Faith & Intellect',
- 8) 'Foreign Exchange Regulations of Pakistan: Acquisition & Disposal of Shares & Securities' and
- 9) 'Commentary on Pakistan's Tax Laws for Non-Resident Persons & Offshore Assets of Residents'.



# Directors’ Report to the Members

### Dear Members

The Directors of your Company take pleasure in presenting the financial results for the financial year ended June 30, 2025.

### Overview

The principal business activities of your Company include the manufacturing and sale of yarn, knitted bedding products, fabric processing services, and the production and sale of milk, with manufacturing facilities located in two regions: North and South.

The year under review presented various challenges for the textile industry, particularly the spinning segment. The top line of your Company remained slightly under pressure, declining to Rs.70.97 billion against Rs.72.72 billion for the Same Period Last Year (SPLY). The significant factor was the influx of duty-free imported yarn, leading to dampened local demand. Moreover, the sharp rise in energy costs adversely impacted the competitiveness of spinning operations. Nevertheless, the Company navigated through these challenges, and together with declining interest rates, reported a net profit of Rs. 2,391 million, which is an impressive increase from Rs.794.54 million in the SPLY.

### Economic and Industrial Overview

The global economy recorded moderate growth amidst persistent challenges. While inflation gradually eased and central banks made cautious adjustments to interest rates, global trade remained sluggish due to weaker demand and supply chain realignments, primarily influenced by continuously evolving U.S. trade policies. Oil prices remained volatile, driven by regional conflicts and fluctuating global demand. Geopolitical tensions continued to exert pressure, disrupting commodity flows and contributing to heightened uncertainty across global markets.

For Pakistan, the Financial Year 2024-25 (FY-25) marked a period of significant, albeit fragile, macroeconomic stabilization. The Country witnessed notable macroeconomic achievements including sharp decline in inflation, healthy foreign exchange reserves, stable exchange rate and the substantial turnaround in the current account balance, closing in with a surplus of USD 2.1 billion. In addition to the critical financial assistance from multilateral and bilateral partners, the government’s commitment to fiscal discipline and monetary reforms played a pivotal role in driving these results.

During the year, the import bill increased by 6.58% to USD 58.386 billion in contrast to USD 54.779 billion in the SPLY. The Country’s exports, on the other hand, witnessed moderate growth of 4.45% to USD 32.040 billion compared to USD 30.675 billion in the SPLY. Expatriate workers’ remittances however, surged by 26.6%, recording an inflow of USD 38.3 billion compared to USD 30.3 billion in the SPLY, substantially contributing to the current account surplus of USD 2.1 billion.

With inflation easing more than expected, the State Bank of Pakistan (SBP) reduced policy rates by a cumulative 850 basis points, from 19.5% to 11%, which significantly eased financial pressure on industries and restored business confidence. Recently, in a monetary policy committee meeting, the SBP has decided to maintain the policy rate at 11%, citing the inflation outlook on account of higher energy prices.

In FY2024-25 the cotton crop experienced a severe contraction due to devastating impact of the climatic change. The downward trajectory has continued in the FY-2025-26 and according to the report by Pakistan Cotton Ginners Association dated August 3, 2025, total cotton arrivals were reported at 593,821 bales reaching ginning factories—down from 844,257 bales in the SPLY, marking a 29.66% significant drop. This major decline not only jeopardizes Country’s textile industry, the cornerstone of Pakistan’s economy, contributing around 55% of total export earnings, but also increases dependence on imported cotton, putting additional pressure on foreign exchange reserves.



**Mr. Moin M. Fudda**  
Independent Director

Mr. Moin M. Fudda has over 45 years of experience which encompasses working in the corporate sector as well as performing diplomatic duties. He holds B.S. in Insurance & Economics from the RCD College of Insurance, Tehran, and MBA in Insurance & Risk Management from St. John's University New York.

In his former role as Managing Director of Karachi Stock Exchange (now Pakistan Stock Exchange), he was elected as Chairman of the Corporate Governance Task Force of the Federation of European and Asian Stock Exchanges (FEAS). He has helped in the creation of the Pakistan Institute of Corporate Governance (PICG) and is a Certified Corporate Governance Trainer by the International Finance Corporation. He has worked with the Ministry of Finance in the preparation and enactment of CG Rules for SOE’s.

In Tehran he worked as a Client Executive, Stewart Wrightson, Lloyds Insurance Brokers. In New York he was Manager Reinsurance of American International Group and Adjunct Assistant Professor at The College of Insurance. Prior to joining KSE, he was Country Chief of New Zealand Insurance and Commercial Union (CU now AVIVA) and Founder MD of CU Life (now Jubilee Life). He has also held positions such as Country Director, Center for International Private Enterprise, an affiliate of the US Chamber of Commerce, Executive Director Pakistan Reinsurance Company.

He is the Country Representative of SCOR Reinsurance of France. Since 1989 he is the Honorary Consul General of New Zealand for Pakistan responsible for enhancement of Bilateral Relations, Trade, Higher Education and Immigration. In 1990, NZ Commemoration Medal was conferred on him by the Queen of New Zealand and in 2002, he was recognized as the Honorary Officer of the New Zealand Order of Merit (ONZM). In 2006, he was conferred the coveted Sitara-e-Imtiaz (S.I.) by the President of Pakistan.

Besides being a Member of the Faculty of PICG, he is an Independent Director on following listed companies:

- Feroz1888 Mills Limited – Chair of Audit & Finance Committee
- Gadoon Textile Mills Limited – Chair of Human Resource & Compensation Committee

His other professional affiliations were as follows and as Chair of Audit & HR Committees, he has advised Companies on matters relating to staff union, and enhancing the employee’s productivity.

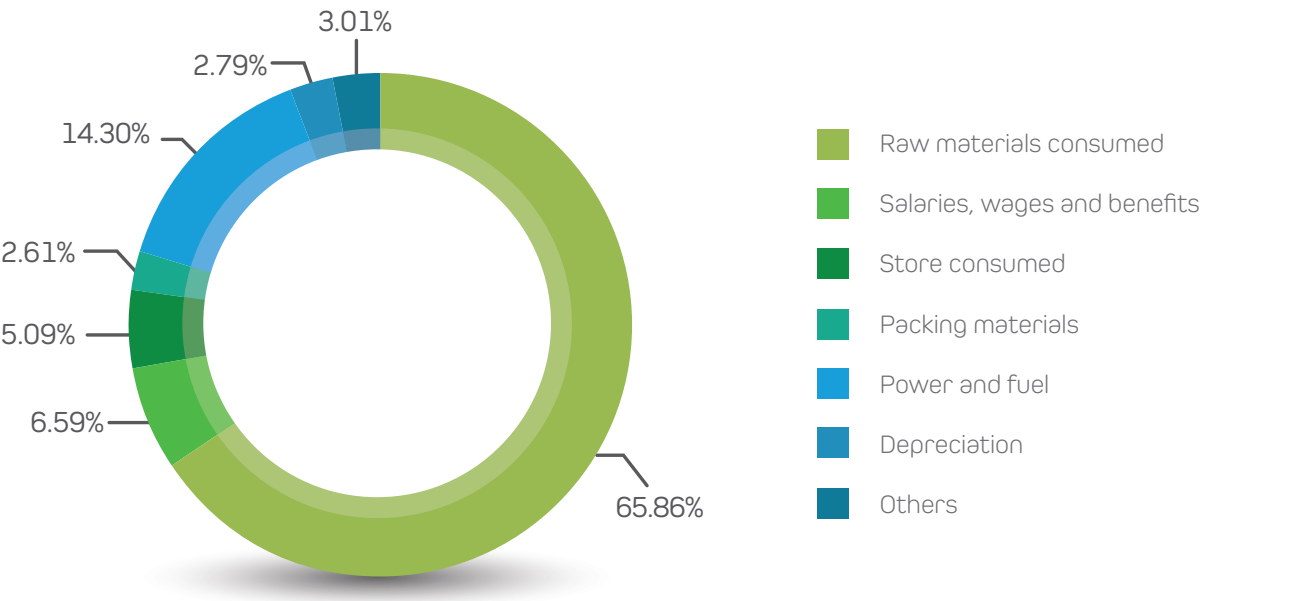
Chairman:	Central Depository Company of Pakistan, Islamabad Stock Exchange, NCCPL, and Alternate Dispute Resolution Committee – Federal Board of Revenue
CEO:	Karachi Stock Exchange, National Commodity Exchange, Commercial Union Insurance Centre for International Private Enterprise (affiliate of US Chamber of Commerce)
President:	Overseas Investors Chamber of Commerce & Industry, Management Association of Pakistan and Karachi Boat Club
Directors:	State Life Insurance Corporation, Pakistan Stock Exchange, Al Meezan Investment Management, Pak Suzuki Motor Company, Wyeth Pakistan Limited and Merit Packaging Limited
Member:	Board of Investment – Privatization Commission & Britain Business Advisory Pakistan Institute of Management – Executive Committee of FPCC&I

Financial Results

A comparison of the key financial results of the Company for the year ended June 30, 2025, is as follows:

Profit and loss summary	June 30, 2025	June 30, 2024	Favorable / (Unfavorable)
	Rupees '000		Percentage
Sales (net)	70,979,986	72,723,982	(2.40)
Gross Profit	6,326,054	5,017,444	26.08
Distribution Cost	887,641	894,348	0.75
Administrative Expenses	585,309	538,602	(8.67)
Other Operating Expenses	432,295	100,646	(329.52)
Finance Cost	2,523,731	3,974,220	36.50
Other Income	1,702,133	1,879,276	(9.43)
Profit Before Taxation	3,599,211	1,388,904	159.14
Profit After Taxation	2,391,904	794,548	201.04
Earnings Per Share (Rs.)	85.33	28.35	

Below is the breakup of manufacturing costs:



The significant portion of the cost of goods manufactured consists of raw material, which is 65.86% (2024: 74.67%). Meanwhile, power costs have risen to 14.30% (2024: 11.44%), a challenge we fully acknowledge and are actively tackling head-on.

- During the period yarn sales plummeted by 11.84% compared to the SPLY on account of factors mentioned above, however the decrease was offset by higher volumes of knitted bedding products, resulting in an overall increase in profit margins.
- Despite escalating conversion costs, particularly in energy, the Company improved gross margins through efficient procurement, product mix optimization, operational efficiencies and increased use of renewable energy.
- Distribution costs decreased due to lower sales volume of yarn in local market. The increase in administrative expenses was primarily due to higher employee-related costs and office overheads.
- Finance costs declined by 36.50% to Rs. 2,523.73 million, from Rs. 3,974.22 million in the SPLY, due to declining interest rates (11% – 20.5% compared to 20.5% – 22% in SPLY), improved working capital management, and a balanced mix of local and foreign currency borrowings. However, despite rationalization measures, the finance cost remained elevated due to the increased working capital requirements, particularly for the spinning segment and the unavailability of committed lower-cost financing alternatives for significant investments made by the Company in the prior and current years.
- Share of profit from associates dropped by 14.83% to Rs. 1,217.27 million.

As a result of the aforementioned factors, the profit after tax increased by 201.04% to Rs. 2,391.90 million.

Segmental Review of Business Performance

The operations of your Company are primarily divided into two operating segments:

- Spinning segment: manufacturing and sale of yarn
- Manufacturing and sale of knitted bedding products
- Unallocated segments include production and sale of milk and fabric processing services

The segment-wise results of the reportable segment of the Company are as follows:

Profit and Loss Summary	Spinning	Knitted Bedding Products	Spinning	Knitted Bedding Products
	2025		2024	
	Rupees in '000			
Revenue	55,033,875	12,309,496	62,424,721	8,312,242
Profit before tax	2,142,837	946,485	552,550	352,418

During the year, sales of yarn witnessed significant decline; however, the knitted bedding products demonstrated an upward trend which played a crucial role in supporting the overall top line.

Status of Strategic Investments

During the year, no further investment has been made by the Company in Tricom Solar Power (Private) Limited and Yunus Wind Power Limited.

Previously, the Company had obtained approval for investment in Tricom Solar Power (Private) Limited and Yunus Wind Power Limited on April 13, 2018, from the shareholders. Upon the expiry of the initial 12 months from the previous approval, the Company obtained an extension from the shareholders in the EOGM dated March 20, 2019, for four years or till the project achieves commercial operations, whichever is later.

Composition of the Board

In line with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company ensures the representation of Independent and Non-Executive Directors, as well as gender diversity, on its Board.

The total number of Directors as of June 30, 2025, is eight, including the Chief Executive as a deemed Director, as per the following:

Total number of directors:	
a) Male	07
b) Female	01

The composition of the Board is as follows:

Particulars	No.	Name of Directors
a) Independent Directors	02	Syed Muhammad Shabbar Zaidi Mr. Moin M. Fudda
b) Executive Director	01	Mr. Muhammad Sohail Tabba
c) Other Non-Executive Directors	04	Mr. Muhammad Ali Tabba Mr. Jawed Yunus Tabba Mr. Muhammad Hassan Tabba Mr. Ibrahim Sohail Tabba
d) Female Non-Executive Director	01	Ms. Zulekha Tabba Maskatiya

Election of Board of Directors

The election of directors of your Company was held on March 18, 2025. The following directors have been elected for a period of three years

1	Mr. Muhammad Ali Tabba	Chairman / Non-Executive Director
2	Mr. Muhammad Sohail Tabba	Chief Executive Officer
3	Mr. Jawed Yunus Tabba	Non-Executive Director
4	Ms. Zulekha Tabba Maskatiya	Non-Executive Director
5	Mr. Muhammad Hassan Tabba	Non-Executive Director
6	Mr. Ibrahim Sohail Tabba	Non-Executive Director
7	Syed Muhammad Shabbar Zaidi	Independent Director
8	Mr. Moin M. Fudda	Independent Director

The Board of Directors of the Company place their sincere thanks to Mr. Imran Yunus - the retiring director for the valuable services, which he delivered during his association with the Company.

Committees of the Board:

Following are the details of the members of the Board Audit and Human Resource Committees:

Audit Committee		
1	Syed Muhammad Shabbar Zaidi	Chairman
2	Mr. Moin M. Fudda	Member
3	Mr. Muhammad Ali Tabba	Member
4	Mr. Jawed Yunus Tabba	Member
5	Mr. Ibrahim Sohail Tabba	Member

Human Resource & Remuneration Committee

1	Mr. Moin M. Fudda	Chairman
2	Mr. Jawed Yunus Tabba	Member
3	Ms. Zulekha Tabba Maskatiya	Member
4	Mr. Ibrahim Sohail Tabba	Member

Attendance of Board Meetings and its Committees

Sr. No.	Director		Attendance		
			Board of Directors	Audit Committee	HR & R
1	Mr. Muhammad Ali Tabba	Chairman	4 / 5	3 / 4 *	N / M
2	Mr. Muhammad Sohail Tabba	Chief Executive	5 / 5	4 / 4 *	1 / 1 *
3	Mr. Imran Yunus	Retired *	3 / 5	N / M *	N / M
4	Mr. Jawed Yunus Tabba	Non-Executive Director	5 / 5	4 / 4 *	1 / 1
5	Ms. Zulekha Tabba Maskatiya	Non-Executive Director	2 / 5	N / M *	0 / 1
6	Mr. Muhammad Hassan Tabba	Non-Executive Director	5 / 5	N / M *	N / M
7	Mr. Ibrahim Sohail Tabba	Non-Executive Director	2 / 5	1 / 4 * *	N / M
8	Syed Muhammad Shabbar Zaidi	Independent Director	4 / 5	4 / 4 *	N / M
9	Mr. Moin M. Fudda	Independent Director	5 / 5	4 / 4 *	1 / 1

\* Mr. Sohail Tabba attended all meetings of the Audit and HR&R Committee, by way of invitation.

\* Mr. Ibrahim Sohail Tabba was elected in the election of directors on March 18, 2025

\* Mr. Imran Yunus retired at the end of his term on March 18, 2025

**N/M: Not a member**  
Leave of absence was granted to directors who could not attend the Board and its Committee’s meetings.



Remuneration Policy of non-Executive Directors

The Articles of the Company, the Board of Directors is authorized to fix the remuneration of the Directors. In this regard, the Board of Directors has developed a comprehensive remuneration policy for Non-Executive and Independent Directors of the Company. As per the policy:

- The remuneration of the Board of Directors shall be market-based in accordance with their experience and competencies.
- The Company will not pay any remuneration to its Independent Directors by way of salary except as meeting fees for attending the Board and its Committee meetings.
- The remuneration of a Director for attending meetings of the Board of Directors or its Committees shall be determined from time to time and approved by the Board of Directors.
- The Human Resource and Remuneration Committee (“HR&RC”) shall determine and recommend the remuneration of a Director for attending meetings of the Board of Directors or its Committees subject to approval by the Board, from time to time. The remuneration of the Independent Directors shall be linked to their actual attendance at Board/Board Committee meetings.
- A Director shall be provided or reimbursed for all traveling, hotel, and other expenses incurred by them for attending meetings of the Board or its Committees or General Meetings of the Company.
- Any Director who performs services which, in the opinion of the Board, are outside the scope of the statutory duties of a director may be paid such extra remuneration

Detail of Directors’ Remuneration

The Company has only one Executive Director, who is also the Chief Executive of the Company. Following are the details of remuneration paid to the Chief Executive of the Company during the year:

	Rupees in ‘000	
	2025	2024
Remuneration	30,000	30,000
Bonus	2,500	2,473
Other benefits	2,500	2,500
	35,000	34,973

No remuneration has been paid to other Non-Executive Directors of the Company except for a meeting fee of Rs.2.125 million (2024: Rs. 3.25 million).

Principal Risks and Uncertainty

Businesses face numerous risks and uncertainties, which, if not properly addressed, might cause serious loss to the Company. The Board of Directors of the Company has carried out a vigilant and thorough assessment of both internal and external risks that the Company might face.

Following are some of the risks the Company is facing:

- Heavy reliance on cotton makes it vulnerable to unpredictable weather conditions which can lead to scarcity and necessitate expensive cotton imports.
- Fluctuating prices of cotton and other raw materials impact profit margins and make long-term planning difficult.
- The risk of default on receivables primarily related to its local sales
- Pressure on export sales due to geopolitical tensions and decreased demand due to the global recessionary impact, lead to reduced demand for textile products.
- Increased competition at global as well as regional levels coupled with the impact of global shipping supply disruptions.
- Implementation of Custom / Anti-dumping duties on the import of raw materials, making it more costly.
- Rising trend of conversion on account of inflation, mainly power cost on account of increasing fuel / gas prices.
- High Policy rates, i.e., KIBOR, resulting in increased financing costs and liquidity management issues pose significant financial challenges for textile mills.
- Uncertain taxation measures, i.e., shifting from Final Tax Regime (FTR) to Normal Tax Regime (NTR) for exporters, sales tax imposition on corporate dairy business, continuation of super tax, prolonged refund cycles and administrative complexities etc. ties up significant capital.
- Unclear and frequently changing government policies, including taxation measures and import restrictions, create an unpredictable business environment.
- Increased compliance and regulatory requirements, in particular pertaining to safety measures and environmental, social and governance may lead to the risk of non-compliance with local and international laws, standards and regulations.
- Insufficient investment in research and development, automation, AI and advanced fabric processing technologies hinders innovation and competitiveness.
- Potential imposition of higher tariffs can adversely impact export volumes.

Change in the Nature of Business

No significant changes have occurred during the fiscal year concerning the nature of the business of the Company.

Pattern of Shareholding

The pattern of shareholding and additional information as of June 30, 2025, is part of the Annual Report of your Company. The associated company owns 69.57%, Banks / Insurance Companies / Mutual Funds own 10.45%, Directors own 0.07%, and individuals own 19.92% of the entire shareholding.

Repayments of Debts / Loans

Your Company has an effective cash flow strategy in place, under which inflows and outflows are projected and monitored regularly. This comprehensive strategy has always empowered your Company in the seamless settlement of its financial commitments and effectively caters to any and every challenge that comes its way. In compliance with the above, the management has made continuous endeavors to rationalize borrowing costs, which is done by managing a balanced portfolio of sources of funds and efficient financing arrangements.

The Company has a practice of settling obligations on a timely basis, and accordingly, there is no history of any delay with regard to the payment of debts, including this year.

Adequacy of Internal Financial Control

The effective system of internal financial control has been established by the Board of Directors of the Company. The controls have been put in place to ensure the efficient and smooth running of the business, prevention and detection of fraud and errors, safeguarding the Company’s assets, compliance with laws and regulations, accuracy, and completeness of books of accounts, and timely preparation of reliable financial information. Internal Financial Controls are periodically reviewed to ensure they remain effective and are updated with amendments in any laws and regulations.

Sustainability-Related Risks

The Company has adopted a proactive risk management approach by embedding sustainability into our core business strategy. Continuous risk assessments, stakeholder engagement, capacity building, and investment in sustainable technologies are key pillars of our response to these risks. We also monitor global sustainability trends to ensure we remain aligned with best practices and industry standards.

The sustainability-related risks include environmental, social, and governance (ESG) factors, supply chain vulnerabilities, regulatory and compliance risks, reputational risks, and technological and resource transition risks. Management has set specific and measurable ESG targets that align with the Company’s strategic objective of achieving greater sustainable resilience and creating a positive social impact.

The Company has channeled significant capital into cutting-edge, eco-friendly technologies that embody the principles of responsible consumption and production. While such sustainable initiatives might challenge short-term profits or margins, the Company believes that in the long run, it will enhance business value through customer acquisition and retention and a competitive edge. Furthermore, transparency is maintained through quarterly ESG reporting to the Board, ensuring stakeholders are informed and engaged.

Diversity, Equity, and Inclusion (DE&I)

At GTML, we are committed to fostering a diverse, equitable, and inclusive workplace where every individual is valued, respected, and empowered to thrive. With the diverse workforce and communities, the Company stands as an advocate for diversity, equity, and inclusion (DE&I). Promoting DE&I is a key priority for the Company and is integral to its sustainable and ethical business practices. A comprehensive DE&I strategy with clear and measurable goals, targeting increased gender and ethnic diversity and inclusion at all levels, is in process. The Company implements inclusive recruitment practices, such as using diverse job boards, blind hiring processes, and diverse interview panels. Multiple DE&I training sessions are provided for all employees, covering topics like unconscious bias, cultural competency, and inclusive leadership.

Corporate Social Responsibility (CSR)

The Company acknowledges its rightful duty to operate as a highly socially responsible employer of the textile industry in Pakistan. We have worked munificently to a number of benevolent and philanthropic causes in the segments of health, education, and communities. Furthermore, the Company not only participates diligently in CSR activities but also encourages its employees to devote their time to the betterment and well-being of society. In this respect, different activities were planned & executed during the period.

- A tree-planting initiative was held at the factory premises in collaboration with group companies named as “Hara Bhara Pakistan”. This green initiative showed our dedication to tackling climate change, improving air quality, and creating a more sustainable and eco-friendlier environment both within and outside the workplace.
- In collaboration with the Hands Foundation Pakistan, the Company donated desktop computers to help equip their digital lab. This initiative aimed to empower students through access to modern technology, enabling them to learn, grow, and thrive in a digitally driven world.
- To commemorate World Hepatitis Day, the Company arranged a free screening camp for its head office employees. This proactive health initiative focused on early detection and awareness, reinforcing our belief that employee well-being is key to organizational strength.

- The Company collaborated with the Pakistan Association of the Blind to promote inclusive education for visually impaired individuals. This initiative provided equitable learning opportunities and strengthened continuous development for blind students within the community.
- As part of our healthcare support efforts, the Company donated high-quality hospital bedding to Murshid Hospital & Health Care Centre. This contribution enhanced patients' comfort and supported better caregiving standards.
- During the holy month of Ramadan, the Company, in collaboration with SWAT – Social Welfare & Trust (IoBM Society), hosted an Iftar drive at Fehmida Senior Care Home. The initiative reflected compassion, shared humanity, and the joy of giving back to elders in our community.
- Further strengthening our environmental commitment, the Company collaborated with Karachi University Business School (KUBS) for a tree plantation drive. The goal was to engage youth in sustainable efforts and emphasize the importance of environmental conservation.
- To combat pollution and preserve coastal beauty, the Company joined hands with Trashit for a beach cleaning drive. This initiative encouraged environmental responsibility and team involvement in creating cleaner public spaces.
- In our ongoing commitment to employee wellness, the Company organized a health screening camp focused on diabetes and thalassemia awareness, this effort aimed to raise awareness about chronic illnesses and promote early detection and preventive care.
- On World Blood Donor Day, the Company engaged with Kashif Iqbal Thalassemia Care Center to organize a blood donation camp at the factory premises. Employees showed enthusiastic participation, making a powerful collective impact in supporting children suffering from thalassemia.

Director’s Training

During the year, Mr. Ibrahim Sohail Tabba, newly appointed director on the Board, attended the Directors’ Training Program. The other directors of the Company are adequately trained to perform their duties and are aware of their powers and responsibilities under the relevant laws, including the Companies Act, 2017, and Regulations of the PSX Rulebook.

Auditors

The present External Auditors, M/s. Yousuf Adil & Co., Chartered Accountants, have completed the annual audit for the year ended June 30, 2025, and issued a clean audit report. The auditors will retire on the conclusion of the

Annual General Meeting of the Company and, being eligible, have offered themselves for reappointment. As proposed by the Audit Committee, the Board recommends their appointment as auditors of the Company for the year ending on June 30, 2026.

Future Outlook

On the domestic front, the economic outlook is optimistic, supported by favorable macroeconomic conditions. Global rating agency S&P has upgraded Pakistan’s sovereign credit rating from ‘CCC+’ to ‘B-’ with a stable outlook, acknowledging growing confidence in the Country’s efforts to reduce fiscal deficits and significant progress made in restoring macroeconomic stability.

However, sustained growth remains conditional on the unwavering commitment to structural reforms. While sharp decline in inflation is a positive indicator, it also points to subdued domestic demand which mandates monetary policy adjustment to stimulate demand-led growth. Additionally, the underperformance of agricultural sector and continuous struggle of large-scale manufacturing underscores the importance of reforms in legacy structural weaknesses, fiscal discipline, consistent policy implementation, and fairer direct and indirect taxation by the government to ensure inclusive and sustainable growth

In a recent development, the trade negotiations with the U.S. and Pakistan reached an agreement resulting in a reduction of tariffs on Pakistani exports from 29% to 19%. This can be viewed as a favorable outcome for Pakistan, especially when compared to the higher tariffs imposed on its regional competitors. Pakistan’s textile sector could potentially gain a competitive edge by reaffirming its position in the U.S. market.

An encouraging progress is the redressal of disparity in the Export Facilitation Scheme (EFS) by the government, specifically related to zero-rating for import of yarn and fabric, which severely undermines the competitiveness of the local spinning industry. The elimination of zero-rating on the import of yarn will restore level playing field for the local spinning industry. However, the Country’s spinning industry will continue to face challenges mainly due to continuous escalation in gas prices for captive power plants, volatility in domestic cotton production and intense competition from regional players. Addressing these challenges is crucial to fully capitalize on opportunities for export-led growth.

The Company remains committed to maintaining a proactive approach, driving growth through improved operational efficiency, efficiently managing working capital, maximum capacity utilization and expanding renewable energy integration. It will also adjust the product mix and optimize its cost structure to align with shifting market dynamics and position itself to continue creating significant value addition for the stakeholders and preserve profitability.

Dividend Policy

Considering the impact of rising trend in power costs, current liquidity position, the Company's working capital requirements and ongoing expansion plans in the value-added sector, the Board of Directors has decided not to declare a dividend for the financial year ended June 30, 2025.

Subsequent Events

There are no material changes and commitments affecting the financial position of the Company between the end of the FY and the date of this report.



Chairman / Director

Karachi: August 7, 2025

Acknowledgments

The Directors record their appreciation of the valuable efforts and performance of the Company’s workers, staff, and executives.

For and on behalf of the Board



Chief Executive Officer



# Chairman’s Review

On behalf of the Board of Directors, it is my pleasure to present to you, the Chairman’s Review on the Board’s performance and role in achieving the Company’s objectives, in accordance with Section 192 of the Companies Act, 2017.

The year under review was marked by encouraging macroeconomic indicators; however, the overall business environment remained challenging, in particular the spinning segment with rising operating costs, high power tariffs and increased competition from duty-free imported yarn, weighing heavily on domestic manufacturers. Despite these headwinds, the Company successfully retained a substantial portion of its revenue, reflecting the sound strategic guidance of the Board and the commitment of our management team.

In March 2025, the Board was reconstituted following an election of directors. As of the reporting date, the Board comprises one executive director, two independent directors, and four non-executive directors, including one female member, ensuring an appropriate blend of experience, skills, and diversity to effectively discharge its responsibilities.

The Board of Directors cohesively and effectively manages an oversight of the activities of the management and the Chief Executive of the Company. The Board recognizes

that robust corporate governance is central to accountability and long-term value creation. During the year, a total of five Board and committee meetings were held, providing timely guidance to the management and ensuring effective oversight. Both the Audit and the Human Resource & Remuneration Committees are chaired by independent directors.

The Board also conducted a comprehensive review of the internal control’s framework, with input from the Audit Committee. Following this assessment, the Board is satisfied with the adequacy and effectiveness of the systems, while remaining committed to continuous improvement and engagement. In addition, the annual self-evaluation affirmed that the Board continues to operate effectively and in line with its mandate to offer valuable guidance and ensure strong governance.

The Board adopts a proactive approach to risk management, regularly reviewing the material risks facing the Company and assessing their alignment with the long-term strategic objectives. Where risks exceed acceptable thresholds, the Board evaluates mitigation measures to reduce both their likelihood and potential impact. Through this process, the Board ensures that risk-taking remains balanced and oriented, supporting sustainable growth while safeguarding stakeholder interests.

Key decisions during the year included approval of capital expenditure programs, review and approval of financial statements, consideration of audit committee findings, appointment of external auditors and approvals of related party transactions. The Board has set several targets including development of short-term and long-terms strategies for the Company including succession planning of senior management.

The Board has remained focused on long-term sustainability, carefully monitoring environmental, social, and governance (ESG) risks and opportunities. Our investment in renewable energy is designed to drive sustainable growth and enhance shareholder value. We have continued to strengthen our commitment to corporate social responsibility, particularly through community development initiatives and employee engagement programs.

On behalf of the company, I reiterate our unwavering commitment to Diversity, Equity, and Inclusion (DE&I) as a core pillar of our values and long-term strategy. We firmly believe that the strength of our organization lies in the diversity of our people, the equitable opportunities we create, and the inclusive culture we strive to build every day. In alignment with these principles, we have implemented and duly approved DE&I and harassment policies to ensure full compliance and to uphold the highest standards

of integrity, ethics, respect, and fairness across the Company.

Looking ahead, the Board remains confident in the Company’s ability to navigate ongoing challenges and capitalize on emerging opportunities. Our priorities will be to invest in people, processes, and technology to drive efficiency, grow our portfolio, and deepen customer relationships.

In conclusion, I extend my sincere gratitude to our shareholders, customers, business partners, employees, and my fellow Board members for their trust and dedication. Your continued support has been central to our progress, and together we will strive toward sustainable growth and long-term value creation.

Warm regards,

Muhammad Ali Tabba  
Chairman

Karachi: August 07, 2025





# CEO's Message

The year under review marks the completion of thirty-eight years of the Company's operations, a journey defined by resilience and growth. I am pleased to report that we achieved substantial results, recording a net profit of Rs. 2.39 billion compared to Rs. 794 million in the previous year. This remarkable improvement underscores our unwavering commitment to delivering value to stakeholders and reinforces the Company's position for sustained long-term growth.

Our performance was driven by strategic initiatives including an optimized sales mix, expansion of the value-added segment, enhanced operational efficiencies, and continued investment in renewable energy and advanced technologies. These measures positioned us to capitalize on market opportunities. However, external challenges such as rising finance costs and higher energy tariffs continued to weigh on overall profitability.

Encouragingly, recent amendments to the Finance Act 2025 addressing disparities in the Export Facilitation Scheme (EFS), particularly the restoration of zero-rating on imports of yarn and fabric, are expected to re-establish a level playing field for the local spinning industry. Going forward,

consistency in government policies will remain critical in enabling businesses like ours to plan effectively and generate long-term value for stakeholders.

As a socially responsible organization, we remain committed to minimizing our environmental footprint and contributing to the communities we serve. During the year, we advanced a range of Corporate Social Responsibility (CSR) initiatives focused on sustainability, community development, and social welfare. These efforts reflect our broader mission of responsible business practices and align closely with our Environmental, Social, and Governance (ESG) commitments. By integrating innovation and sustainability, we aim to reduce emissions, conserve natural resources, expand the use of renewable energy, and foster a safer, more sustainable future for generations to come.

Despite the prevailing challenges in the global business environment, we remain confident in the resilience of our long-standing relationships built over nearly four decades. These relationships, coupled with our operational strengths, will allow us to maintain stable turnover and sustainable profitability in the coming year.

In closing, I extend my sincere gratitude to our shareholders, customers, partners, employees, and all stakeholders for their continued trust and support. As we look ahead, we are confident in our ability to strengthen customer relationships, invest in innovation, and pursue growth strategies that create long-term sustainable value. Together, we will continue to build on our legacy of perseverance, collaboration, and excellence.

**Muhammad Sohail Tabba**  
Chief Executive Officer

Karachi: August 07, 2025

Role of Chairman and CEO

The Company’s Chairman is in charge of the Board’s leadership and guarantees that the Board plays a compelling role in satisfying all of its duties. In contrast, the Chief Executive Officer is an executive Director and responsible for acting as the Head of the Company.

The Roles & Responsibilities of the Chairman include

- Setting agendas for the Board’s consideration.
- Leading the Board and discussing all proposals put forward by the executive team.
- Liaising and coordinating with subcommittee chairs.
- Identifying and participating in the selection of the Board members and overseeing a formal succession plan for the Board, CEO, CFO, and key senior management.
- Maintaining an effective team by managing conflicts of interest within the Company.
- Ensuring that interrelationship is maintained with the Company’s strategic stakeholders.
- To ensure that stakeholders’ trust and confidence is maintained in the Company.

The Roles and Responsibilities of the CEO include

- Serving as Chief Representative of the Company.
- Overseeing the business operations and implementing the policies and strategies recommended and approved by the Board.
- Closely monitoring the operating and financial results of the Company against plans and budgets on a consistent basis.
- Ensuring that effective reporting mechanisms exist within the organization to provide feedback at all levels of management.
- Ensuring that the Company complies with all relevant laws and corporate governance principles and that these principles are recommended and adopted by the Board to mitigate key risks.
- Setting the tone in providing ethical leadership and creating an ethical environment.

Decision Taken by the Board and Delegated to Management

The Board meetings of the Company are usually held quarterly to decide the matters requiring the Directors’ approval. Further, if a decision on any matter is required on an urgent basis and is not practicable to arrange a meeting, such matters are decided based on a circular resolution, duly signed by each Director, and then presented in the next Board meeting for ratification.

The Board members ensure that they fulfill all responsibilities assigned to them as required under applicable laws and regulations. Moreover, the Board places more attention on strategic investments, business expansion, internal control & risk management, governance, review, and approval of policies.

The Board also delegates its tasks to subcommittees and the management and keeps follow-up in Board meetings. The day-to-day operational matters and the task assigned by the Board or its subcommittees are dealt with by the management in consultation with the CEO.

Board Statement to Establish High Level of Ethics and Compliance in The Company

As a Company committed to upholding the highest standards of ethics and compliance, our Board of Directors affirms its unwavering dedication to integrity and transparency in all our operations. We pledge to adhere to all legal and regulatory requirements while fostering an organizational culture that values honesty, accountability, and ethical conduct. Our commitment extends to ensuring that every employee, partner, and stakeholder operates with the utmost respect for ethical principles, reinforcing our promise to act with fairness and integrity in every aspect of our business. By championing these values, we aim to build trust and sustain long-term success while contributing positively to our community and industry.

Annual Appraisal of the Board’s Performance

As per the criteria of Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board of Directors is required to carry out an annual evaluation of their performance, members of the Board, and its committees.

This year, the evaluation was carried out by the Board of Directors of the Company, and the results were found to be satisfactory. The following major criteria are used to measure the Board's own performance and its committees, including the CEO and the Chairman:

- The Board demonstrates integrity, credibility, trustworthiness, and active participation in its affairs, and has the ability to handle conflict constructively.
- The Board provides guidance and direction, rather than management to the Company.
- The Board reviews management succession planning as needed.
- The level of communication between the Board and relevant parties (i.e., committees, auditors, management and business heads, etc.) is appropriate.
- The Board receives and reviews all compliance needs.
- The Board reviews the adequacy of internal controls and risk management procedures.

- The Board has developed a strategy for the organization that is central to its vision and mission statement.
- The Board reviews that ESG practices are in place and are effective
- The Board receives signals of potential issues that may adversely affect the Company's key targets or financial performance.
- The Board ensures that professional standards and corporate values are put in place that promote integrity for the Board, senior management, and employees in the form of the Company's Code of Conduct.

Orientation Courses & (DTP) Directors’ Training Program

During the year, Mr. Ibrahim Sohail Tabbā, newly appointed director on the Board, attended the Directors’ Training Program. Furthermore, all of the Directors of the Company have either completed the Director’s Certification from authorized institutions in past or have the prescribed qualification and experience pursuant to Regulation 19 of the CCG.

Moreover, during the year, the Company arranged the DTP for one its Head of Department.

The Credibility of Internal Controls & Systems

Enhancing the credibility of internal controls & systems is a value-adding function rather than just a cost center in the business. Control over the internal departments that encompasses the overall operational function of an organization contributes to anticipating and responding effectively to changes in business risk profiles.

We believe in continuous growth & striking innovation therefore; our code of practice is mainly involved in enhancing & controlling internal systems within the Company. Throughout the year a number of professional training programs have been held under the roof of reputed institutions in Pakistan, to improve the overall efficiency & credibility of concerned departments.

Additionally, the Company has an in-house internal audit department that conducts activities throughout the year, with a particular focus on testing internal controls. Independent auditors also perform systems control testing annually as part of their overall external audit.

Related Party Policy

The objective of this policy is to set out the framework for the transactions between the Company and its related parties based on the applicable laws and regulations. As per the policy, the management must ensure that all the necessary details concerning related party transactions must be sent to the Audit Committee and Board of Directors at least seven days prior to the Board meeting and ensure that the following steps must be complied with in order to

finalize the review and approval of related party transactions:

- The details of all related party transactions shall be placed before the Audit Committee of the Company, and upon recommendations of the Audit Committee, the same shall be placed before the Board for review and approval.
- The related party transactions that are not executed at arm's-length prices shall be placed separately at each Board meeting along with necessary justification for consideration and approval of the Board on the recommendation of the Audit Committee of the Company.
- The Board of Directors of the Company shall approve the pricing methods for related party transactions that are made on terms equivalent to those prevalent for arm’s-length transactions, only if such terms can be substantiated. The preferable pricing method for the transaction with a related party shall be the comparable-price method.
- Any Board member who has a potential interest in any Related Party Transaction will abstain from voting on the approval or ratification of the said Related Party Transaction but may participate in all or a portion of the Board’s discussions of the Related Party Transaction not related to the said Board member if requested by the Chairman of the Board.
- In case the majority of the Directors either directly or indirectly becomes interested in related party transactions due to the Group's structure; accordingly, additional approval from shareholders in respect of transactions with a related party shall be obtained at the beginning of each year in the Annual General Meeting so that the Company can carry out its business smoothly
- The records in respect of transactions with a related party shall be keptfor a minimum period of 15 years or such longer time as required by relevant laws and regulations.

The detailed disclosure regarding transactions with related parties, along with the basis of the relationship and percentage of shareholding has been disclosed in note 38 of the financial statements

Conflict of Interest Policy

The Company believes in handling actual or perceived conflicts of interest constructively. Conflict of interest is a situation that has the potential to undermine the impartiality of a person because of the possibility of a clash between the person’s self-interest, professional interests & public interest.

All employees are directed to avoid situations where there is a possibility of conflict. An inability to conform to these ethical policies may render an individual at risk of disciplinary action, even up to subsequent dismissal in an instances where a severe breach occurs.

Management of Conflict of Interest

The conflict of interests is managed and monitored in the following ways:

- Instructing employees about managing and avoiding conflict of interest.
- Staying away from any kind of actual and perceived conflict.
- Disclosing the conflict to the stakeholders.
- Enforcement of strategies to handle conflict of interest.

Further, the Directors are also reminded periodically to avoid actual, potential, or perceived conflict of interest and to excuse themselves from any discussion on the matter that would give rise to a conflict of interest.

Governance of Risk & Internal Controls

The Board oversees the governance of risk and determines the Company’s risk appetite by establishing risk management policies to ensure that the management maintains a sound system of risk identification, risk management, and related systemic and internal controls to safeguard assets, resources, reputation, and the interests of the Company and shareholders.

The Company believes that an effective internal control system is essential to achieving an organization’s overall business objectives and strategy in the critical areas of operations, reporting, and compliance. Keeping this in view, a system of sound internal controls is established and effectively implemented at all levels within the Company.

Director’s Interest in Significant Contracts & Arrangements

The policy is covered under heading 'Related Party Policy' on (Page: No. 099)

Detail of Director's Remuneration

No remuneration has been paid to other Non-Executive Directors of the Company except for a meeting fee of Rs.2.125 million (2024: Rs. 3.25 million).

Security Clearance of Foreign Directors

The Board of the Directors of the Company did not include any foreign Directors.

Details of Board Meetings Outside Pakistan

During the year, no Board meeting was held outside Pakistan

Human Resource Excellence

In the fast-paced textile industry, our Company stands out for its commitment to Human Resource Excellence. We carefully select and nurture our team, ensuring a blend of talent and dedication across all levels. Our rigorous recruitment process identifies candidates with both technical skills and a drive for growth. Through extensive training and a supportive work environment, we foster creativity and innovation. The focus on employee well-being and development not only enhances our workforce's capabilities but also drives our success and reputation in the industry.

Through comprehensive training programs, continuous skill enhancement, and a culture of innovation, we empower our employees to push the boundaries of creativity and craftsmanship. Moreover, our strong emphasis on employee well-being, work-life balance, and a supportive work environment fosters a sense of loyalty, companionship, and shared success. As a result, our workforce thrives, fueling our Company's success and reputation in the textile industry. With Human Resource Excellence as our guiding principle, we are poised to conquer new horizons, delivering exceptional products and unrivaled customer satisfaction, now and into the future.

Human Resource Management Policy

The objective of this policy is to lay down salient features of the Company's philosophy concerning its human resource management and its succession planning. As per the policy, the Human Resource department of the Company shall ensure the implementation of the following practices:

- Attract and retain top talent at all levels.
- Performance-based/ Market-based compensation & benefits to be provided to all employees.
- Performance evaluation of all employees shall be carried out periodically.
- Performance should be reviewed against the stated goals / KPIs that have been developed over time.
- Succession Plans for all critical positions to be documented and required action has been implemented with highlighted improvement areas.
- To develop the strong skill set and provide development opportunities through cross-functional exposure.
- On job Training & development to be provided to all employees.
- Responsibility matrix should be clearly defined.
- High achievers shall be awarded and recognized.
- Code of Conduct should be disseminated to all employees, and their adherence must be ensured.

- Ensuring Gender Diversity/ Non-Discriminatory work environment.
- Providing a safe, secure, and healthy working environment.
- Encouraging effective & open communication.

Succession Planning

Succession planning is an ongoing process aimed at identifying, evaluating and developing potential employees for future leadership positions within an organization. Its purpose is to attract talented and capable employees who can replace potential bosses in management positions. In this regard, the Human Resources Department appropriately plans recruitment, on-the-job training/ meetings, and leadership development programs to ensure that individuals can easily fill the required roles.

The Company is dedicated to creating a strong Succession Plan to facilitate smooth leadership transitions and ensure organizational stability. By identifying and developing internal talent, we aim to ensure continuity and support our strategic goals. This proactive strategy promotes employee growth and operational excellence, preparing us to effectively address future challenges.

Merit-Based Recruitment

GTML follows a merit-based recruitment policy, ensuring that hiring decisions are made solely based on qualifications and performance, without bias. This approach guarantees a fair and transparent selection process, focusing on each candidate's skills and potential in line with the company’s recruitment policy.

Performance-Based Appraisal System

We implement a Performance-Based Appraisal System in line with our policy, ensuring evaluations are based on individual performance, achievements, and contributions. This approach promotes fairness and aligns with our commitment to recognizing and rewarding merit.

Promotion, Reward, and Motivation

Our Promotion, Reward, and Motivation process emphasizes merit and performance. Promotions are based on achievements and skills, while rewards include competitive compensation and recognition programs. We also provide professional development opportunities and a supportive environment to keep employees motivated and aligned with our organizational objectives.

Training and Development

The Company’s training and development process is designed to enhance employee skills and support career advancement. We offer various targeted training programs and workshops to align individual capabilities with organizational needs. We encourage continuous learning to ensure our workforce remains skilled and adaptable in a dynamic environment.



**Diversity, Equity, and Inclusion (DEI) Policy**

GTML is committed to fostering a workplace that values Diversity, ensures Equity, and promotes Inclusion. This policy outlines our approach to creating an environment where every individual is respected and empowered. This policy applies to all employees, contractors, clients, and partners of GTML. It governs all aspects of employment and business interactions.

**Policy Statements**

- **Diversity**  
We are dedicated to reflecting the diverse communities we serve through inclusive recruitment, hiring, and promotion practices.
- **Equity**  
We ensure fair treatment and equal opportunities for all employees, continuously reviewing practices to address and rectify inequities.
- **Inclusion**  
We strive to create a culture where every individual feels respected and valued, addressing exclusionary behaviours and practices proactively.

**Responsibilities**

**Leadership**

- Integrate DEI principles into all organizational operations and decisions.
- Lead by example in promoting DEI values.
- Allocate resources to support DEI initiatives.
- Implement strategies to ensure that compensation is equitable across different demographic & gender groups.

**Management**

- Implement DEI policies within teams.
- Facilitate DEI training and development.
- Address discrimination or exclusion promptly.
- Ensure that the workplace is accessible to employees with disabilities.

**Employees**

- Respect and value all individuals.
- Engage in DEI training.
- Report any concerns or incidents of discrimination.

**Training and Development**

- We provide ongoing DEI training to all employees to enhance their understanding and application of DEI principles.

**Reporting and Accountability**

- Concerns or incidents of discrimination should be reported to supervisors, HR, or through established channels. Reports will be handled confidentially and investigated thoroughly.

**Monitoring and Evaluation**

- We will regularly review our DEI practices and policies, using feedback to make necessary improvements.

**Compliance**

- We adhere to all relevant laws and regulations concerning DEI. Violations of this policy will be addressed according to our disciplinary procedures.

**Policy Review**

- This policy will be reviewed annually and updated as needed. Changes will be communicated to all employees.

**Employee Engagement and Feedback**

We prioritize Employee Engagement and Feedback through regular surveys and one-on-one meetings. We actively seek employee input to understand their needs and perspectives, fostering a collaborative work environment. This feedback drives continuous improvement, enhances job satisfaction, and ensures our strategies and policies align with employee expectations and organizational goals.

# Employee Engagement Activities

Employee engagement is crucial for the success of a company. Engaged employees are more productive, satisfied, and likely to stay with the organization for the long term. They provide better customer service, contribute innovative ideas, and help build a positive organizational culture. Moreover, engaged employees experience improved well-being and reduced stress levels. Overall, investing in employee engagement initiatives creates a motivated and dedicated workforce, leading to increased productivity, higher retention rates, and a competitive edge in the market. Some planned activities during the year, were

**Independence Day 2024**



Celebrating Independence Day in the workplace is not just an event, it's an opportunity to come together as one team, reflect on our shared values, and honor the spirit of Pakistan. At GTML, the day begins with a dignified flag-raising ceremony, where employees stand proudly as the national anthem echoes through the office, reminding us of the sacrifices and resilience that shaped our nation. The workspace transforms into a lively, festive environment, beautifully adorned with green and white decorations that fill the air with excitement. This atmosphere creates a sense of belonging and joy, allowing employees to immerse themselves in the patriotic spirit. Interactive sessions such as patriotic quizzes, storytelling, and reflection activities invite employees to express what freedom and responsibility mean to them in today's world. This encourages open dialogue, deeper understanding, and a collective appreciation for our nation's journey.

**Sports Fiesta**



The office came alive with energy and enthusiasm during the much-anticipated Sports Fiesta, a fun-filled event designed to promote teamwork, wellness, and a healthy work-life balance. Employees participated in a variety of indoor and outdoor games, including table tennis, badminton, tug-of-war, and relay races. The friendly competition brought colleagues together, fostered team spirit, and provided a refreshing break from the daily routine. The day ended with laughter, medals, and memories, reinforcing the power of sports in building stronger workplace connections.

**Student Facilitation Program**



The Company initiated this program a few years ago and since then playing a significant role in supporting students through Student Facilitation Program, which offers a range of services to assist students in their academic and personal development. The program includes mentorship opportunities, internship and job placement assistance, financial aid programs, networking events, academic support, personal development resources, and collaborations with educational institutions. Through these initiatives, the company aims to create a supportive environment for students, helping them succeed academically and prepare for their future careers. Some on-going features are;

- Industrial visits (students from different universities & colleges have taken advantage from this facility by witnessing live yarn production cycle, such as ICMA / PAF KIET / IU / Szabist and many more).
- Summer Internship Program (students from all HEC recognized universities have been given equal selection opportunity).
- Research Initiatives (capstone projects / thesis & survey analysis / qualitative studies).
- Management Trainee Programs (MTO).

Talent Acquisition & Management



GTML’s talent acquisition and management strategy is designed to attract, recruit, and retain top talent by leveraging data-driven insights and innovative practices. This year, the talent acquisition team visited various universities and job fairs, ensuring a diverse pool of potential candidates and expanding the Company’s internal database. Offering competitive compensation packages and equal hiring opportunities, GTML prioritizes a fair and inclusive recruitment process.

Furthermore, the Company’s student promotion program provides interns and management trainees with valuable experiences, including factory tours, career counseling, and collaboration on university projects. These initiatives not only offer hands-on experience and professional growth opportunities but also strengthen students’ professional networks, preparing them for successful careers within the industry.

Training & Awareness Sessions



Under the context of training & development program, the management continuously develops opportunities such as mentorship programs, awareness sessions, and HSE trainings to foster a culture of learning and growth among the employees. These programs not only equip employees with the necessary tools to perform their roles effectively, but also improve employee performance, confidence, satisfaction, and retention, contributing to Company’s

overall success and competitiveness within the industry. The following details pertain to the initiatives undertaken during FY-25.

Fire Fighting for Admin Staff



As part of our commitment to workplace safety, we conducted a specialized Fire Fighting Training session for our administrative staff. This hands-on program equipped participants with essential fire prevention knowledge, emergency response protocols, and practical fire extinguisher usage. Trained professionals guided the team through evacuation drills, hazard identification, and first-response techniques to ensure preparedness in case of emergencies. By empowering our admin staff with these critical skills, we reinforce a culture of safety and proactive risk management across the organization. Moving forward, we will continue to prioritize such initiatives to safeguard our people and workplaces

CPR & First Aid Training



Recognizing that workplace safety extends beyond protocols, we conducted a hands-on CPR and First Aid training at our Karachi Project (KP) Factory, empowering employees with life-saving skills.

- Certified trainers guided staff through:
- Emergency response techniques for cardiac incidents
  - Practical CPR demonstrations on mannequins

- First aid fundamentals for burns, fractures, and bleeding control
- AED (Automated External Defibrillator) operation

This initiative reinforces our commitment to employee well-being and preparedness, ensuring our teams can act confidently during critical situations. By investing in such essential training, we create a safer, more resilient workplace.

"Saving lives starts with preparedness – one trained responder can make all the difference."

Fraud & Risk Management Training:



GTML conducts Fraud & Risk Management Training as part of its commitment to ethical business practices and organizational integrity. This training aims to educate employees on identifying, preventing, and reporting fraudulent activities and understanding key risk factors affecting the textile industry. Through interactive sessions, real-life case studies, and policy reviews, the training enhances awareness about internal controls, compliance requirements, and best practices in risk mitigation. Ultimately, it strengthens the company’s risk culture and promotes a transparent and accountable work environment.

Introductory Awareness Session on Health, Safety, and Environment (HSE)



As a new member of our team, it's crucial to familiarize oneself with our commitment to maintaining a safe and healthy workplace. This session aims to educate new team members about our commitment to health, safety, and environmental standards. It includes crucial information on safety protocols, emergency procedures, and environmental practices to ensure accident prevention, employee protection, and regulatory compliance, fostering a productive and secure workplace.

HSE Trainings



During the year, several training sessions were conducted by the HSE team, focusing on employee well-being, workplace safety, and compliance. These sessions included Ergonomic Safety, to promote correct posture and prevent workplace injuries; Self-Diagnosis & Gap Assessment, to encourage proactive health monitoring and continuous improvement; and Awareness about Diabetes, to educate employees on the prevention and management of lifestyle diseases. In addition, Chemical Safety Training was conducted to strengthen safe handling practices and minimize risks, while 5S Training was organized to highlight the importance of maintaining a clean, organized, and structured work environment in order to reduce waste, improve safety, and enhance overall productivity.

## WIBCON – 2025



The Company collaborated with PSTD for their flagship event WIBCON-25. It was a full-day learning session for exclusively females with a step-by-step creative process to motivate & empower them for achieving their life goals.

## Stress Management



As part of our commitment to employee well-being, GTML conducted a comprehensive Stress Management Training Program during the year. The initiative was designed to equip employees with practical tools and techniques to effectively recognize, manage, and reduce workplace stress while promoting mental resilience and overall well-being, this organization-wide effort underscores our commitment to building mentally resilient teams and sustainable employee wellness.

## Heimtextil – 2025



As part of our continued commitment to employee growth and industry knowledge enhancement, our team participated in Heimtextil 2025, the world's leading trade fair for textiles, interior design, and trends, held in Frankfurt, Germany. The exposure gained from this global platform provided valuable insights into emerging market trends, sustainable innovations, material technologies, and design forecasts shaping the future of the textile industry.

## Learning Café



At GTML, we believe that continuous learning is the cornerstone of growth for individuals, teams, and the organization as a whole. To strengthen this culture, we recently launched Learning Café, a unique initiative designed to empower our leaders and spread knowledge across all levels. The program follows a "train-the-trainer" model, in which we first engage and train our Heads of Departments (HODs) through interactive sessions and skill-based workshops. Once equipped, these HODs pass on their learnings internally, ensuring that every team member benefits from enhanced knowledge, new perspectives, and best practices within the organization.

# Social and Environmental Responsibility Policy

The purpose of this policy is to set guidelines for the Company's objective to achieve sustainable protection of the environment, people and planet through creating shared values for business and society.

The Company is committed to creating a more equitable and inclusive society by supporting processes that lead to sustainable transformation and social integration. Our primary focus of social responsibility is to create business policies that are ethical, equitable, environmentally conscious and gender-sensitive. The Company shall strive to ensure the highest quality for its products and customer services together with maximum market outreach. The Company ensures that all social and environmental dimensions are considered when developing its strategies, policies, practices, and procedures.

## Protecting the Environment

In order to protect the environment, the Company shall:

- Meet or exceed the requirements of relevant legislative, regulatory, and environmental standards.
- Identify, reduce, and dispose of waste arising from our operations in a manner that minimizes harm to the environment and prevents pollution of land, air, and water.
- Reduce the consumption of energy and water and use renewable and / or recyclable resources wherever practicable.

## Supporting the Communities

Sustainability and community development shall form a part of the core values of the Company:

- As a responsible social entity, the Company shall provide support to national and local charities or entities to promote the cultural and economic development of local communities.
- The Company shall ensure community development and uplift the standards of living of the masses through health, education, and environmental interventions.
- The Company shall support the development of quality human resources in the Country by sponsoring scholarship programs at leading universities/schools. Moreover, the Company shall support the provision of facilities/resources to such places of learning.
- The Company shall provide free medical facilities through welfare dispensaries located at plant sites.
- The Company also encourages its employees to share their time and skills in a socially constructive manner for the development of society.

## Our People

The Company recognizes that its human resources are its most valuable asset, and it is committed to providing careers and working environments in which its people can achieve their full potential.

- The Company is dedicated to protecting human rights through its "Code of Conduct" and the provision of equal opportunity to potential employees and exercises all fair labor practices.
- The Company shall ensure that its activities do not directly or indirectly violate human rights at any of Company's sites (e.g., forced labor, child labor, etc.). As a policy, the Company does not hire minors as a workforce.
- The Company shall employ differently-abled persons wherever business requirements allow.
- The Company shall make every reasonable and practicable effort to provide safe and healthy working conditions in all its plants, sites, and offices.

## Communication with Stakeholder's

The Company values and honors the shareholders' inputs; records their concerns, prepositions, and suggestions in minutes and keeps them abreast of the progress and subsequent actions. The Company also developed best practices for effective communication with stakeholders to ensure the improvement of channels between stakeholders, create and maintains support for the objectives, reduce the potential for conflict, and enhances the overall reputation of the organization ultimately.

Similarly, steps taken to understand & enhance the overall communication with stakeholders are detailed in the stakeholders' engagement section of this report.

## Dividend Policy:

The dividend policy is covered in Directors' Report on Page: 093

## Investors' Grievance Policy

concern of the affected person. This policy's objective is to safeguard and protect investors / shareholders' interests by handling their grievances.

Under the context of investor's grievance policy, our management is committed to ensuring that the investors are handled and resolved efficiently without any discrimination, at an appropriate level within the shortest possible time. The Company's Grievance policy follows the following principles:

- Queries and complaints are treated efficiently, fairly, and with confidentiality, in a courteous manner.



- The Company’s employees work in good faith, and investors are informed of avenues to raise their queries and complaints within the organization and their rights if they are not satisfied with the resolution of their complaints.
- Appropriate remedial action is taken immediately to ensure prevention in the future.

Health and Safety

At the Company, we have a strong commitment to ensuring that our employees work in a healthy and safe environment. When and if the need arises, we have contingency action plans and the capacity to deal with such situations. The HSE department of the Company has been strengthened over the year by the hiring of thoroughly qualified professionals, with the main aim to ensure that the Company is compliant with all international standards. This will not only portray a positive image of the Company but will also help in minimizing the calamities. Further, a well-managed dispensary at both the locations is maintained by the Company for the welfare of the employees, to ensure proper health and safety.

Moreover, various security and surveillance cameras have been installed throughout our factory premises and offices, which are regularly monitored by security personnel to address the security concerns (if any). Safety drills are regularly carried out to train and educate employees for emergency situations.

Whistle Blowing Policy

This policy sets out guidelines to encourage individuals if they believe or have discovered malpractice or impropriety in the activities of the Company.

The Company is committed to the highest standards of openness, honesty, and accountability. In line with its commitment, the Company encourages employees and/or third parties (suppliers, customers, dealers, etc.) with serious concerns about any aspect of the Company’s work to come forward and blow the whistle. These concerns may include but not be limited to the following:

- Financial malpractice or impropriety or fraud.
- Failure to comply with a legal obligation.
- Disclosure of confidential information within or outside the Company.
- Deviation from full and fair reporting of the Company’s financial position.
- Dangers to health and safety or the environment.
- Unlawful civil and criminal activity.
- Improper conduct or unethical behavior.

All reporting shall be handled in a confidential manner. It shall be ensured that the person raising the issue, if not anonymous, is not targeted or penalized for raising the matter in all circumstances. Confidentiality shall be maintained to the fullest extent possible. However, if the person raising the issue has acted with false or malicious intent, disciplinary action may be taken against the person.

Anti-Harassment Policy

**Objectives:**  
The objective of GTML is to offer employment opportunity, based upon talent and performance in a safe & productive environment, free of discrimination and to provide a workplace in which employees are treated with dignity and respect. Therefore, it is the policy of GTML that any employee or supervisor shall not harass another employee or member of the public.

**Recognizing Harassment:**  
Any conduct that could interfere with an individual's work performance or create a hostile work environment is forbidden. GTML will operate a zero-tolerance policy for any form of harassment either it is sexual or other like violence, verbal or physical abuse, discriminatory comments based on ethnicity, religion or race, inappropriate language, or other non-business, personal comments or conduct that make others uncomfortable in their employment with the Company.

**Employee Responsibilities:**  
GTML encourages and expects Employees to report harassment or other inappropriate conduct as soon as it occurs and report the behavior to either their line manager, or HOD or HR department if their direct supervisor is involved in the bullying or harassment. Employees who feel comfortable directly intervening in situations where they perceive bullying or harassment are encouraged to do so.

**Supervisor Responsibilities:**  
Line managers and HODs who receive a complaint of bullying or harassment, who observe such behavior, or suspect that such behavior is occurring have a duty to investigate the behavior and address it to HR department for necessary action to be taken. All complaints of sexual harassment will be taken seriously and treated with respect and in confidence. No one will be victimized for making such a complaint.

**Investigation of Harassment:**  
GTML takes all reports of harassment seriously. Any such complaint will be promptly and thoroughly investigated. The investigation will be as confidential as possible. All persons involved, including complainants, witnesses, and alleged offenders may be required to cooperate in an investigation, will receive fair and impartial treatment, and will not be subject to retaliation for information disclosed to the Company.

HR department may review documents including all electronic communications, interview employees, or take whatever investigatory steps it deems necessary to determine whether harassment occurred.

The complainant will be notified about the outcome of the investigation, although the Company may decline to reveal specific disciplinary actions taken where there are confidentiality issues with such disclosures.

**Complaint Mechanism / Relevant Trainings:**  
Any such complaint or issue can either be discussed with the line manager, HOD, or HR department. In order to file a complaint officially, an employee can also contact the members of the harassment committee, specifically formed to address harassment related issues through the allotted email address [enquiry@gadoontextile.com]

To foster a respectful and safe workplace, GTML implements comprehensive training on harassment prevention and response for all employees. This training will equip staff with the knowledge and tools necessary to identify, address, and report any instances of harassment effectively.

Records Safety Policy

The Company has implemented stringent controls to ensure that the records maintained are not only in compliance with standard procedures but are also stored in a way that ensures their safety along with the timely retrieval of data when required.

In order to ensure the safety of records, the Company has adopted the following measures:

- Introduction of the ‘paperless environment’ initiative in the past under which all the records and relevant documents are being scanned so that they are available electronically, addressing the safety and time-bound concerns of records.
- Implementation of precautionary measures such as fire-extinguishers and fire-resistant measures to ensure the security of the Company’s sensitive documents.
- Efficient disposal of records and information when it is no longer required under the sustainable development goal of responsible consumption.

During this period, the Company has significantly reduced paper consumption by advancing its digitization efforts. Scanned documents are stored securely within the system, and access to print these records is strictly controlled.

Details About Board Meetings & Attendance

Details about Board meetings and their attendance is covered in Directors’ Report on (Page: No. 089)

Review by the Board of the Business Continuity or Disaster Recovery Plan

The Board of Directors periodically monitors the Business Continuity and Disaster Recovery of the Company for the smooth functioning of the systems and servers, and for the prevention of any unforeseen adversity. Detailed plan and strategy with regard to BCP / DRP has been presented to the Board. Further, the Board is also involved in continuous monitoring of the risk which the Company is exposed to and the relevant strategies in place to mitigate them.

Shares held by Sponsors / Directors / Executives

The total number of shares held by Sponsors / Directors as of June 30, 2025, are 19,537,971 i.e., 69.70% of the total paid-up capital of the Company. No shares are held by any executives of the Company. The breakup is as follows:

Directors, Associated Company, Sponsors their Associates

Name	No. of Shares	Percentage
Mr. Muhammad Ali Tabba	3,173	0.0113%
Mr. Muhammad Sohail Tabba	4,744	0.0169%
Mr. Imran Yunus	4,744	0.0169%
Mr. Jawed Yunus Tabba	4,744	0.0169%
Ms. Zulekha Tabba Maskatiya	3,673	0.0131%
Mr. Muhammad Hassan Tabba	500	0.0018%
Mr. Ibrahim Sohail Tabba	500	0.0018%
Syed Muhammad Shabbar Zaidi	500	0.0018%
Mr. Moin M Fudda	500	0.0018%
Ms. Rahila Aleem	3,673	0.0131%
Ms. Mariam Tabba Khan	3,673	0.0131%
Ms. Khairunnisa	460	0.0016%
Ms. Kulsum	7,346	0.0262%
Y.B. Holding (Private) Limited	19,499,741	69.57%
	19,537,971	69.70%

# Independent Auditor’s Review Report

TO THE MEMBERS OF GADOON TEXTILE MILLS LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

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

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

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

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

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



Chartered Accountants

Place: Karachi  
Date: September 01, 2025  
UDIN: CR202510099k4mFcxKWB

# Statement of Compliance with CCG, 2019

## Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the “Regulations”)

**Name of Company:** Gadoon Textile Mills Limited (the “Company”)  
**Year ended:** June 30, 2025

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

1. The total number of directors are 8 including the Chief Executive as a deemed Director as per the following:

- a. Male: 7
- b. Female: 1

2. The composition of the Board is as follows:

Category	Names
Independent directors	Syed Muhammad Shabbar Zaidi Mr. Moin M. Fudda
Non-executive directors	Mr. Muhammad Ali Tabba (Chairman) Mr. Jawed Yunus Tabba Mr. Muhammad Hassan Tabba Mr. Ibrahim Sohail Tabba
Executive director	Mr. Muhammad Sohail Tabba (CEO)
Female non-executive director	Ms. Zulekha Tabba Maskatiya

The independent director meets the criteria of independence under the Companies Act, 2017 (the “Act”).

- 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 to safeguard the rights and well-being of employees and for protection against harassment at the workplace and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
- 5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval is maintained by the Company;
- 6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and the Regulations;
- 7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the Board meetings.
- 8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations;
- 9. During the year, Mr. Ibrahim Sohail Tabba, the newly elected director on the Board, attended the Directors’ Training Program. All other Directors have either completed the Director’s Certification from authorized institutions or have the prescribed qualification and experience pursuant to Regulation 19 of the Regulations;

10. During the year, there has been no change in the position and terms and conditions of employment of the Head of Internal Audit and the Chief Financial Officer. However, the Company Secretary Mr. Muhammad Umair resigned from his position on March 19, 2025 and the Board approved the appointment of Mr. Fuad Zakaria Bhuri in his place.;

11. The Chief Executive Officer and Chief Financial Officer duly endorsed the financial statements before the approval of the Board;

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

Committee	Name of members and Chairman
Audit Committee	Syed Muhammad Shabbar Zaidi (Chairman) Mr. Moin M. Fudda Mr. Muhammad Ali Tabba Mr. Jawed Yunus Tabba Mr. Ibrahim Sohail Tabba
HR and Remuneration Committee	Mr. Moin M. Fudda (Chairman) Mr. Jawed Yunus Tabba Ms. Zulekha Tabba Maskatiya Mr. Ibrahim Sohail Tabba

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance. The Audit Committee is also responsible for overseeing sustainability-related risks and opportunities, including those related to Environmental, Social, and Governance (ESG) factors, and ensuring that relevant strategies, priorities, and measurable targets are established to support long-term value creation;

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

Committee	Frequency of Meetings
Audit Committee	Quarterly
HR and Remuneration Committee	Annually

15. The Board has set up an effective internal audit function and its members 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 (the “ICAP”) and are registered with the Audit Oversight Board of Pakistan (the “AOBP”), that they and all their partners are in compliance with International Federation of Accountants (the “IFAC”) guidelines on the code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relatives (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, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. The Board is aware of both current and emerging Sustainability / ESG-related risks and opportunities, and it consistently monitors and oversees the organization's progress in achieving its set goals in these areas;

19. We confirm that all requirements of Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with. As regards Regulation 6 (1) of the Regulations, it stipulates that it is mandatory for each listed company to have at least two or one-third of the members of the Board, whichever is higher, as independent directors. In a Board comprising 8 members, one-third works out to 2.66 persons. The fraction contained in such one-third is not rounded up to one as the Company has enough experienced and well reputed Independent Directors on the Board who perform and carry out their responsibilities diligently;



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

Sr. No.	Non-Mandatory Requirements	Regulation No.	Explanation
1	<b>Nomination Committee:</b> The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29(1)	<p>The Board effectively discharges all the responsibilities of Nomination Committee as recommended by the Code. It regularly monitors and assesses the requirements with respect to any changes needed on Board's committees including chairmanship of those committees.</p> <p>The Board also actively monitors requirements regarding its structure, size and composition and timely reviews and adapts any necessary changes in that regard.</p>
2	<b>Risk Management Committee:</b> The Board may constitute a risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30(1)	<p>The Board itself and through its Audit Committee annually reviews business risk facing the Company to ensure that a sound system of risk identification, risk management and related systematic and internal controls is being maintained to safeguard assets. All material controls (financial, operational, compliance) are monitored and reviewed. The Board ensures that risk mitigation measures are robust.</p>

Muhammad Ali Tabba  
Chairman / Director

Karachi: August 7, 2025

Muhammad Sohail Tabba  
Chief Executive Officer

# Board Committees

## Audit Committee

The Board Audit Committee (BAC) comprises of five members, including its chairman. All members are Non-Executive Directors, while Chairman and one member of Committee are independent Directors. Members of the BAC are as follows;

1. Syed Muḥammad Shabbār Zaidi  
(Chairman & Independent Director)
2. Mr. Moin M. Fudda  
(Independent Director)
3. Mr. Muḥammad Ali Tabba  
(Non-Executive Director)
4. Mr. Jawed Yunus Tabba  
(Non-Executive Director)
5. Mr. Ibrahim Sohail Tabba  
(Non-Executive Director)

## Terms of Reference

The terms of reference of the BAC include the following:

- a) Determination of appropriate measures to safeguard the company's assets;
- b) Review of annual and interim financial statements of the company, prior to their approval by the Board of Directors, focusing on:
  - Major judgmental areas;
  - Significant adjustments resulting from the audit;
  - Going concern assumption;
  - Any changes in accounting policies and practices;
  - Compliance with applicable accounting standards;
  - Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other statutory and regulatory requirements; and
  - All related party transactions;
- c) Review of preliminary announcements of results prior to external communication and publication;
- d) Facilitating external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- e) Review of management letters issued by external auditors and management's response thereto;

- f) Ensuring coordination between the internal and external auditors of the company;
- g) Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;
- h) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- i) Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- j) Ensuring that risk mitigation measures are robust and the integrity of financial information is ensured;
- k) Review of the company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
- l) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;
- m) Determination of compliance with relevant statutory requirements;
- n) Monitoring compliance with the applicable Code of Corporate Governance Regulations and identification of significant violations thereof;
- o) Review governance and oversight of sustainability risks and opportunities, including the environmental, social and governance considerations within the Company and to recommend appropriate measures to proactively understand and address both principal and emerging sustainability risks and opportunities relevant to the Company and its businesses. An annual progress shall be presented to the Board of Directors on the integration of sustainability into strategy and operations to enhance corporate value;
- p) Review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- q) Recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to

the company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations. The Board of Directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof; and

r) Consideration of any other issue or matter as may be assigned by the Board of Directors.

### Review of Terms of Reference

The terms of reference of the Committee may be revised and modified from time to time with the approval of the Board; either when it is required by any change in law / Code of Corporate Governance or there is any need to do so.

### Members of the Committee

The Board Audit Committee shall be constituted of at least three Members comprising of non-executive directors of which at least one shall be an independent director. The Chairman of the Committee shall be an independent director, who shall not be the Chairman of the Board. The Board shall satisfy itself such that at least one Member of the Board Audit Committee qualifies as ‘financially literate.

### Secretary

The Chief Internal Auditor shall be the Secretary of the Board Audit Committee.

### Quorum

The quorum for the transaction of any business of the Committee shall be of three Members.

### Meetings

The Committee shall meet at least once every quarter of the financial year. These meetings shall be held prior to the approval of interim results of the Company by its Board of Directors and after completion of external audit. A meeting of the Board Audit Committee shall also be held, if requested by the external auditors, the Chief Internal Auditor or to discuss any specific agenda as desired by the Members of the Committee.

### Notice of Meetings

The notice of the meeting confirming the venue, time, date and agenda shall be sent to each Committee Member at preferably seven days prior to the date of the meeting but not later than three days before the meeting. In case of urgency / emergency, notice period may be reduced or waived

### Minutes

The secretary shall circulate minutes of meetings of the Board Audit Committee to all Members, Directors and the CFO prior to the next meeting of the Board and where this is not practicable, the Chairman of the Board Audit Committee shall communicate a synopsis of the proceedings to the Board and the minutes shall be circulated along with the minutes of the meeting of the Board.

# Human Resource & Remuneration Committee

- 1) Mr. Moin M. Fudda (Chairman / Independent Director)
- 2) Mr. Jawed Yunus Tabba (Non-Executive Director)
- 3) Ms. Zulekha Tabba Maskatiya (Non-Executive Director)
- 4) Mr. Ibrahim Sohail Tabba (Non-Executive Director)

The Human Resource and Remuneration (HR&R) Committee comprises of three members. The Chairman of the Committee is an independent Director. The Committee held one meeting during the year.

### Terms of Reference

- 1) Provide strategic guidelines for the overall governance of Human Resource processes within the Company. Review, oversee and evaluate the Compensation strategy implemented within the Company, approve the head count, review the annual performance appraisal, training and development, succession planning, Diversity, Equity & Inclusion (DE&I) and Code of Conduct processes implemented across the Company;
- 2) Approve any study/survey relevant to Human Resources to be undertaken in order to benchmark / obtain reliable data to assist the Board Human Resources Committee in discharging its duties;
- 3) To provide guidelines to the operational management of Human Resources with respect to hiring of resources, including permanent, third party, management trainees and interns;
- 4) Recommend to the Board for consideration and approval a policy framework for determining remuneration of Directors and senior management preferably taking into consideration that such remuneration is commensurate with the performance of the Company and evaluation of Board and management (as applicable). The definition of senior management will be determined by the Board which shall normally include the first layer of management below the chief executive officer level;
- 5) Undertaking annually a formal process of evaluation of performance of the Board as a whole and its Committees either directly or by engaging external independent consultants and if so appointed, a statement to that effect shall be made in the Directors’ report disclosing name, qualifications and major terms of appointment;
- 6) Recommending human resource management policies to the Board;
- 7) Recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of chief operating officer, chief financial officer, company secretary and head of internal audit;
- 8) Consideration and approval on recommendations of chief executive officer on such matters for key management positions who report directly to chief executive officer or chief operating officer;

- 9) Where human resource and remuneration consultants are appointed, they shall disclose to the Committee their credentials and as to whether they have any other connection with the Company; and

- 10) Reviewing the audit observations, if any, raised by the internal and external auditors of the Company relating to the HR function.

- II. **Review of Terms of Reference**  
The terms of reference of the Committee may be revised and modified with the approval of the Board.

- III. **Members of the Committee**  
The Human Resource and Remuneration Committee shall be constituted of at least three Members comprising a majority of non-executive Directors of which at least one shall be an independent Director. The Chairman of the Committee shall be an independent Director. The CEO may be included as a Member of the Committee but not as the Chairman of Committee. The CEO, if Member of the Committee shall not participate in the proceedings of the Committee on matters that directly relate to his performance and compensation.

- IV. **Secretary**  
The Head of Human Resources shall be the Secretary of the Board Human Resources Committee.

- V. **Quorum**  
The quorum for the transaction of any business shall be of two Members.

- VI. **Meetings**  
The Committee shall meet at least once in a financial year and at such other times as the Chairman of the Committee may deem necessary.

- VII. **Notice of Meetings**  
The notice of the meeting confirming the venue, time, date and agenda shall be sent to each Committee Member at preferably seven days prior to the date of the meeting but not later than three days before the meeting.

In case of urgency / emergency, notice period may be reduced or waived.

- VIII. **Minutes**  
The Secretary shall record the minutes of the proceedings of the meeting and circulate to all the Members of the Committee within fourteen days from the date of the meeting.

# Report of Audit Committee

The Audit Committee of Gadoon Textile Mills Limited (the Company), composed of five members including the Chairman, consists entirely of Non-Executive Directors, with the Chairman and one member being an Independent Director. All Committee members possess significant economic, financial, and business expertise, and all Directors are financially literate.

The Audit Committee has concluded its annual review of the Company's conduct and operations for the financial year ended June 30, 2025, and hereby reports the following:

**Compliance with Regulations:**

The Company has complied with the mandatory requirements specified under 'The Listed Companies (Code of Corporate Governance) Regulations, 2019' (Regulations) as well as other statutory and regulatory obligations.

**Statement of Compliance:**

The Company has issued a Statement of Compliance with the Regulations, which has been reviewed and certified by the external auditors of the Company.

**Code of Conduct:**

The Company's Code of Conduct has been effectively communicated across the organization.

**Accounting Policies and Disclosure:**

The Company has consistently applied appropriate accounting policies, and any changes have been appropriately disclosed in the financial statements, which present a fair representation of the Company's financial position, results of operations, cash flows, and changes in equity for the year under review.

**Accounting Estimates and Records:**

Accounting estimates have been made based on reasonable and prudent judgment. The Company has maintained proper and adequate accounting records in accordance with applicable laws, and its financial reporting is consistent with management processes and sufficient to meet the needs of shareholders.

**Financial Statements:**

The financial statements for the year ended June 30, 2025, have been prepared on a going concern basis in accordance with approved accounting standards applicable in Pakistan. The approved accounting standards comprise International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and notified under the Companies Act, 2017 (the Act), and the Act's provisions and directives. In case of any conflicts, the provisions of or directives under the Act take precedence.

**Review of Financial Statements:**

The Audit Committee has reviewed the quarterly, half-yearly, and annual financial statements of the Company and recommended them for approval by the Board of Directors. Additionally, it has reviewed preliminary announcements of results prior to publication.

**Attendance of CEO and CFO:**

The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) attended Audit Committee meetings by invitation.

**Endorsement of Financial Statements:**

The CEO and CFO have duly endorsed the Company's financial statements, acknowledging their responsibility for a true and fair presentation in accordance with approved accounting standards applicable in Pakistan.

**Fair and Understandable Annual Report:**

The Committee has reviewed the Annual Report and confirms that it provides a fair, balanced, and understandable representation of the Company. The Annual Report discloses information necessary for shareholders to assess the Company's position, performance, business model, and strategy.

**Related Party Transactions:**

The Committee has reviewed all related party transactions conducted during the year, which were subsequently approved by the Board.

**Reporting Mechanism and Allegations: (Whistle Blowing)**

The Committee regularly reviews the mechanism for employees and management to report concerns to the Audit Committee, ensuring that any allegations are taken seriously. No such incidents were reported to the Audit Committee during the year.

**Evaluation of Committees and Members:**

The Board carries out an annual evaluation of its committees and their members. The results of the evaluation conducted were found to be satisfactory.

**Internal Audit and Risk Management**

**Role of Internal Audit:**

The Internal Audit function plays a vital role in enhancing the overall control environment of the Company.

**Independent Audits:**

The Internal Audit Department conducted independent audits in accordance with an internal audit plan and reported functionally to the Audit Committee.

**Chief Internal Auditor (CIA):**

The CIA attended Audit Committee meetings and also served as the Secretary to the Audit Committee.

**Access to Chairman and Staffing:**

The CIA has direct access to the Chairman of the Audit Committee, and the Committee has ensures the presence of personnel with sufficient internal audit expertise.

**Review of Internal Audit Reports:**

The Audit Committee reviewed the internal audit reports presented by the CIA, which encompass audit findings, opportunities for process improvement, control weaknesses, and recommendations. A risk rating system based on likelihood and impact was utilized, resulting in the assignment of high to low-risk ratings.

**Internal Control and Risk Management Systems:**

The Company's internal control systems, including financial and operational controls, accounting systems, and reporting structure, are designed to manage and mitigate the risk of not achieving business objectives. However, these systems can only provide reasonable assurance, not absolute certainty, against material misstatement or loss. The Committee has determined that the risk management and internal control systems are adequate and effective.

**External Audit**

**Access to External Auditors:**

The Audit Committee granted direct access to the External Auditors.

**Key Audit Matters and Management Letter:**

The Audit Committee reviewed and discussed Key Audit Matters and observations with the external auditors. The Management Letter, as required by the Regulations, will be submitted within 45 days of the date of the Auditors' Report on the financial statements and will be discussed in the next Audit Committee meeting.

**Retiring External Auditors:**

The external auditors, M/s. Yousuf Adil Chartered Accountants, have been engaged as the Company's external auditors since 2005. They have completed their audit assignment and review of the Statement of Compliance with the Regulations and will retire upon the conclusion of the 38th Annual General Meeting.

**Reappointment of Auditors:**

Being eligible for reappointment as Auditors of the Company, the Audit Committee recommends the appointment of M/s. Yousuf Adil Chartered Accountants as the external auditors of the Company for the year ending June 30, 2026.



**Syed Muhammad Shabbar Zaidi**  
Chairman Board Audit Committee Place: Karachi  
Date: August 07, 2025



### Status of Whistle Blowing Mechanism

During the FY-2025, no whistle blowing incidents were reported to the Audit Committee which is indicative of a strong governance and sound ethical practices.

### Attendance in Annual General Meeting

Syed Muhammad Shabbar Zaidi (the Chairman of the Audit Committee) attended the Annual General Meeting of the Company for the year 2024 held on 26th of September 2024 to answer shareholders' concerns / questions / queries, if any, on the audit committee's scope, roles, and responsibilities. During the meeting, no significant issues were raised.

### Enterprise Resource Planning (ERP)

Following the successful implementation of our in-house Enterprise Resource Planning (ERP) system in the previous fiscal year, the Company has now transitioned into a phase of stable operation and continuous optimization. Over the past year, the ERP has become an integral part of our organizational processes, enhancing decision-making, streamlining operations, and improving overall efficiency.

### Leveraging ERP for Advanced Operational Efficiency

With a year of live usage, our focus has shifted from deployment to optimization. The IT and management teams are committed to further enhancing the ERP's functionality by refining workflows, integrating additional business modules, and upgrading analytics capabilities. These improvements aim to deliver more actionable insights, enable data-driven decisions, and strengthen cross-departmental collaboration.

### Revenue Optimization Through Integrated Insights

The ERP system continues to unify sales, customer management, and financial data, enabling a more precise analysis of revenue streams. By leveraging real-time insights, the Company is better positioned to anticipate customer needs, explore new market opportunities, and optimize pricing and product strategies.

### Enhanced Financial Management

Having successfully automated core financial processes, the ERP now provides advanced forecasting and analytics capabilities. This empowers management with accurate budgeting, optimized resource allocation, and timely responses to market shifts, supporting stronger financial governance and strategic planning.

### Streamlined Accounting and Reporting

Automated workflows have significantly reduced manual data entry, errors, and reporting delays. Financial information is now recorded and processed with greater speed and accuracy, facilitating timely reporting and compliance with statutory requirements.

### Real-time Operational Insights

The ERP system delivers continuous, real-time data across all business functions. This visibility equips leadership with the intelligence needed to respond swiftly to operational challenges, identify opportunities, and maintain a proactive approach in competitive markets.

### Integrated Inventory and Supply Chain Management

By coordinating inventory and supply chain processes within the ERP, the Company has achieved improved demand forecasting, enhanced procurement planning, and reduced operational costs. This integrated approach ensures that resources are utilized efficiently, minimizing waste and maximizing productivity.

Management Commitment and Continuous Improvement  
Sustained management support has been key to the ERP's success. Regular system updates, process reviews, and alignment with strategic goals ensure that the ERP remains a robust tool for operational efficiency and informed decision-making.

### ERP Training and User Enablement

Over the past year, the Company has continued to provide targeted ERP training programs to ensure users are proficient and confident. Hands-on workshops, interactive tutorials, and role-based training have strengthened adoption and allowed employees to fully leverage the system's capabilities.

### Risk Management in ERP Operations

The Company maintains a proactive risk management framework to address potential ERP-related challenges. Key focus areas include:

- Complexity of application processes
- User experience and adoption
- Role clarity and responsibilities
- System credibility and employee satisfaction

By continuously monitoring and mitigating these risks, management ensures the ERP operates smoothly and meets organizational objectives.

### System Security and Internal Controls

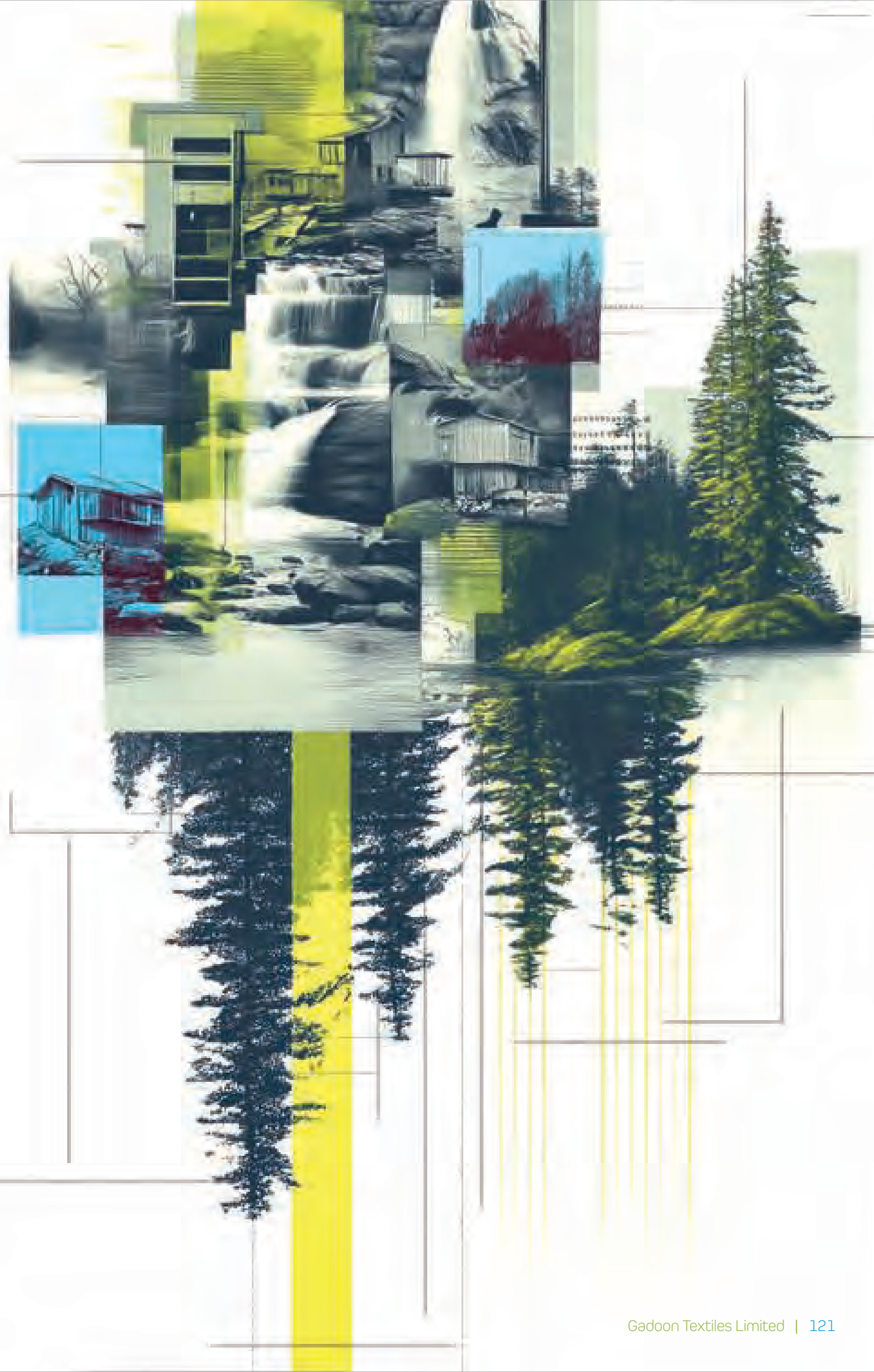
Robust internal controls, including segregation of duties and strict access management, remain central to the ERP environment. Regular audits, advanced monitoring tools, and role-specific permissions minimize the risk of fraud or errors, safeguarding critical data and ensuring operational integrity.

### Impact of Government Policies on Business

The discussion on government policies and their impact on the Company's performance has been outlined in the section "Overview", "Economic Prospect", "Principal Risks and Uncertainty", and "Future Outlook" of the Directors' Report.

### Company's Contribution to National Exchequer & Economy

During the year, the Company contributed Rs. 11,852 million in duties, taxes, and levies to government authorities, thereby playing its part in strengthening the national exchequer. Further, the Company was able to achieve a 7% growth in export sales in USD terms, supporting the country's foreign exchange reserves. Through these contributions, the Company not only creates value for its stakeholders but also serves the broader economy by fostering industrial growth, creating employment opportunities, and contributing to national GDP.





# Crafting Financial Strength

Analysis of the  
Financial Information

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139	Free Cash Flow		
140	Economic Value Added		

# Analysis of Financial and Non-Financial Performance

## Financial Performance

**a) Financial Performance in comparison with Prior year**  
During the year, the Company posted net revenue of Rs. 70.98 billion compared to Rs. 72.72 billion in the SPLY, reflecting a modest decline of 2.40% due to lower yarn prices and subdued demand. Despite this, profitability improved significantly as the gross profit margin rose to 8.91% from 6.90%. Net profit surged by 201% to Rs. 2.39 billion from Rs. 794.55 million, driven by reduced raw material costs, lower cost of sales, and the favorable impact of declining policy rates, reflecting the Company's effective cost management and operational efficiency.

The detailed analysis of the Company's performance in comparison to the previous year has been reported in the 'Financial Results' section of Directors' Report. Further details can also be viewed in the section Horizontal/Vertical Analysis of this Annual Report.

**b) Financial Performance in comparison with Budget**  
The management has a practice of making yearly budgets and monitoring the performance against the same. Deviation, if any, is bifurcated into controllable and non-controllable factors in order to assess the effectiveness of teams responsible for setting the budget. For controllable factors, timely corrective actions are taken. For non-controllable factors, risk management policies are considered, and strategies are designed to minimize its negative effect.

The Company's sales performance deviated from budgeted figures, with sales volume declining due to the decline in local sales demand. Profitability also remained below budgeted levels, primarily impacted by higher power costs and lower than expected sales volume.

# Key Performance Indicators

Key Performance Indicators (KPIs) are the measurable values that determine the effectiveness and efficiency of achievement of the key business objectives. The Company has used the KPIs to evaluate the success of the business on reaching the targets. The evaluation of GTML's business functions KPIs and to measure the achievements against its objectives has been detailed below:





# Non- Financial Indicators

Capital Form	Objectives	KPI Monitored
Manufactured Capital	Implementation of innovative technology and effective techniques.	Reduction in defect ratio by adopting latest and sustainable techniques to ensure total quality management.
	Sustain industry leadership.	Significant CAPEX made during the year in technologically advanced machines.
Human Capital	Provide a safe and healthy working environment for our employees.	Implementation of organizational safety programs, especially w.r.t. increased number of HSE training session and safety drills.
Natural Capital	Encouraging best customs to support environmental sustainability.	Participated in environmental sustainability activities, including tree plantation, efficient use of sustainable raw material for manufacturing yarn & efficient use of gas for power generation. Further Company also installed Solar Plant of 17.59 MW and 26.63 MW is in process.
Social and Relationship Capital	Contribute effectively as a corporate entity.	Active participation in events and activities for creating a corporate image and building a sense of shared values and mutual respect.
Intellectual Capital	Achieve overall business synergies by maintaining operational efficiencies	Operational efficiencies of the Company are maintained by utilizing the strength of high profile and skilled employees and along with the upgradation of IT system.

### Budget

In addition to setting budgets for its financial indicators, the Company also places emphasis on its non-financial indicators and accordingly has allocated budget for the development of its manufactured / human / social and relationship capital for the upcoming year.

The management continuously monitors the above-mentioned KPIs and significant variations from the previous year are investigated for corrective actions to be taken. Further, these KPIs are reviewed by the Board on a quarterly basis. The management anticipates these KPIs to be relevant in the future as well in order to assess the Company's performance.

### Methods and Assumptions Used in Compiling the Indicators

The Company uses different sets of methods and assumptions while compiling its financial and non-financial indicators. For compiling non-financial indicators, the Company considers its market positioning, competitor's strengths, employee's capabilities, working environment, and technological advancements.

For financial indicators, the Company analyzes sales, gross profit, profit after tax, EPS, DPS, and market value of its share on a regular basis to gauge its performance.

The comparison of profit after tax to sales depicts how much the Company is able to retain the distributable profit for the provider of equity in comparison to its sales.

The dividend payment indicates that how much the Company wants to retain the amount from the distributable profits of shareholders for future business expansion / growth.

The Company also analyses the market price of share with its book value to evaluate investors' confidence in the script.

In addition, the Company also actively monitors cash flow from operating activities and access to its liquidity position and working capital requirements.

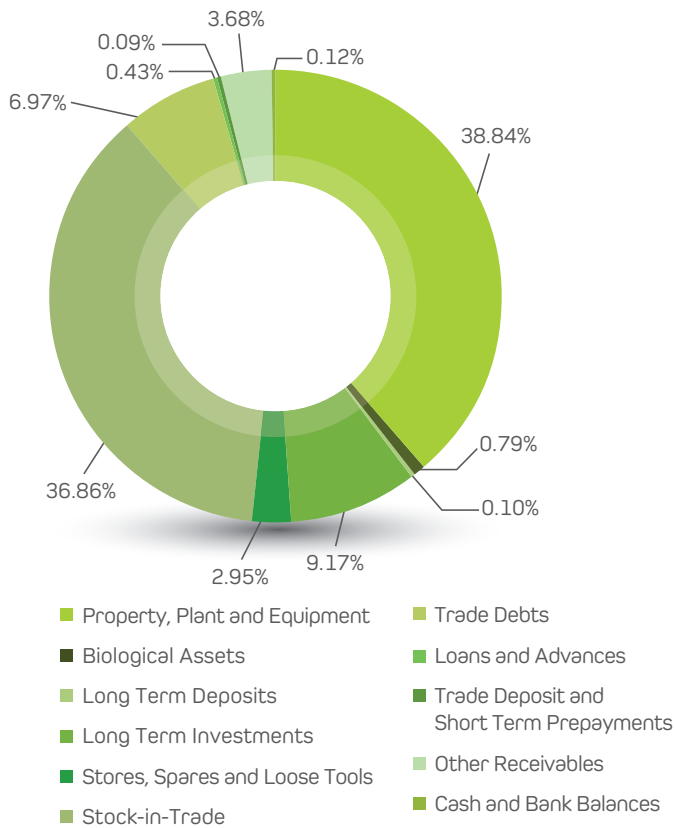
# Six Years at a Glance

	2025	2024	2023	2022	2021	2020
(Rupees In '000)						
<strong>Assets Employed</strong>						
Property, Plant and Equipment	27,619,937	24,563,610	21,242,834	11,016,751	10,253,638	10,165,007
Biological Assets	563,983	761,358	753,053	365,430	208,396	190,214
Long Term Loans and Deposits	74,135	72,339	77,080	80,888	62,526	69,137
Current Assets	36,341,454	30,076,820	31,755,061	25,146,885	17,131,011	17,258,436
Long Term Investments	6,518,977	6,357,687	5,497,655	4,233,555	3,570,625	3,150,556
Total Assets Employed	71,118,486	61,831,814	59,325,683	40,843,509	31,226,196	30,833,350
<strong>Equity and Liabilities</strong>						
Shareholders' Equity	23,910,906	21,498,298	20,691,202	18,003,149	12,610,075	9,084,358
Long Term Finance	3,638,198	5,887,345	9,431,586	4,008,570	3,906,240	3,526,689
Deferred Government Grant	107,509	140,159	180,342	186,528	144,078	-
Current Portion of Long Term Finance	729,389	679,913	666,994	763,011	735,143	68,092
Current Portion of Deferred Government Grant	27,650	40,132	54,879	56,327	54,077	-
	4,502,746	6,747,549	10,333,801	5,014,436	4,839,538	3,594,781
Retirement Benefit Obligation	1,272,354	1,205,342	1,008,944	820,993	714,068	629,205
Deferred Tax Liabilities	743,934	944,968	1,415,003	756,100	780,817	810,001
Current Liabilities	41,445,585	32,155,702	26,598,606	17,068,169	13,070,918	16,783,097
Current Portion of Long Term Finance	(757,039)	(720,045)	(721,873)	(819,338)	(789,220)	(68,092)
	40,688,546	31,435,657	25,876,733	16,248,831	12,281,698	16,715,005
Total Equity and Liabilities	71,118,486	61,831,814	59,325,683	40,843,509	31,226,196	30,833,350
<strong>Turnover and Profit</strong>						
Turnover	70,979,986	72,723,982	57,997,240	54,828,147	41,009,841	28,986,781
Gross Profit	6,326,054	5,017,444	6,167,845	8,340,757	4,975,580	2,241,286
Operating Profit	6,122,942	5,363,124	6,930,913	7,464,287	4,657,161	1,246,797
Profit Before Taxation	3,599,211	1,388,904	4,782,283	6,918,066	4,026,100	337,717
Profit After Taxation	2,391,904	794,548	3,291,867	5,713,572	3,534,101	45,499
Cash Dividend	-	-	-	560,592	336,355	-
Earnings Per Share (PKR)	85.33	28.35	117.44	203.84	126.08	1.62
Book Value Per Share (PKR)	853.06	766.99	738.19	642.29	449.88	324.10

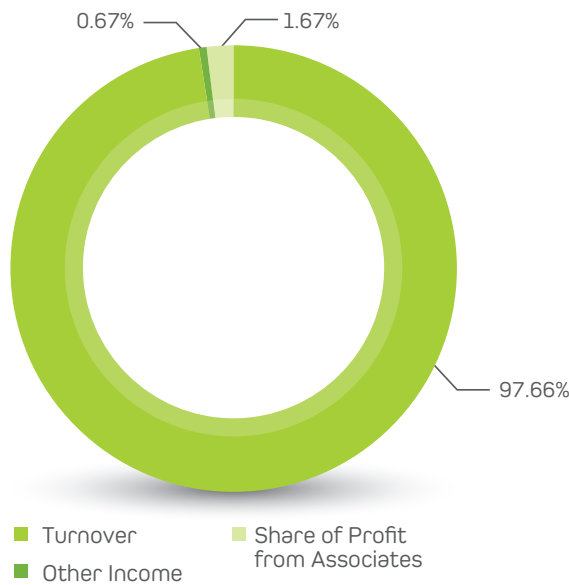
# Graphical Presentation

## Statement of Financial Position and Profit or Loss for the year Ended June 30, 2025

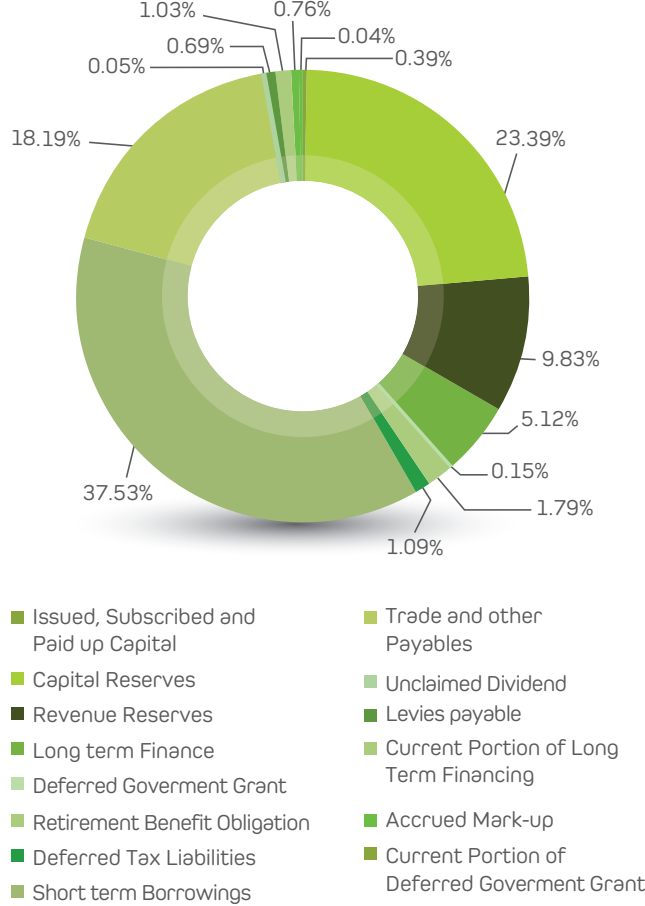
Total Assets



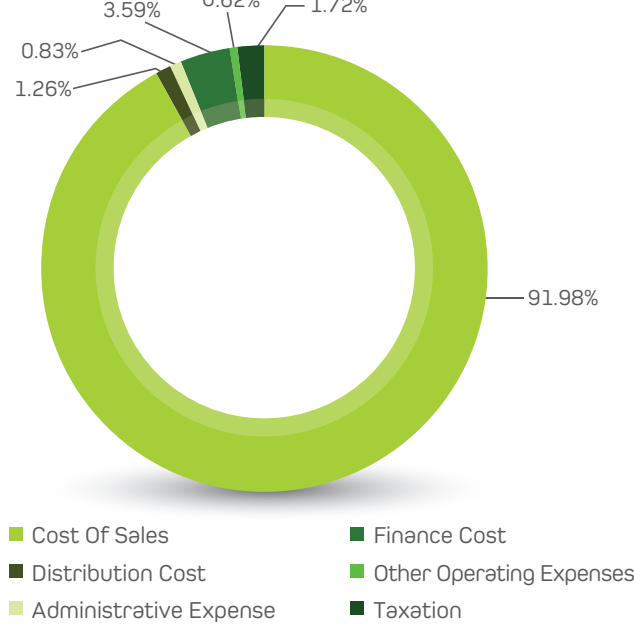
Income



Total Equity and Liabilities



Expense

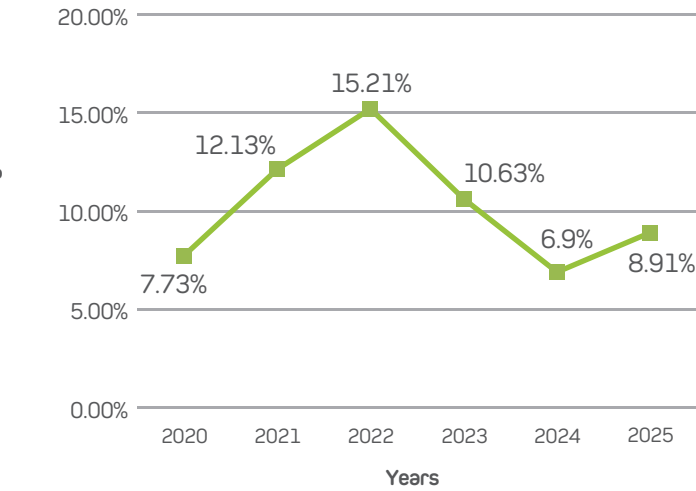


# Financial Ratios

## Profitability Ratios

	UoM	2025	2024	2023	2022	2021	2020
GP to Sales	Percentage	8.91%	6.90%	10.63%	15.21%	12.13%	7.73%
PAT to Sales	Percentage	3.37%	1.09%	5.68%	10.42%	8.62%	0.16%
EBITDA to Sales	Percentage	12.14%	10.34%	14.03%	15.54%	13.75%	7.80%
EBDA to Sales	Percentage	6.89%	4.05%	7.75%	12.35%	11.02%	3.66%
Operating Leverage	Times	(5.91)	(0.89)	(1.24)	1.79	6.59	7.69
Return on Equity After Tax	Percentage	10.53%	3.77%	17.01%	37.33%	32.58%	0.50%
Return on Capital Employed	Percentage	21.61%	18.10%	25.65%	36.89%	30.92%	10.15%
Return on Fixed Assets	Percentage	9.17%	3.47%	20.41%	53.72%	34.62%	0.45%
Total Shareholders Return	Percentage	87.87%	(28.57%)	(9.83%)	12.20%	69.56%	15.30%
Return on Investment	Percentage	853.35%	283.47%	1174.43%	2038.41%	1260.85%	16.23%

GP to Sales



PAT to Sales



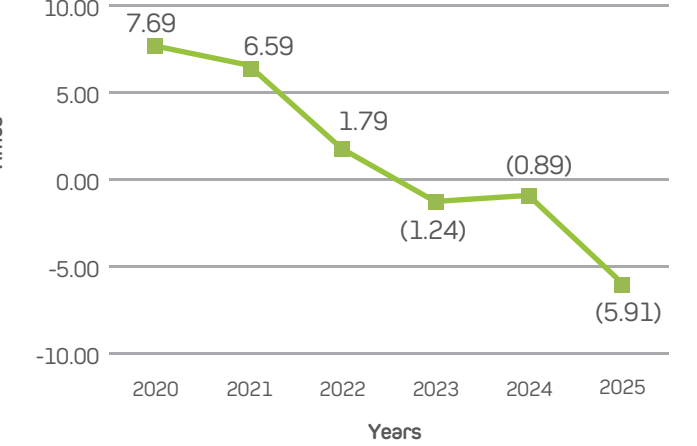
EBITDA to Sales



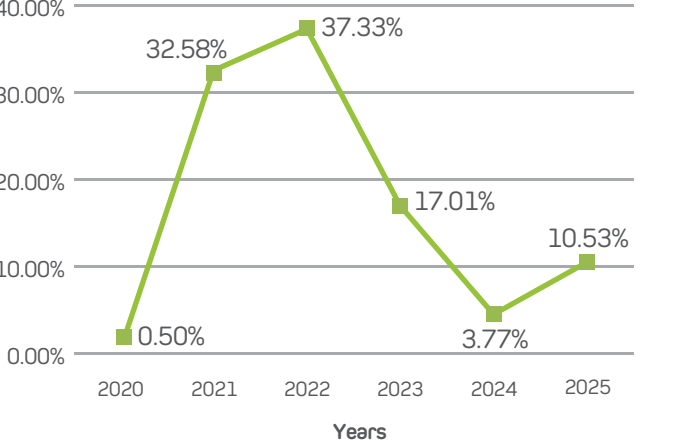
EBDA to Sales



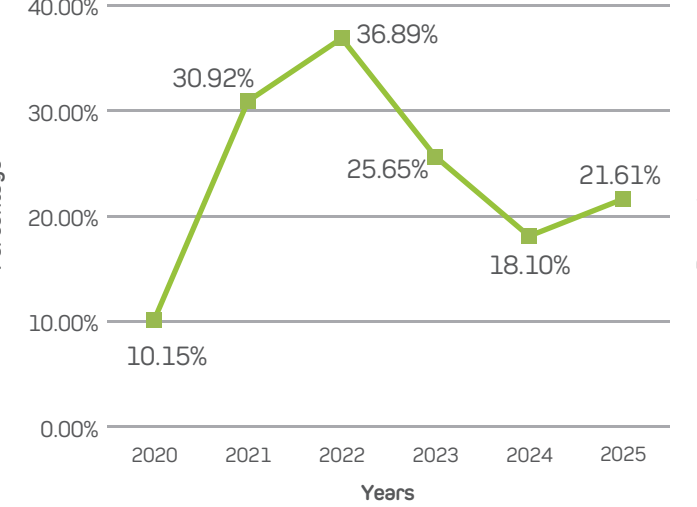
Operating Leverage



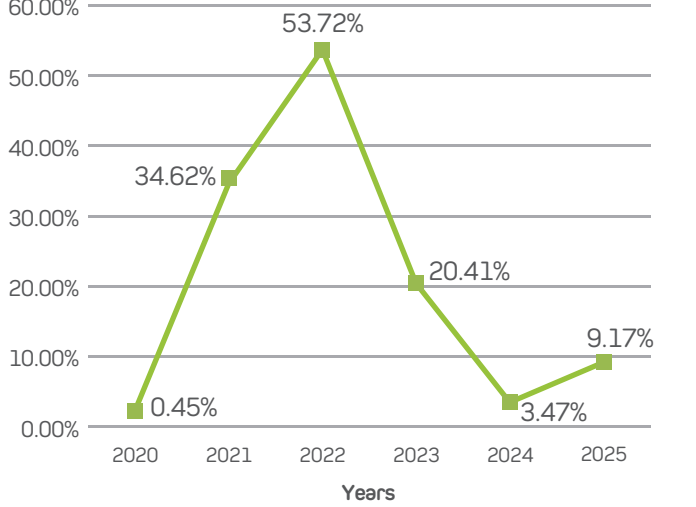
Return on Equity After Tax



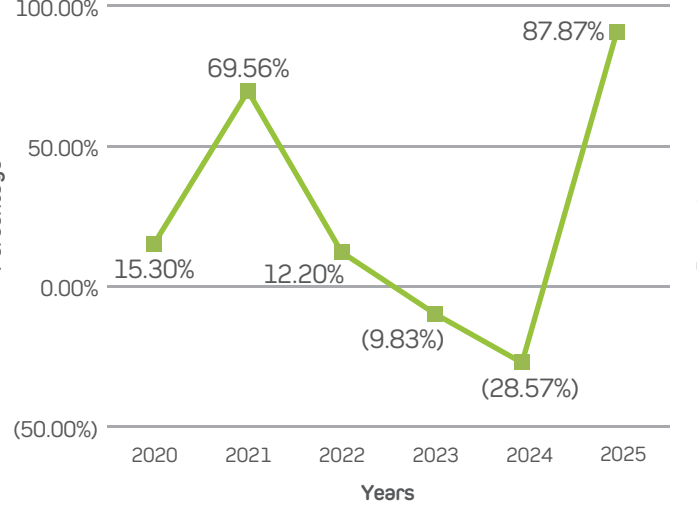
Return on Capital Employed



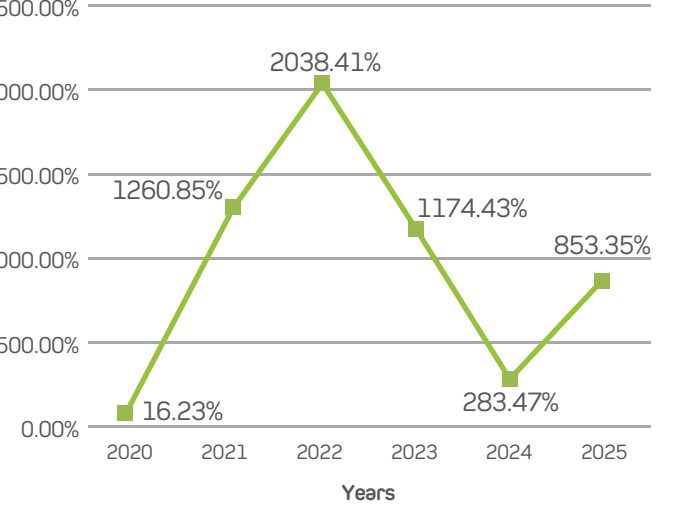
Return on Fixed Assets



Total Shareholders' Return



Return on Investment



### Comments:

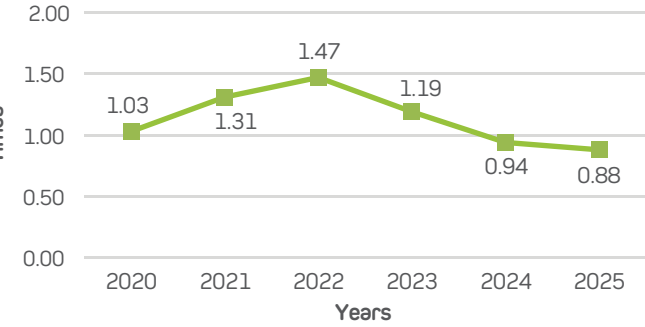
The profitability ratios, which were on the decreasing trend in the prior year, have been improved in the current, mainly on account of decreased raw material prices and finance cost which can be evidenced by vertical & horizontal SOPL analysis.



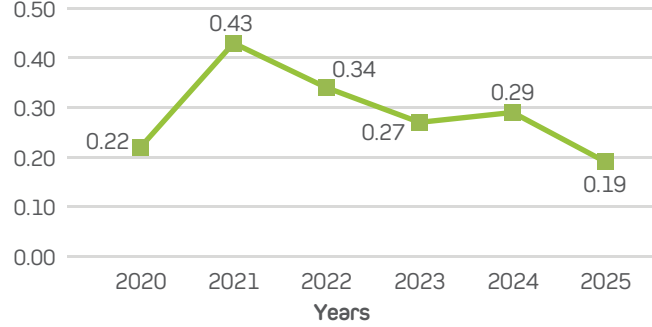
Liquidity Ratios

	UoM	2025	2024	2023	2022	2021	2020
Current Ratio	Times	0.88	0.94	1.19	1.47	1.31	1.03
Quick Ratio	Times	0.19	0.29	0.27	0.34	0.43	0.22
Cash to Current Liability	Times	0.0020	0.04	0.01	0.01	0.01	0.01
Cash Flow from Operation to Sales	Times	(0.03)	0.07	(0.05)	0.14	0.19	(0.06)
Cash flow to capital expenditures	Times	(0.38)	0.95	(0.27)	0.27	6.41	(1.38)
Cash flow coverage ratio	Times	(2.06)	1.35	(3.29)	10.12	0.62	(1.91)

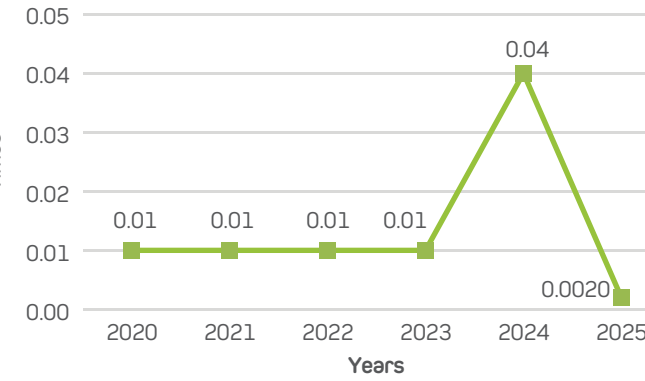
Current Ratio



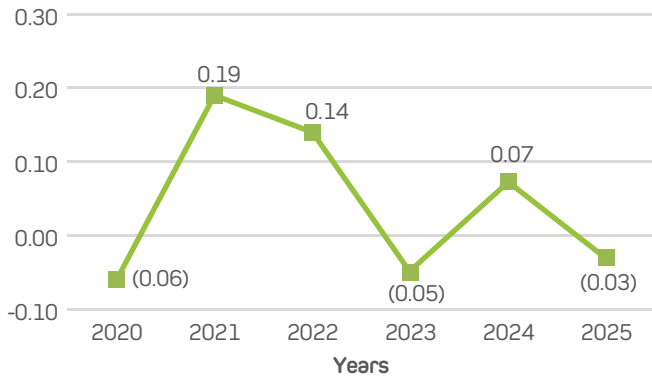
Quick Ratio



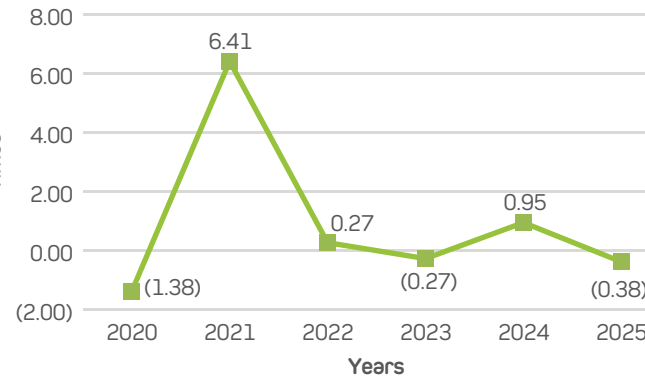
Cash to Current Liability



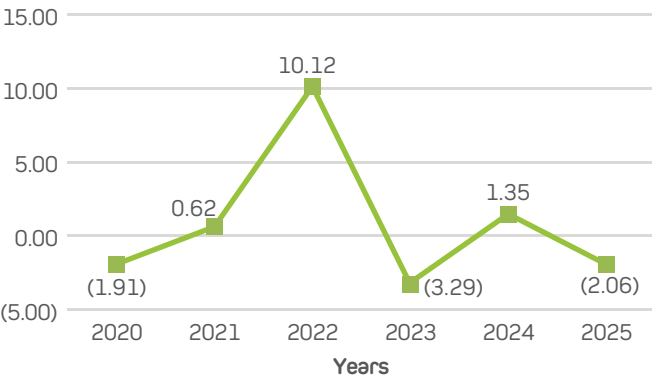
Cash Flow from Operation to Sales



Cash flow to capital expenditures



Cash flow coverage ratio



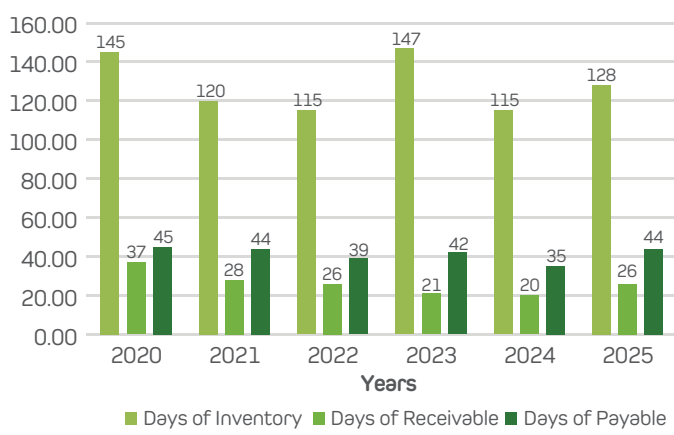
Comments:

The Company has maintained stable liquidity ratios over the years. During the current year, the current ratio reflected a temporary decline, mainly due to significant import payments and term loan repayments, which were strategically financed through short-term borrowings.

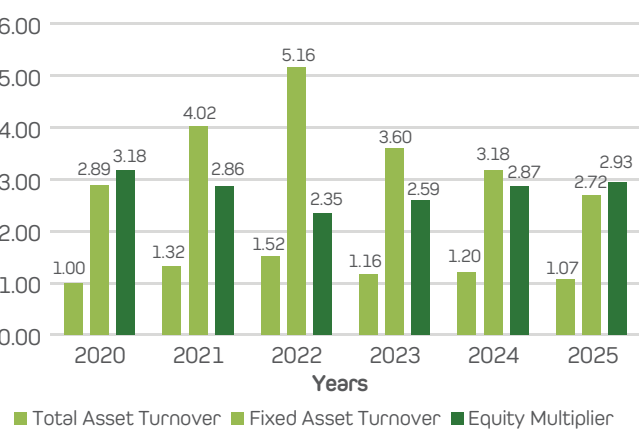
Operating Ratios

	UoM	2025	2024	2023	2022	2021	2020
Inventory Turnover	Times	2.84	3.17	2.48	3.18	3.03	2.51
No. of Days in Inventory	Days	128	115	147	115	120	145
Debtor Turnover	Times	14.17	18.10	17.25	14.08	12.87	9.91
No. of Days in Receivable	Days	26	20	21	26	28	37
Creditor Turnover	Times	8.27	10.30	8.60	9.25	8.31	8.03
No. of Days in Payable	Days	44	35	42	39	44	45
Operating Cycle	Days	111	101	127	102	104	137
Total Assets Turnover	Times	1.07	1.20	1.16	1.52	1.32	1.00
Fixed Assets Turnover	Times	2.72	3.18	3.60	5.16	4.02	2.89
Equity Multiplier	Times	2.93	2.87	2.59	2.35	2.86	3.18

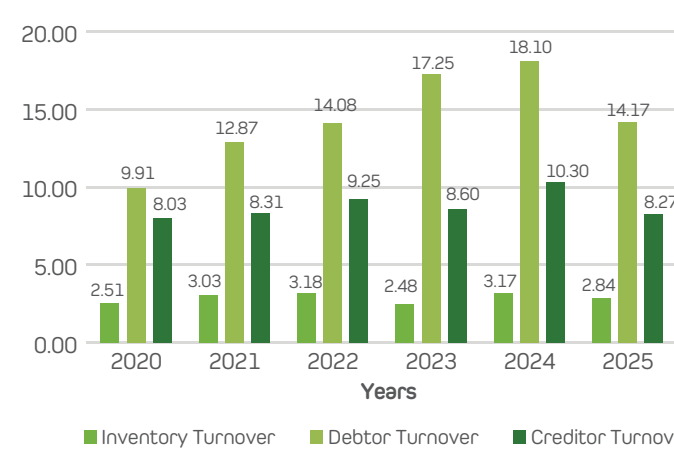
Working Capital Ratios (in Days)



Turnover Ratios (in Times)



Working Capital Ratios (in Times)



Comments:

The Company's operating cycle reflected higher inventory days during the period, primarily due to a slowdown in demand. This positions the Company with adequate stock levels to promptly serve customers as market conditions improve.

During the year, the Total Assets Turnover ratio declined due to higher inventory levels maintained and a marginal decrease in sales. Similarly, the Fixed Assets Turnover ratio reflected a slight decline in line with sales performance. Nevertheless, the significant investments made in prior years for expansion and BMR have strengthened the Company's operational base, positioning it well for improved efficiency and growth as demand recovers.

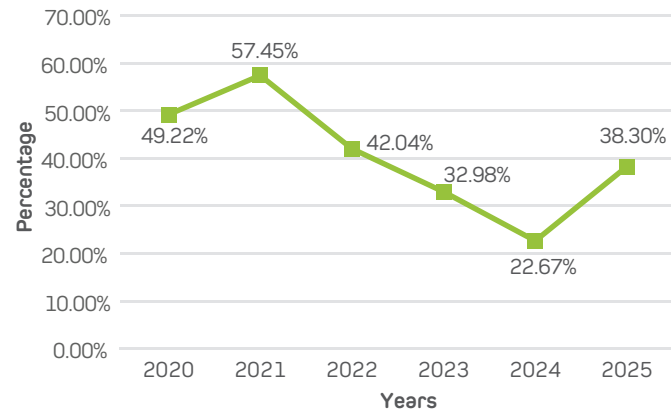
Market Ratios

	UoM	2025	2024	2023	2022	2021	2020
EPS	Rupees	85.33	28.35	117.44	203.84	126.08	1.62
Price to Earning Ratio	Times	5.89	6.13	2.07	1.32	2.05	98.46
Price to Book Ratio	Percentage	38.30%	22.67%	32.98%	42.04%	57.45%	49.22%
Dividend Yield	Percentage	-	-	-	7.41%	4.64%	-
Dividend Payout Ratio	Percentage	-	-	-	9.81%	9.52%	-
Dividend Cover	Times	-	-	-	10.19	10.51	-
Cash Dividend Per Share	Rupees	-	-	-	20.00	12.00	-
Book value Per Share	Rupees	853.06	766.99	738.19	642.29	449.88	324.10
Market Value Per Share as at June 30th	Rupees	326.70	173.90	243.45	270.00	258.46	159.51
Highest Share Price During the Year	Rupees	354.78	244.63	279.00	393.00	267.08	257.89
Lowest Share Price During the Year	Rupees	165.89	172.60	180.00	236.00	164.00	115.00

EPS vs DPS



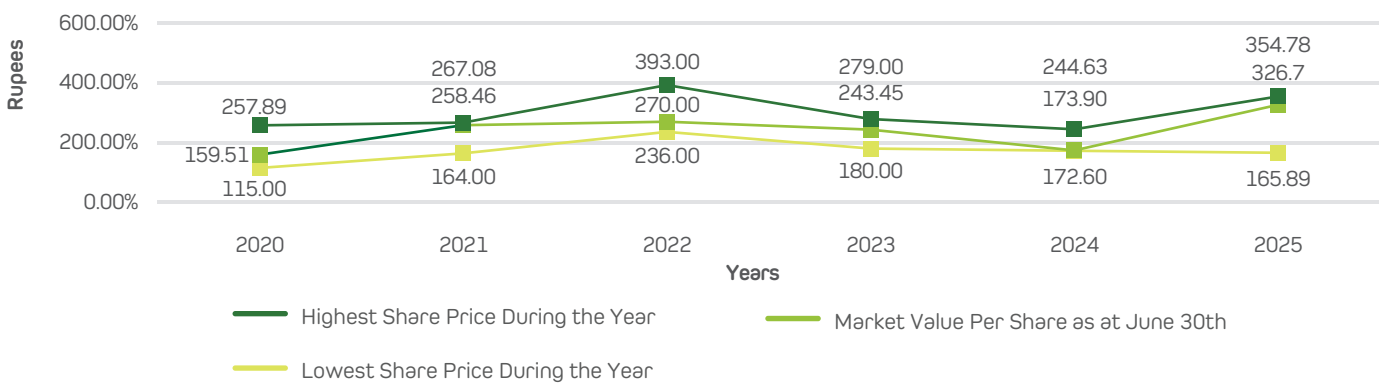
Price / Book Ratio



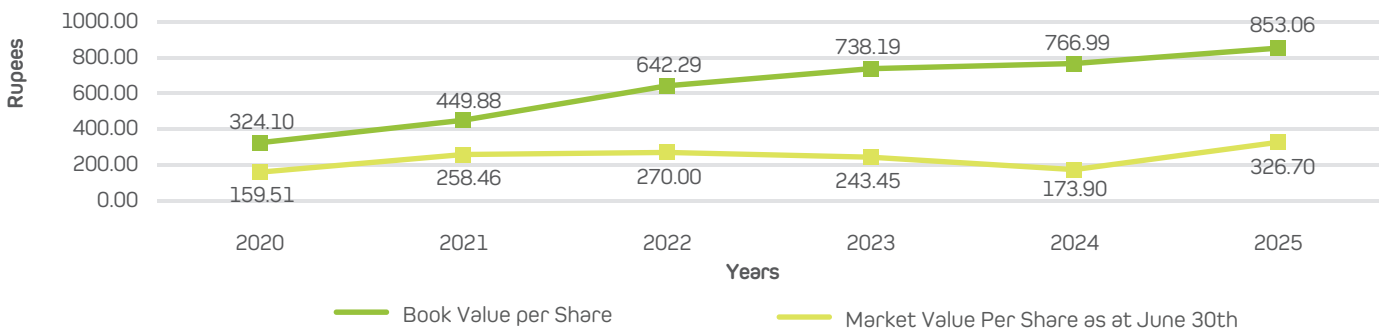
Earnings Ratio



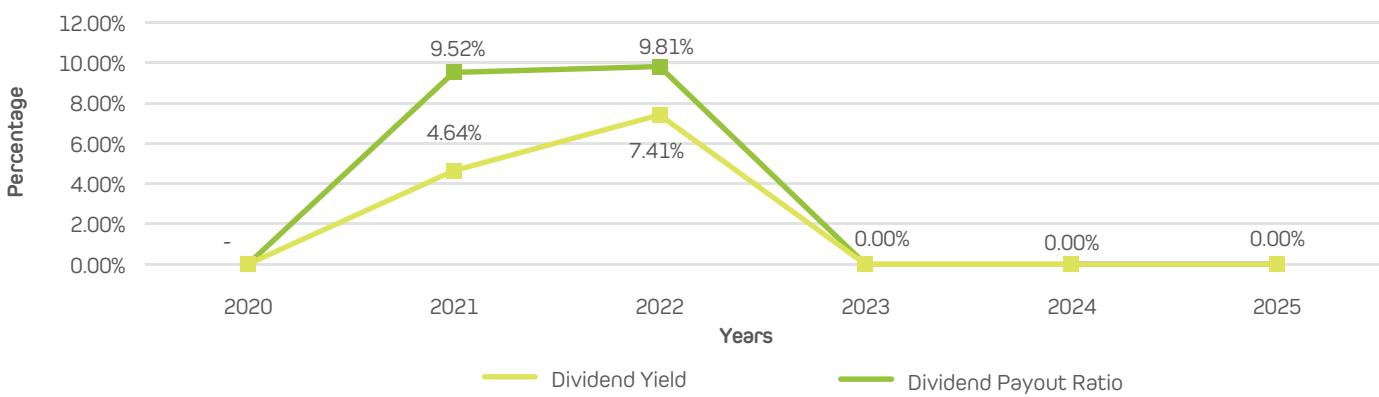
Market Value



Book Value vs Market Value



Dividend Ratio



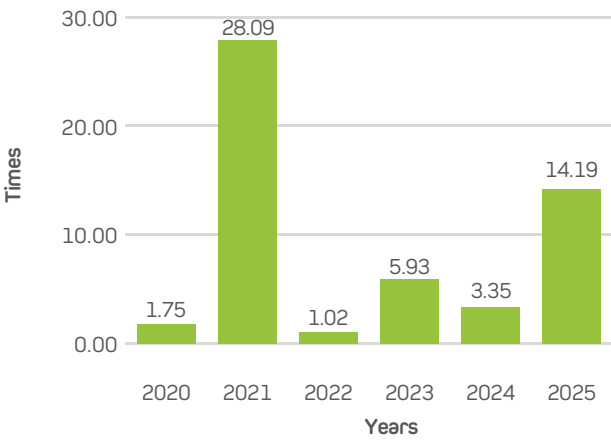
Comments:

The PSX has shown a rising trend during the current FY mainly on account of removal of economic and political uncertainty, having an impact on the investors' confidence. Share price of the company also witnessed increasing trend during the year and closed at 326.70 depicting better profitability during the year.

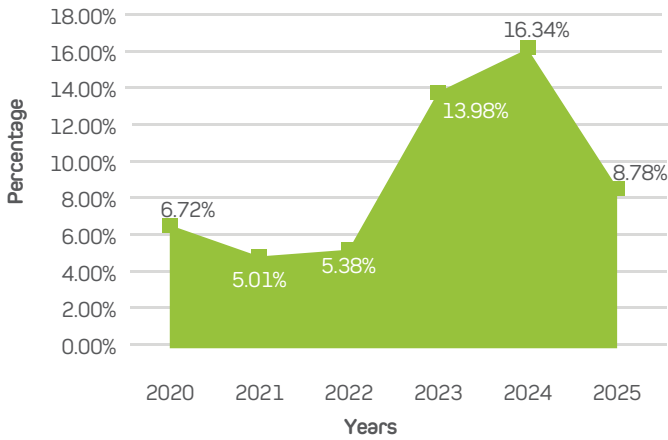
Capital Structure Ratios

	UoM	2025	2024	2023	2022	2021	2020
Degree of Financial Leverage Ratio	Times	14.19	3.35	5.93	1.02	28.09	1.75
Weighted Average Cost of Debt	Percentage	8.78%	16.34%	13.98%	5.38%	5.01%	6.72%
Debt to Equity Ratio (Book Value)	Percentage	18.83%	31.39%	49.94%	27.85%	38.38%	39.57%
Debt to Equity Ratio (Market Value)	Percentage	49.17%	138.43%	151.44%	66.26%	66.80%	80.40%
Interest Coverage Ratio	Times	2.43	1.35	3.23	13.67	7.38	1.37

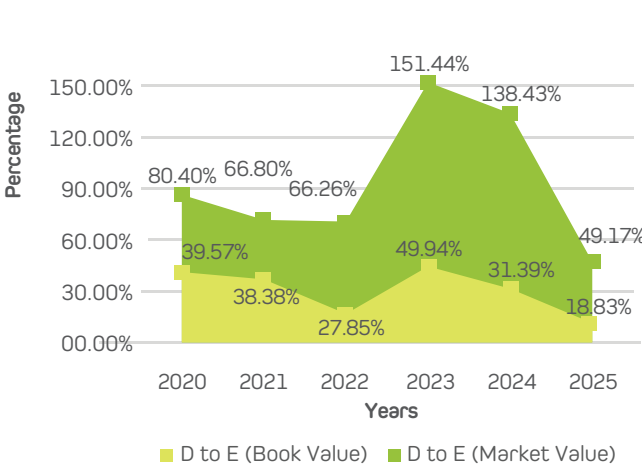
Degree of Financial Leverage Ratio



WAC of Debt



Debt to Equity Ratios



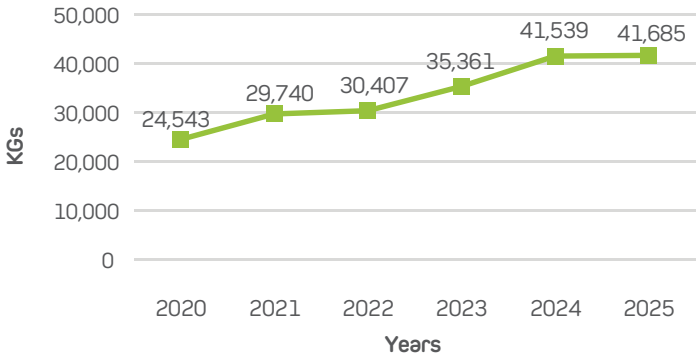
Comments:

The Company has repaid the Term loan of Rs. 1.8 billion in the current year , which resultantly has decreased the Debt to Equity Ratio. Further, the WACC of debt for the year has decreased mainly due to decrease in policy rates in this period as compared to previous ones. The lower WACC resulted decrease in finance cost which in combination with improving profits further improved the interest coverage ratio.

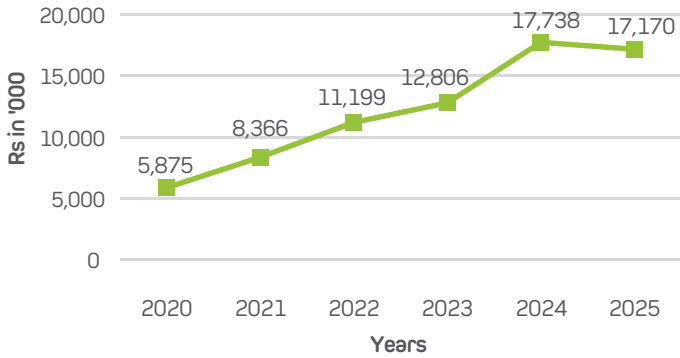
Non- Financial Ratios

	UoM	2025	2024	2023	2022	2021	2020
Production per Employee	Kgs	41,685	41,539	35,361	30,407	29,740	24,543
Revenue per Employee	Rs in '000	17,170	17,738	12,806	11,199	8,366	5,875
Spares Inventory as % of Total Asset	Percentage	1.78%	1.28%	1.32%	1.25%	1.45%	1.46%
Maintenance Cost as % of Operating Expenses	Percentage	0.12%	0.13%	0.30%	0.55%	0.23%	0.23%

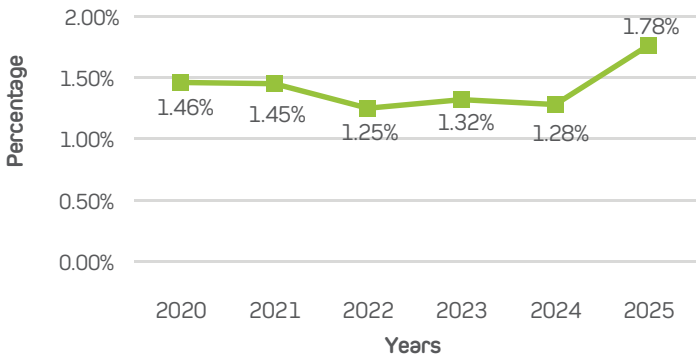
Production per Employee



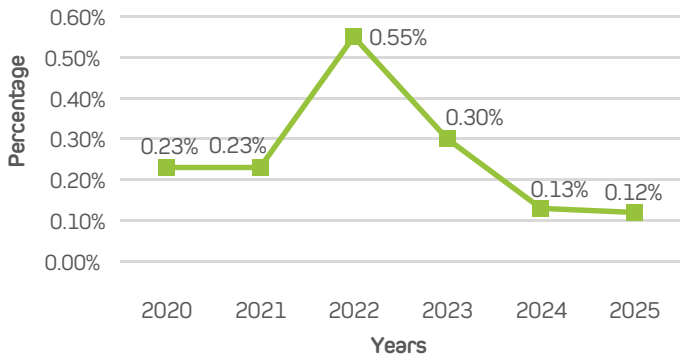
Revenue per Employee



Spares Inventory as % of Total Asset



Maintenance Cost as % of Operating Expenses

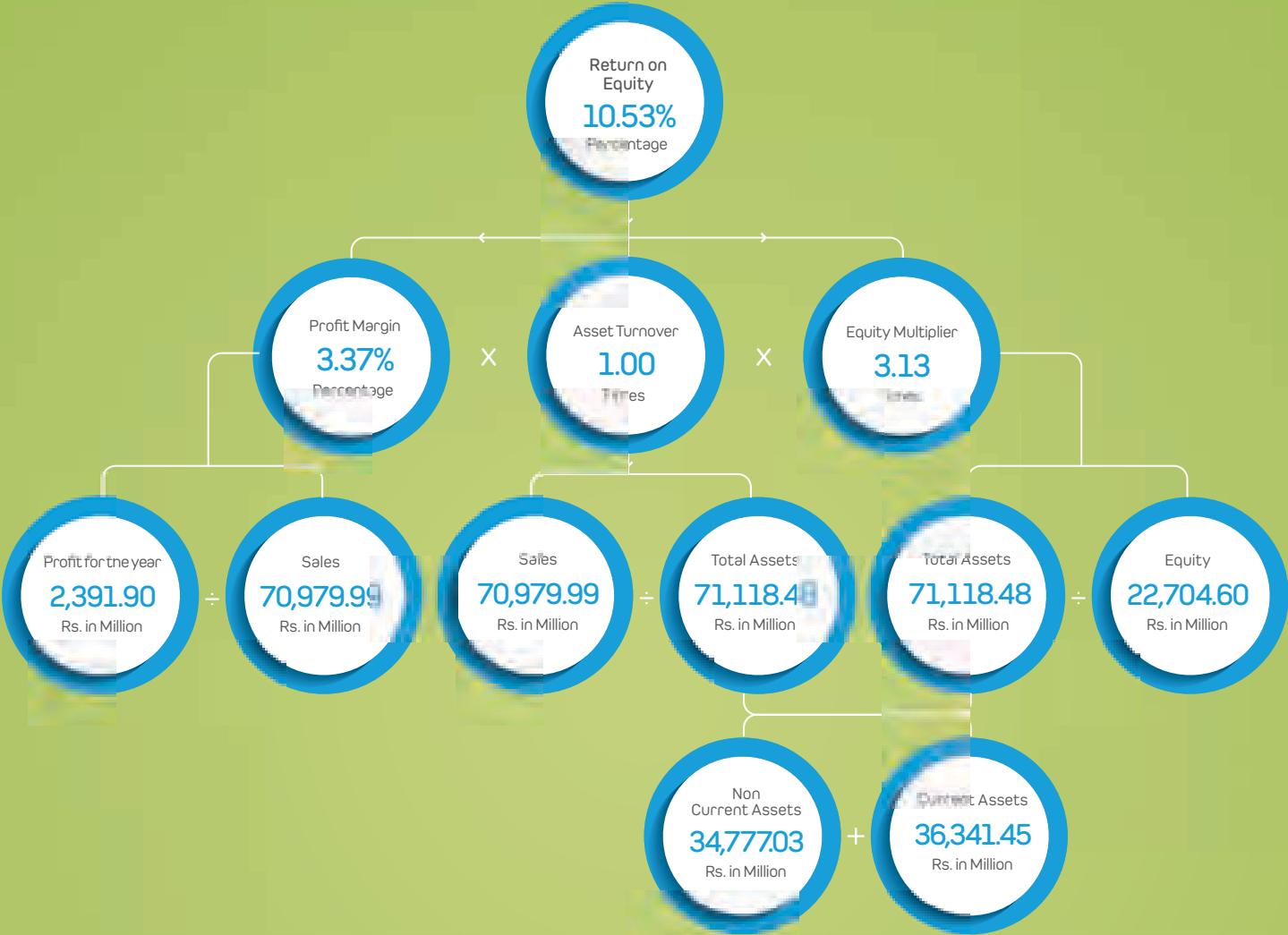


Comments:

The non-financial ratio has been on increasing trend mainly on account of technological advancement which has resulted in increase in production per employee of the Company. A robust increase in sales per employees of 192% can also be witnessed in current year from year 2020 which is due global increase in demand of yarn,bedding products and increase in sale price. Lastly, there has been a slight decrease in CY maintenance cost mainly on account of major CAPEX incurred in previous years.



DuPont Analysis



Years	Profit Margin (A)	Asset Turnover (B)	Equity Multiplier (C)	ROE A x B x C
2025	3.37%	1.00	3.13	10.53%
2024	1.09%	1.18	2.93	3.77%
2023	5.68%	0.98	3.07	17.01%
2022	10.42%	1.34	2.67	37.33%
2021	8.62%	1.31	2.88	32.58%
2020	0.16%	0.94	3.37	0.50%

Free Cash Flow



**Comment:** Free cash flows turned negative primarily due to higher cash outflows from operations than inflows generated. A key contributing factor was the significant cash tied up in inventory, as reflected in the increase in stock levels and inventory holding days.

# Economic Value Added

	2025	2024
	(Rupees in ‘000)	
Net Operating Profit After Tax	4,915,635	4,768,768
Cost of Capital	(4,304,372)	(4,769,829)
Economic Value Added	611,263	(1,061)
<b>Cost of Capital</b>		
Total Assets	71,118,486	61,831,814
Less: Current Liabilities	(42,704,834)	(33,585,967)
Invested Capital	28,413,652	28,245,847
WACC	15.15%	16.89%
Cost of Capital	4,304,372	4,769,829



### Comment:

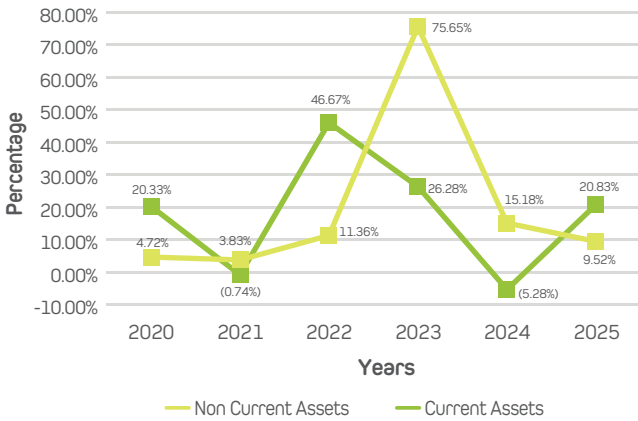
Economic Value Added (EVA) increased significantly, primarily driven by higher operating profit compared to the previous year. The improvement was further supported by a decline in the Weighted Average Cost of Capital (WACC), resulting from a reduction in the cost of debt.

# Horizontal Analysis

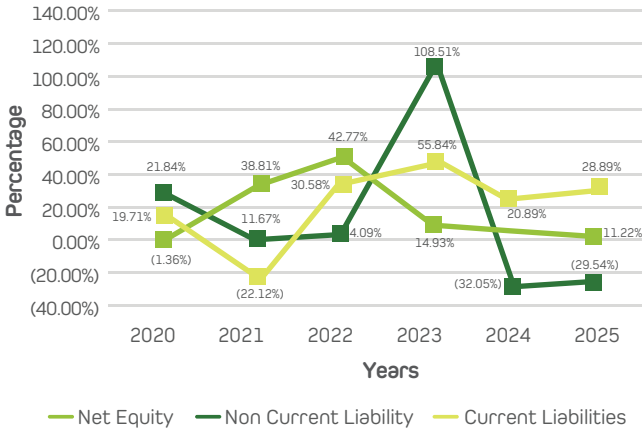
## Statement of Financial Position - Horizontal Analysis

	2025 vs 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019
<b>Assets</b>						
<b>Non Current Assets</b>						
Property, Plant and Equipment	12.44%	15.63%	92.82%	7.44%	0.87%	2.99%
Biological Assets	(25.92%)	1.10%	106.07%	75.35%	9.56%	46.70%
Long Term Loans	(81.08%)	(79.57%)	(17.77%)	59.40%	(26.95%)	(9.26%)
Long Term Deposits	12.51%	65.03%	12.65%	3.47%	13.80%	1.30%
Long Term Investment	2.54%	15.64%	29.86%	18.57%	13.33%	8.99%
	9.52%	15.18%	75.65%	11.36%	3.83%	4.72%
<b>Current Assets</b>						
Stores, Spares and Loose Tools	49.08%	11.24%	41.16%	38.53%	2.41%	4.30%
Stock in Trade	35.94%	(17.62%)	27.35%	68.99%	(15.77%)	53.61%
Trade Debts	(2.11%)	70.34%	(20.77%)	(7.11%)	73.10%	(33.68%)
Loans and Advances	72.30%	(75.82%)	37.54%	128.41%	90.44%	(38.53%)
Trade Deposit and Other Short Term Prepayments	17.33%	807.37%	(61.06%)	(63.47%)	79.22%	156.45%
Other Recievables	0.13%	(13.22%)	117.43%	116.28%	12.54%	(20.85%)
Current Tax Asset	(100%)	(15%)	323.80%	(95.99%)	(11.90%)	(12.38%)
Sales Tax Refund Bond	-	-	-	-	-	100.00%
Cash and Bank Balance	(94.06%)	428.33%	65.90%	11.65%	66.24%	(23.46%)
	20.83%	(5.28%)	26.28%	46.79%	(0.74%)	20.33%
<b>Total Assets</b>	15.02%	4.22%	45.25%	30.80%	1.27%	12.92%
<b>Equity &amp; Liabilities</b>						
Issued, Subscribed and Paid up Capital	-	-	-	-	-	-
Capital Reserves	-	-	119.96	-	-	-
Revenue Reserves	52.67%	21.39%	(78.54%)	44.23%	40.68%	(1.42%)
Total Equity	11.22%	3.90%	14.93%	42.77%	38.81%	(1.36%)
<b>Non Current Liabilities</b>						
Long term Financing	(38.20%)	(37.58%)	135.29%	2.62%	10.76%	34.49%
Deferred Grant	(23.29%)	(22.28%)	(3.32%)	29.46%	100.00%	-
Retirement Benefit Obligation	5.56%	19.47%	22.89%	14.97%	13.49%	11.76%
Deferred Tax Liabilities	(21.27%)	(33.22%)	87.14%	(3.17%)	(3.60%)	(9.03%)
	(29.54%)	(32.05%)	108.51%	4.09%	11.67%	21.84%
<b>Current Liabilities</b>						
Short Term Borrowings	36.71%	26.26%	152.74%	21.42%	(59.24%)	24.53%
Trade and Other Payables	19.52%	16.69%	(5.31%)	37.97%	69.83%	12.99%
Unclaimed Dividend	(0.33%)	(6.16%)	30.74%	17.43%	(4.76%)	7.85%
Levies Payable	(100.00%)	139.81%	75.80%	100.00%	-	-
current Portion of Long Term Financing	7.28%	1.94%	(12.58%)	3.79%	979.63%	29.14%
Current Portion of Deferred Grant	(31.10%)	(26.87%)	(2.57%)	4.16%	100.00%	-
Accrued Mark-up	(13.12%)	(32.45%)	352.22%	71.85%	(19.64%)	(53.62%)
	28.89%	20.89%	55.84%	30.58%	(22.12%)	19.71%
<b>Total Liability</b>	17.04%	4.40%	69.15%	22.69%	(14.40%)	20.19%
<b>Total Equity and Liability</b>	15.02%	4.22%	45.25%	30.80%	1.27%	12.92%

Horizontal Analysis of Total Assets



Horizontal Analysis of Total Equity & Liabilities



Comments on Statement of Financial Position - Horizontal Analysis

- Fixed asset**  
Fixed assets of the Company grew by 179.83% over past six years, with major additions on account expansion of value-added segment, investment in power generation machinery and renewable energy equipments.
- Long Term Investments.**  
Long Term Investments have increased over the years on account of an increasing Share of Profits from associates
- Stores, Spare parts & loose tools, Stock in trade and Trade debts**  
Stores, spare & loose tools have increased on account of growing operation and rupee devaluation. Whereas stock in trade has increased significantly owing to increased inventory levels. Management on the contrary has ensured timely and effective recovery from its debtors to better manage its working capital.
- Other Receivables**  
Other receivables mainly include sales tax, claim and rebate receivable. Sales tax refunds have shown both increasing / decreasing trends over the years, and its recovery depends on multiple factors including but not limited to funds available at the Government treasury, pending verification of sales tax claim by the sales tax department on the basis of the sales tax audit..
- Share capital and reserves**  
Reserves of the Company has been growing over the years (except for FY’2020 on account of Covid-19). An increase of 53.67% has been witnessed in the current year owing to profits.

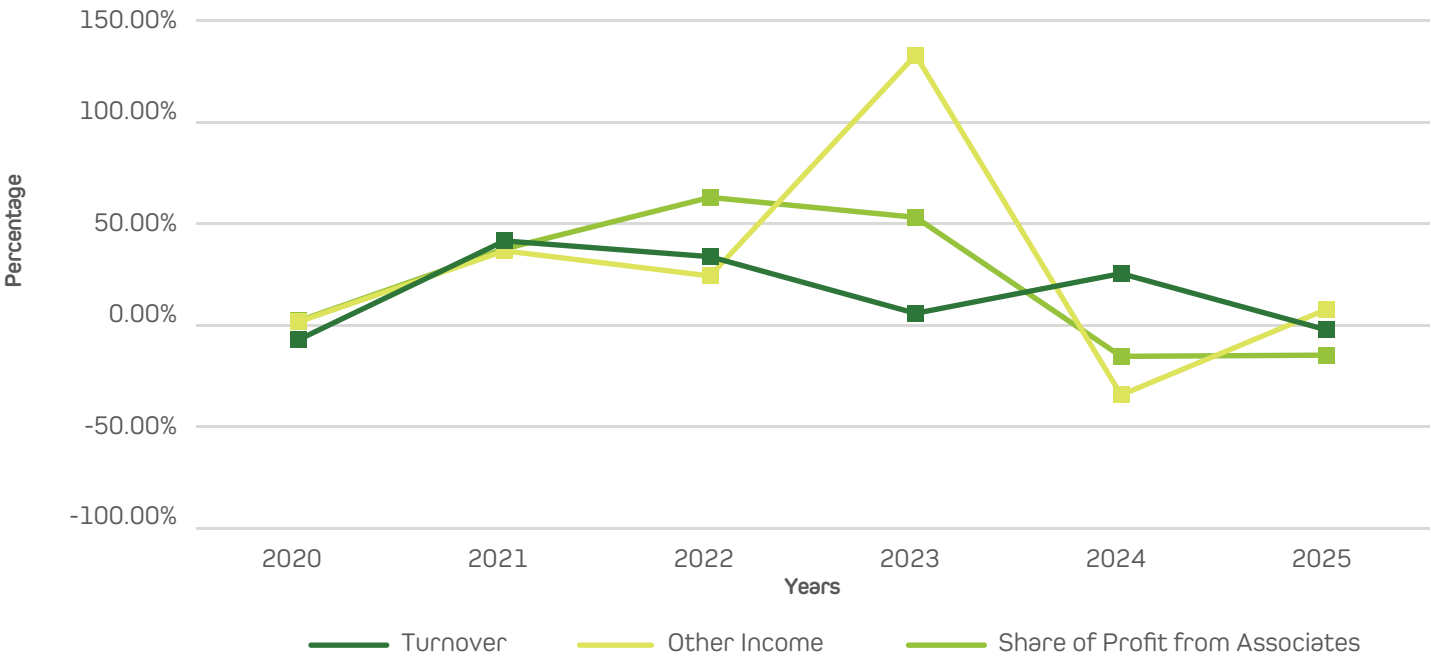
**Long-term Financing**  
The decrease in Long-term financing during the year primarily reflects the repayment of a Rs. 1.8 billion term loan, earlier obtained to finance CAPEX.

**Current liabilities**  
The Company has always taken measures to maintain its current liability at a manageable level. During the year, increase in current liability is mainly attributable to increased short term borrowings, mainly to finance the CAPEX and the working capital requirement.

Profit or Loss - Horizontal Analysis

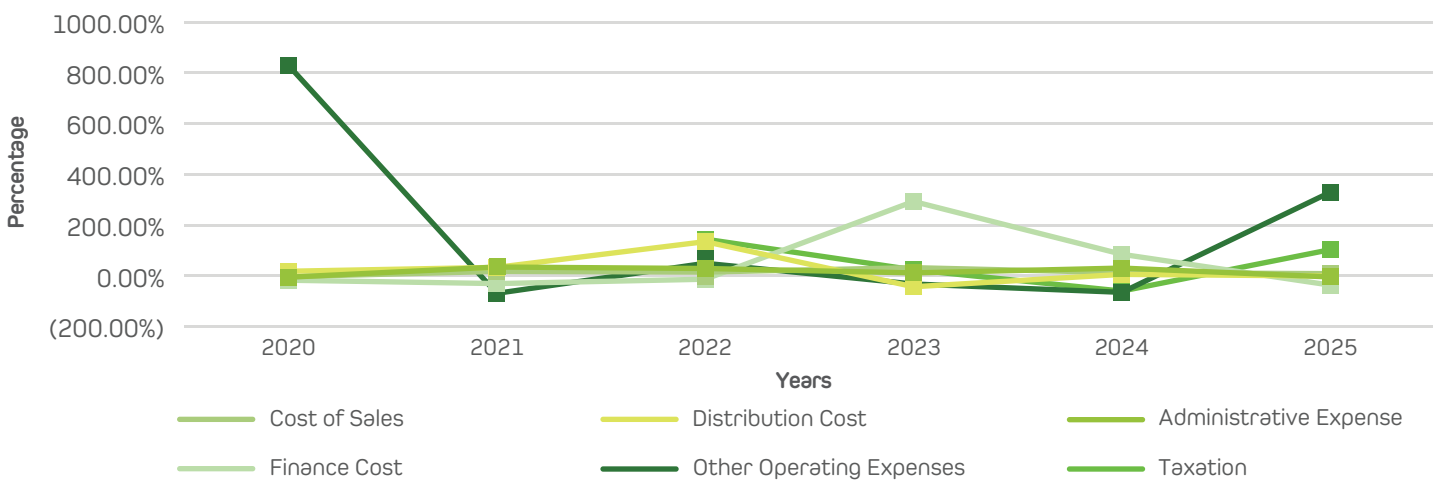
	2025 vs 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019
Turnover	(2.40%)	25.39%	5.78%	33.70%	41.48%	(7.15%)
Cost of Sales	(4.51%)	30.63%	11.49%	29.01%	34.73%	(5.58%)
Gross Profit	26.08%	(18.65%)	(26.05%)	67.63%	122.00%	(22.52%)
Distribution Cost	(0.75%)	5.71%	(43.10%)	134.82%	33.49%	18.07%
Administrative Expense	8.67%	12.63%	32.28%	14.83%	17.52%	(3.29%)
Operating Profit	35.39%	(26.00%)	(25.39%)	61.20%	168.67%	(32.29%)
Finance Cost	(36.50%)	84.97%	293.36%	(13.44%)	(30.58%)	(17.36%)
Other Operating Expenses	329.52%	(65.16%)	(32.23%)	49.54%	(68.96%)	829.90%
Other Income	7.75%	(34.45%)	133.02%	24.20%	36.59%	1.68%
Share of Profit from Associates	(14.83%)	(15.42%)	53.10%	62.91%	37.55%	2.07%
Profit Before Taxation	159.14%	(70.96%)	(30.87%)	71.83%	1092.15%	(79.76%)
Taxation	103.13%	(60.12%)	23.74%	144.82%	68.37%	(39.42%)
Profit for the year	201.04%	(75.86%)	(42.39)	61.67%	7667.43%	(96.16%)

Horizontal Analysis of Income





Horizontal Analysis of Expense



Horizontal Analysis of Profit



Comments on Profit or Loss- Horizontal Analysis

Turnover

Revenue has shown consistent growth over the years, driven by aggressive marketing strategies, product diversification, expansion into new markets, and entry into the value-added segment, supported by favorable price movements. However, in the current year, revenue declined by 2.40% due to declining demand and reduction in sales price.

Gross profit

Gross profit, had shown an increasing trend over the years. In the current year, gross profit improved, supported by a decline in raw material prices and more efficient utilization of raw materials as compared to last year.

Finance Cost

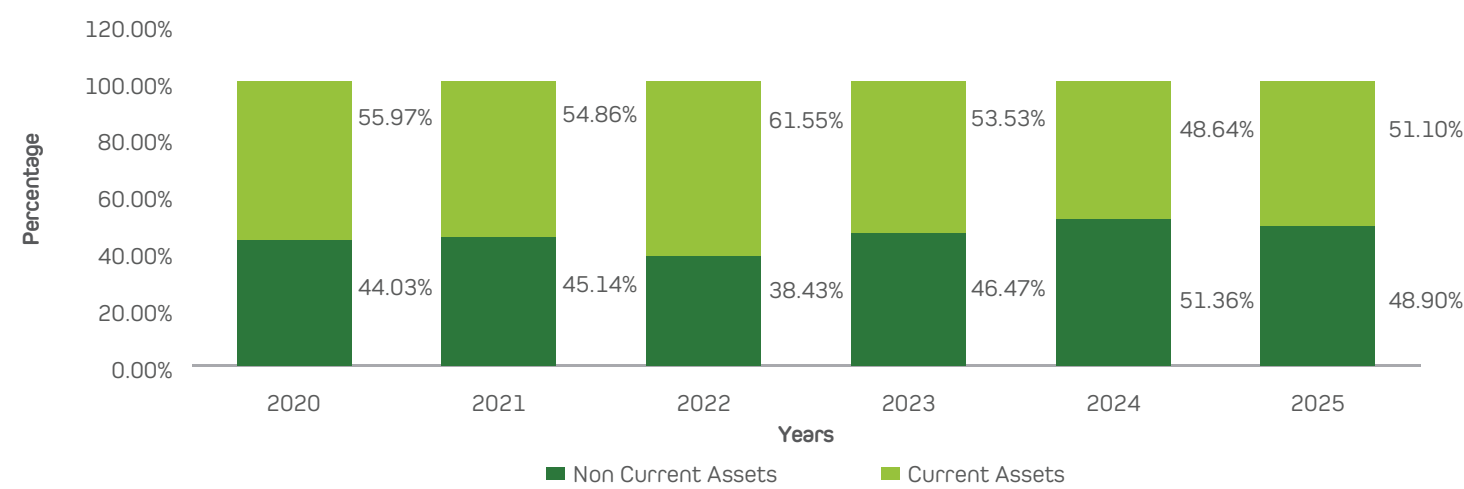
In the prior years, finance cost remained high due to elevated policy rates, higher working capital requirements from inflationary pressures and rupee devaluation, and the absence of lower-cost financing options for significant CAPEX in machinery, generators, and expansion in the value-added segment however this year finance cost decline by 36.50% compared to the previous year, driven by a reduction in policy rates and lower financing requirements.

Vertical Analysis

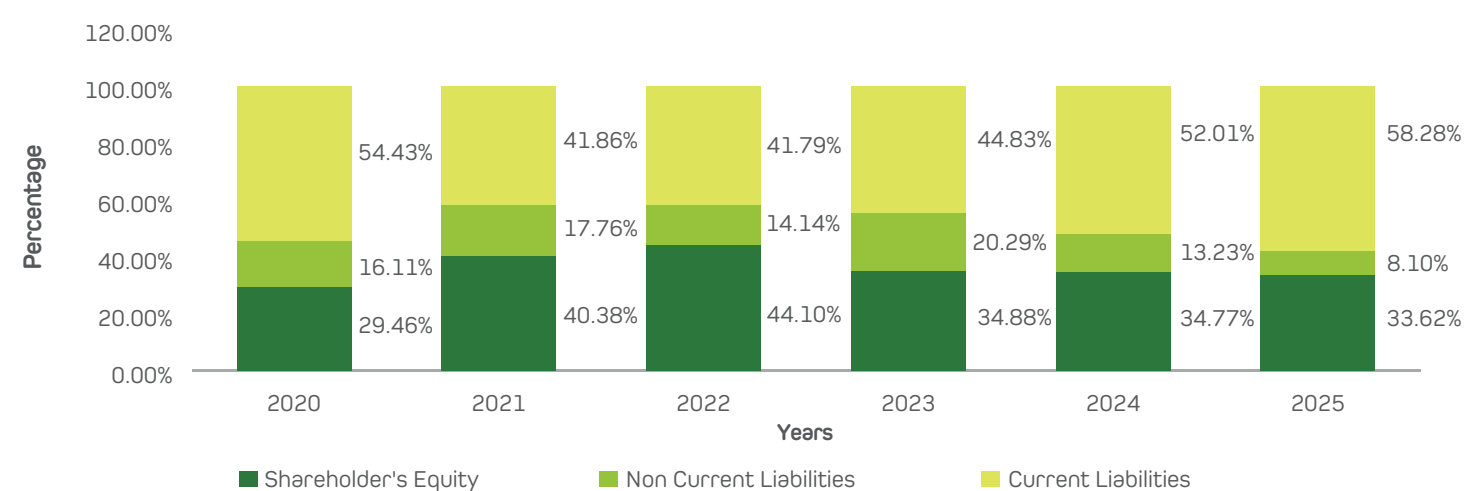
Statement Of Financial Position – Vertical Analysis

	2025	2024	2023	2022	2021	2020
<strong>Assets</strong>						
<strong>Non Current Assets</strong>						
Property, Plant and Equipment	38.84%	39.73%	35.81%	26.97%	32.84%	32.97%
Biological assets	0.79%	1.23%	1.27%	0.89%	0.67%	0.62%
Long Term Loans	-	0.01%	0.06%	0.11%	0.09%	0.13%
Long Term Deposits	0.10%	0.10%	0.07%	0.09%	0.11%	0.10%
Long Term Investment	9.17%	10.28%	9.27%	10.37%	11.43%	10.22%
	48.90%	51.36%	46.47%	38.43%	45.14%	44.03%
<strong>Current Assets</strong>						
Stores, Spares and Loose Tools	2.95%	2.28%	2.14%	2.20%	2.07%	2.05%
Stock in Trade	36.86%	31.19%	39.46%	45.00%	34.83%	41.88%
Trade Debts	6.97%	8.19%	5.01%	9.18%	12.93%	7.57%
Loans and Advances	0.43%	0.29%	1.24%	1.31%	0.75%	0.40%
Trade Deposit and Other Short Term Prepayments	0.09%	0.09%	0.01%	0.04%	0.13%	0.07%
Other Recievables	3.68%	4.23%	5.08%	3.40%	2.05%	1.85%
Current Tax Asset	-	0.12%	0.15%	0.05%	1.63%	1.87%
Cash and Bank Balance	0.12%	2.27%	0.45%	0.39%	0.46%	0.28%
	51.10%	48.64%	53.53%	61.57%	54.86%	55.97%
<strong>Total Assets</strong>	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<strong>Equity &amp; Liabilities</strong>						
Issued, Subscribed and Paid up Capital	0.39%	0.45%	0.47%	0.69%	0.90%	0.91%
Capital Reserves	23.39%	26.91%	28.04%	0.34%	0.44%	0.45%
Revenue Reserves	9.83%	7.41%	6.36%	43.06%	39.04%	28.11%
Total Equity	33.62%	34.77%	34.88%	44.08%	40.38%	29.46%
<strong>Non Current Liabilities</strong>						
Long Term Financing	5.12%	9.52%	15.90%	9.81%	12.51%	11.44%
Deferred Grant	0.15%	0.23%	0.30%	0.46%	0.46%	0.00%
Retirement Benefit Obligation	1.79%	1.95%	1.70%	2.01%	2.29%	2.04%
Deferred Tax Liabilities	1.05%	1.53%	2.39%	1.85%	2.50%	2.63%
	8.10%	13.23%	20.29%	14.13%	17.76%	16.11%
<strong>Current Liabilities</strong>						
Short Term Borrowings	37.53%	31.57%	26.06%	14.98%	16.14%	40.09%
Trade and Other Payables	18.19%	17.51%	15.64%	23.99%	22.74%	13.56%
Unclaimed Dividend	0.05%	0.05%	0.06%	0.06%	0.07%	0.08%
Levies Payable	-	0.70%	0.30%	0.25%	-	-
Current Tax Liability	0.69%	-	-	-	-	-
Current Portion of Long Term Financing	1.03%	1.10%	1.12%	1.87%	2.35%	0.22%
Current Portion of Deferred Grant	0.04%	0.06%	0.09%	0.14%	0.17%	0.00%
Accrued Mark-up	0.76%	1.01%	1.55%	0.50%	0.38%	0.48%
	58.28%	52.01%	44.83%	41.79%	41.86%	54.43%
<strong>Total Liability</strong>	66.38%	65.23%	65.12%	55.92%	59.62%	70.54%
<strong>Total Equity and Liability</strong>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Vertical Analysis of Total Assets



Vertical Analysis of Total Equity and Liabilities



Comments on Statement Of Financial Position - Vertical Analysis

Property, Plant and Equipment

The ratio of property, plant and equipment to total assets showed a slight decrease, mainly due to higher stock and store levels maintained to support growing operations. Nevertheless, CAPEX during the year remained higher than prior years, reflecting the Company’s continued commitment to expansion and operational enhancement

Stock-in-Trade

The stock in trade to total asset has increased as compared to previous years, due to higher volume of raw material maintained to support growing operations and take advantage of decrease in rate per kg.

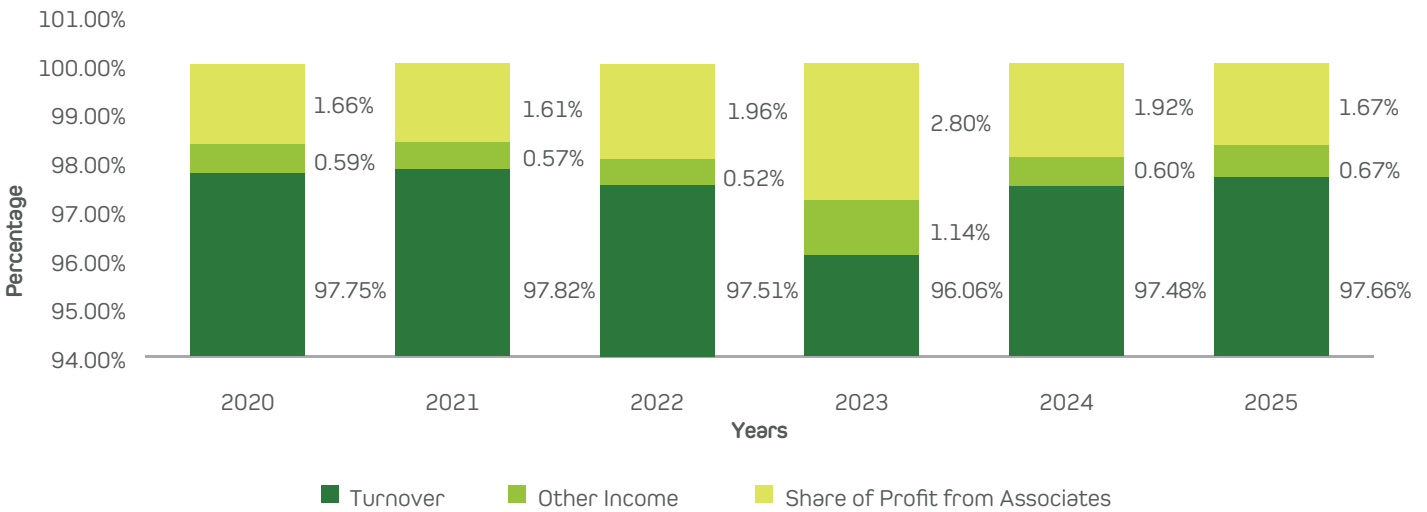
Equity / Long term finance

The Company’s equity showed a marginal decline during the year, primarily due to a higher proportion of short-term borrowings. However, profitability continued its upward trend, reflecting strong business performance. The timely repayment of long-term loans reduced non-current liabilities, while the increased use of running finance reflects the Company’s proactive approach to supporting expanding operations and meeting growing working capital needs.

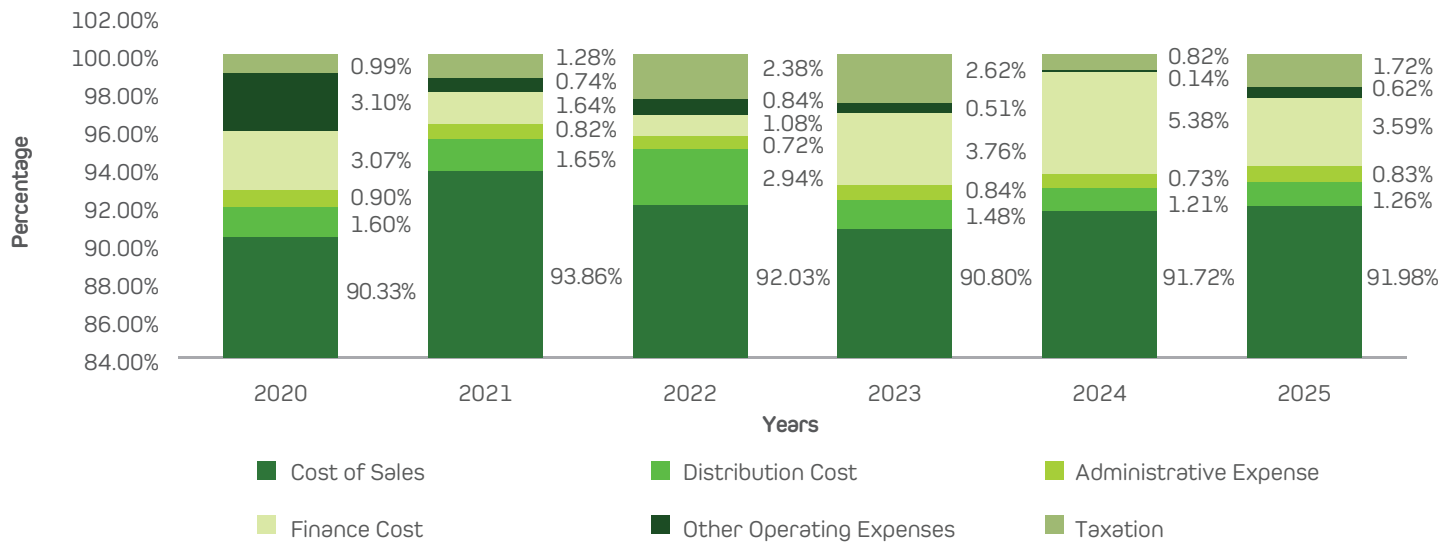
Profit or Loss - Vertical Analysis

	2025	2024	2023	2022	2021	2020
Turnover	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Sales	(91.09%)	(93.10%)	(89.37%)	(84.79%)	(87.87%)	(92.27%)
Gross Profit	8.91%	6.90%	10.63%	15.21%	12.13%	7.73%
Distribution Cost	(1.25%)	(1.23%)	(1.46%)	(2.71%)	(1.54%)	(1.64%)
Administrative Expense	(0.82%)	(0.74%)	(0.82%)	(0.66%)	(0.77%)	(0.92%)
Operating Profit	6.84%	4.93%	8.35%	11.84%	9.82%	5.17%
Finance Cost	(3.56%)	(5.46%)	(3.70%)	(1.00%)	(1.54%)	(3.14%)
Other Operating Expenses	(0.61%)	(0.14%)	(0.50%)	(0.78%)	(0.70%)	(3.17%)
Other Income	0.68%	0.62%	1.18%	0.54%	0.58%	0.60%
Share of Profit from Associates	1.71%	1.97%	2.91%	2.01%	1.65%	1.70%
Profit Before Taxation	5.07%	1.91%	8.25%	12.62%	9.82%	1.17%
Taxation	(1.70%)	(0.82%)	(2.57%)	(2.20%)	(1.20%)	(1.01%)
Profit for the year	3.37%	1.09%	5.68%	10.42%	8.62%	0.16%

Vertical Analysis of Total Income



Vertical Analysis of Total Expense



Comments on Profit or Loss - Vertical Analysis

**Gross profit**  
Gross profit of the company has increased as compared to last years in term of ratio and amount mainly on account of declining in Raw material consumed due to better utilization of resources by determing efficient blend which causes reduction in cost.

**Distribution Cost**  
The distribution cost to total sales has increased slightly on account of increase in export sales costs as compared to SPLY.

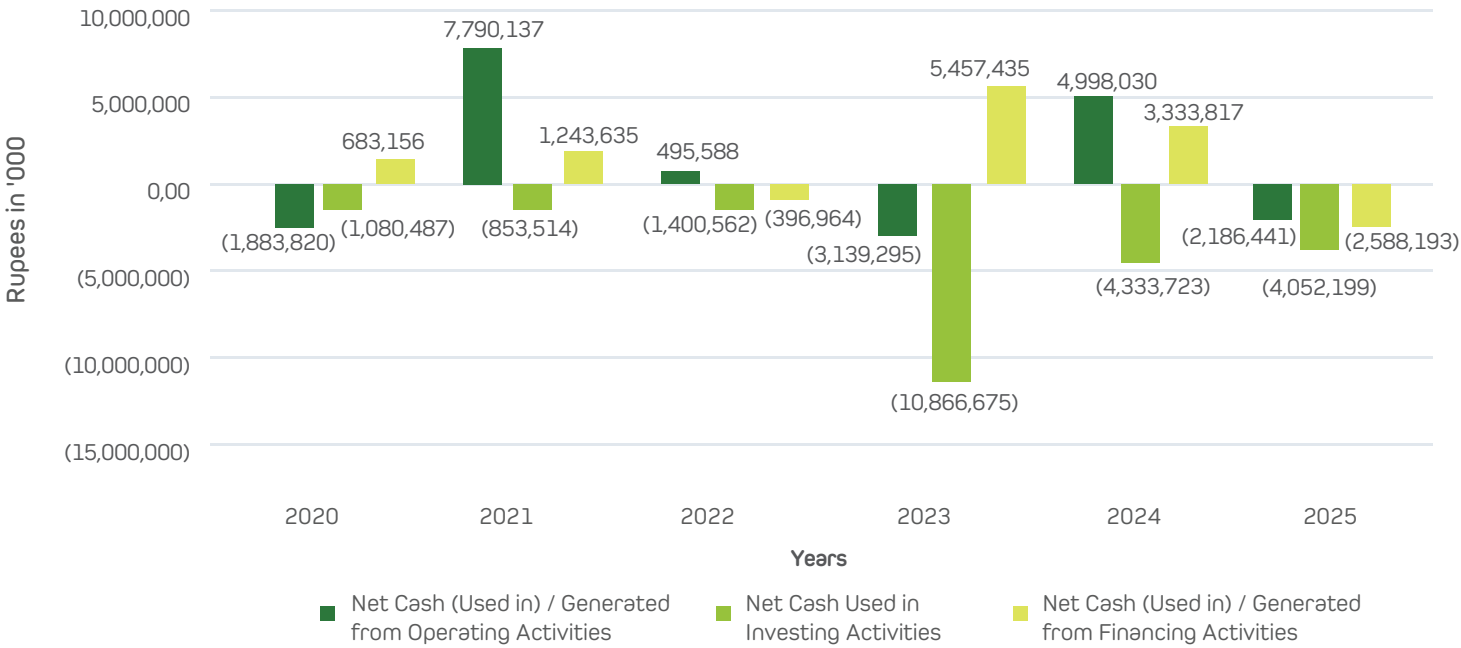
**Finance Cost**  
The finance cost to sales ratio has decreased on account of the factors as mentioned in Horizontal Analysis section.

**Share of Profit**  
The percentage of Share of Profit decreased slighlty due to reduction in profits of associates companies.

Summary of Cash Flow

	2025	2024	2023	2022	2021	2020
	(Rupees in '000)					
Cash generated from / (used in) operations	2,037,143	10,315,003	(708,123)	1,504,211	9,035,000	(433,484)
Finance cost paid	(2,605,413)	(4,273,234)	(1,430,873)	(461,023)	(660,046)	(1,079,707)
Income tax paid	(1,291,863)	(803,029)	(822,553)	(640,856)	(451,067)	(304,748)
Rebate received	-	-	-	242,664	10,263	48,111
Gratuity paid	(326,308)	(240,710)	(177,746)	(149,408)	(144,013)	(113,992)
	(4,223,584)	(5,316,973)	(2,431,172)	(1,008,623)	(1,244,863)	(1,450,336)
Net cash generated from / (used in) Operating Activities	(2,186,441)	4,998,030	(3,139,295)	495,588	7,790,137	(1,883,820)
Net cash used in investing activities	(4,052,198)	(4,333,723)	(10,866,675)	(1,400,562)	(853,514)	(1,080,487)
Net cash generated from / (used in) financing activities	(2,588,193)	3,333,817	5,457,435	(396,964)	1,243,635	683,156
Net (decrease) / increase in cash & cash equivalents	(8,826,832)	3,998,124	(8,548,535)	(1,301,938)	8,180,258	(2,281,151)
Cash & cash equivalents at the beginning of the year	(9,165,670)	(13,163,794)	(4,615,259)	(3,313,321)	(11,493,579)	(9,212,428)
Cash & cash equivalent at the end of the year	(17,992,502)	(9,165,670)	(13,163,794)	(4,615,259)	(3,313,321)	(11,493,579)





### Comments:

#### Cash Flows from Operating Activities

The Company's net cash generated during the year was Rs. (2.18) billion, after payments of Rs. 4.22 billion towards finance costs, gratuity, and income taxes. The negative cash flow from operations was primarily attributable to challenges in working capital management, with a significant portion of cash being tied up in inventory.

#### Cash Used in Investing Activities

The Company's net cash used in investing activities primarily represents expenditures on the purchase of plant and machinery and related civil works. The investment pattern during the year remained broadly consistent with that of the previous year.

#### Cash (Used in) / Generated from Financing Activities

The Company's net cash flow from financing activities turned negative compared to the previous year. In the prior year, financing inflows were supported by renewable energy financing and import loans obtained to facilitate raw material purchases. In the current year, however, higher repayments, including term loans and import loans, were made to reduce the overall debt burden.

# Statement of Cash Flows – Direct Method

## A. CASH FLOWS FROM OPERATING ACTIVITIES

Cash Received from Customer	71,264,336	70,771,391
Cash Paid to Suppliers, Employees and Others	(69,227,193)	(60,456,388)
Finance Cost Paid	(2,605,413)	(4,273,234)
Income Tax Paid	(1,291,863)	(803,029)
Gratuity Paid	(326,308)	(240,710)
Net Cash (Used in) / Generated from Operating Activities	(2,186,441)	4,998,030

## B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property, Plant and Equipment	(5,720,620)	(5,265,702)
Sale Proceeds from Disposal of Property, Plant and Equipment	149,594	152,546
Sale Proceeds from Disposal of Animals	183,060	90,099
Loans Repaid by Employees	16,188	37,765
Long-term Deposits Received	4,722	22,222
Long-term Deposits Given	(8,082)	(25,450)
Short Term Investments Made	(19,000,000)	-
Dividend Received	1,057,241	582,703
Profit Received From Bank Deposits	69,625	72,094
Short Term Investments Disposed	19,196,073	-
Net Cash Used in Investing Activities	(4,052,199)	(4,333,723)

## C. CASH FLOWS FROM FINANCING ACTIVITIES

Term Loan Obtained	-	1,263,806
Repayment of Long-term Finance	(297,920)	(490,791)
Repayment of Term Loan	(1,800,000)	(5,087,129)
Export Refinance - Net	1,385,937	1,421,524
Repayment of Temporary Economic Refinance Facility	(146,883)	(109,645)
Renewable Energy Financing Obtained	-	837,507
Import Loan - Net	(1,729,220)	5,500,669
Dividend Paid	(107)	(2,124)
Net Cash (Used in) / Generated from Financing Activities	(2,588,193)	3,333,817
Net Decrease Cash and Cash Equivalents (A+B+C)	(8,826,833)	3,998,124
Cash and Cash Equivalents at the Beginning of the Year	(9,165,670)	(13,163,794)
Cash and Cash Equivalents at the end of the Year	(17,992,502)	(9,165,670)

	2025	2024
	(Rupees in '000)	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customer	71,264,336	70,771,391
Cash Paid to Suppliers, Employees and Others	(69,227,193)	(60,456,388)
Finance Cost Paid	(2,605,413)	(4,273,234)
Income Tax Paid	(1,291,863)	(803,029)
Gratuity Paid	(326,308)	(240,710)
Net Cash (Used in) / Generated from Operating Activities	(2,186,441)	4,998,030
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(5,720,620)	(5,265,702)
Sale Proceeds from Disposal of Property, Plant and Equipment	149,594	152,546
Sale Proceeds from Disposal of Animals	183,060	90,099
Loans Repaid by Employees	16,188	37,765
Long-term Deposits Received	4,722	22,222
Long-term Deposits Given	(8,082)	(25,450)
Short Term Investments Made	(19,000,000)	-
Dividend Received	1,057,241	582,703
Profit Received From Bank Deposits	69,625	72,094
Short Term Investments Disposed	19,196,073	-
Net Cash Used in Investing Activities	(4,052,199)	(4,333,723)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Term Loan Obtained	-	1,263,806
Repayment of Long-term Finance	(297,920)	(490,791)
Repayment of Term Loan	(1,800,000)	(5,087,129)
Export Refinance - Net	1,385,937	1,421,524
Repayment of Temporary Economic Refinance Facility	(146,883)	(109,645)
Renewable Energy Financing Obtained	-	837,507
Import Loan - Net	(1,729,220)	5,500,669
Dividend Paid	(107)	(2,124)
Net Cash (Used in) / Generated from Financing Activities	(2,588,193)	3,333,817
Net Decrease Cash and Cash Equivalents (A+B+C)	(8,826,833)	3,998,124
Cash and Cash Equivalents at the Beginning of the Year	(9,165,670)	(13,163,794)
Cash and Cash Equivalents at the end of the Year	(17,992,502)	(9,165,670)

Segmental View of Business Performance

Based on internal management reporting structure and products produced and sold, the Company is organized into the following three operating segments:

- Spinning segment: manufacturing and sale of yarn
- Manufacturing and sale of knitted bedding products
- Unallocated segments includes dyeing services, production and sale of milk

The detail regarding segment wise performance is appearing in the financial statement of the Company.

Share Price Sensitivity Analysis

The share price of the Company depends on the Company’s overall performance and reputation in the respective industry in which it exists, combined with other external factors on which management has lesser or no control. The Company’s share price is sensitive to the following uncontrollable external factors:

Stock Market

Company’s share price depends on overall market performance, investor confidence in the economy and particular sector and the overall fundamentals of the Company. Positive sentiments, news flows prevailing in the market may result in an appreciation of the share price of the Company.

Government Policies

Company is exposed to Government regulations, taxes schemes, policies, incentives schemes which directly affects the Company’s financial performance which in turn may affect the share price.

Political Instability

The stable political situation in the Country improves the overall business performance, investor confidence and also encourages foreigners to deal with some of the prestigious companies in the Country, which may have an impact on Company’s share price.

Exchange Rate

Company generated 18.30% of its revenue from exports and imported 77.1% of its raw material, through which the entity is exposed to exchange rate risk. Any favorable or unfavorable movement in exchange rates might affect the Company’s profitability and hence, affect the share price. The Company has also adopted effective strategies to minimize the risk of exchange rates.

Interest Rate

The Company’s finance cost is 3.56% of the turnover. Any interest rate movement will affect the Company’s profitability and hence, affect the share price

Availability of Raw Material

The Company’s performance is largely dependent upon the availability of raw material, which is highly sensitive to seasonal fluctuations. Thus, any negative or positive change in the raw material prices will dampen the Company’s performance and influence the share price.

Share Price Analysis



Composition of Local versus Imported Material / Sensitivity Analysis

As a yarn manufacturer, raw cotton is the main raw material. The composition of the raw material procured during the fiscal year is stated as follows:

Raw Material Purchases	Imported		Local		Total	
	KG (in '000)	Amount (in '000)	KG (in '000)	Amount (in '000)	KG (in '000)	Amount (in '000)
2024	64,397	26,621,503	37,979	16,467,295	102,376	43,088,798
2025	76,542	34,649,829	22,685	9,338,104	99,227	43,987,933

If the Pakistani Rupee had weakened / strengthened by 10% against the US Dollars, Euros and Swiss Franc with all variables held constant, the raw material cost for the year would have been lower / higher by Rs. 3.46 billion (2024: Rs. 2.66 billion). This analysis assumes that all other variables, in particular interest rates, remain constant.

Disclosure of Market Share of the Company

The Company is among the largest spinning mills in Pakistan, boasting over 380,000 spindles. Its primary focus is the manufacturing and sale of yarn, but it also produces and sells knitted bedding products, offers dyeing services, and is involved in milk production and sales. While there are many competitors in the spinning industry, only a few can match the Company's scale. Due to the lack of industry data for precise market share measurement, the number of installed spindles is the key indicator. Based on this, it is clear that the Company holds one of the largest market shares in yarn sales within the Country.

CEO Presentation Video on the Company's Business

Video presentation by CEO briefing about the business overview, performance, strategy and outlook has been uploaded on the media section of the Company's website and can be viewed at (<https://gadoontextile.com/ceo-video-message/>)

# Statement of Value Added & its Distribution

## Wealth Generated

Sales including Sales Tax  
Other Operating Income

	2025		2024	
	(Rupees in '000)	%	(Rupees in '000)	%
Sales including Sales Tax	81,540,019	97.96%	80,674,477	97.72%
Other Operating Income	1,702,133	2.04%	1,879,276	2.28%
	83,242,152	100.00%	82,553,753	100.00%

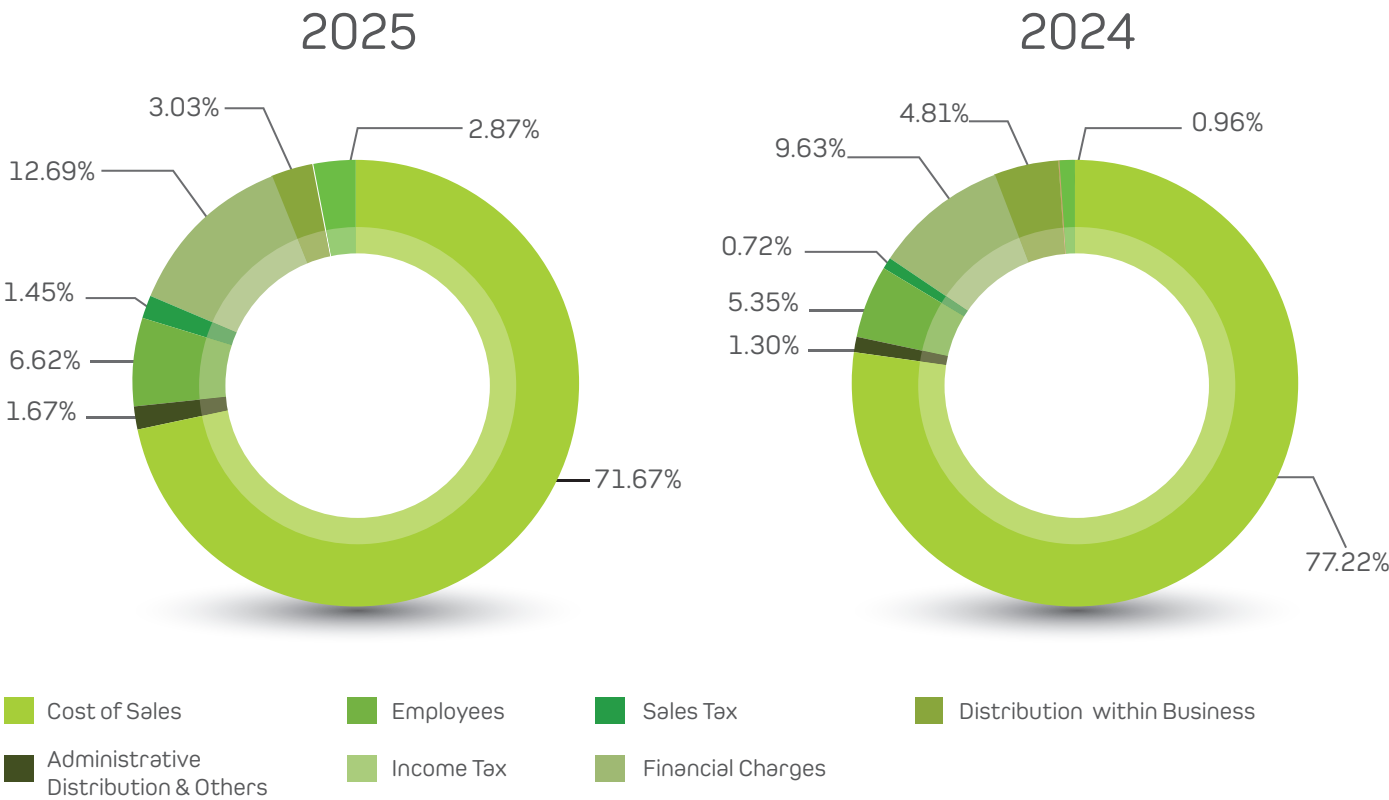
  

	2025		2024	
	(Rupees in '000)	%	(Rupees in '000)	%
Cost of Sales	59,659,411	71.67%	63,746,055	77.22%
Administrative, Distribution and Others	1,390,306	1.67%	1,074,174	1.30%
Employees	5,509,460	6.62%	4,419,905	5.35%
Income Tax	1,207,307	1.45%	594,356	0.72%
Sales Tax	10,560,033	12.69%	7,950,495	9.63%
Financial Charges	2,523,731	3.03%	3,974,220	4.81%
Distribution within Business	2,391,904	2.87%	794,548	0.96%
	83,242,152	100.00%	82,553,753	100.00%

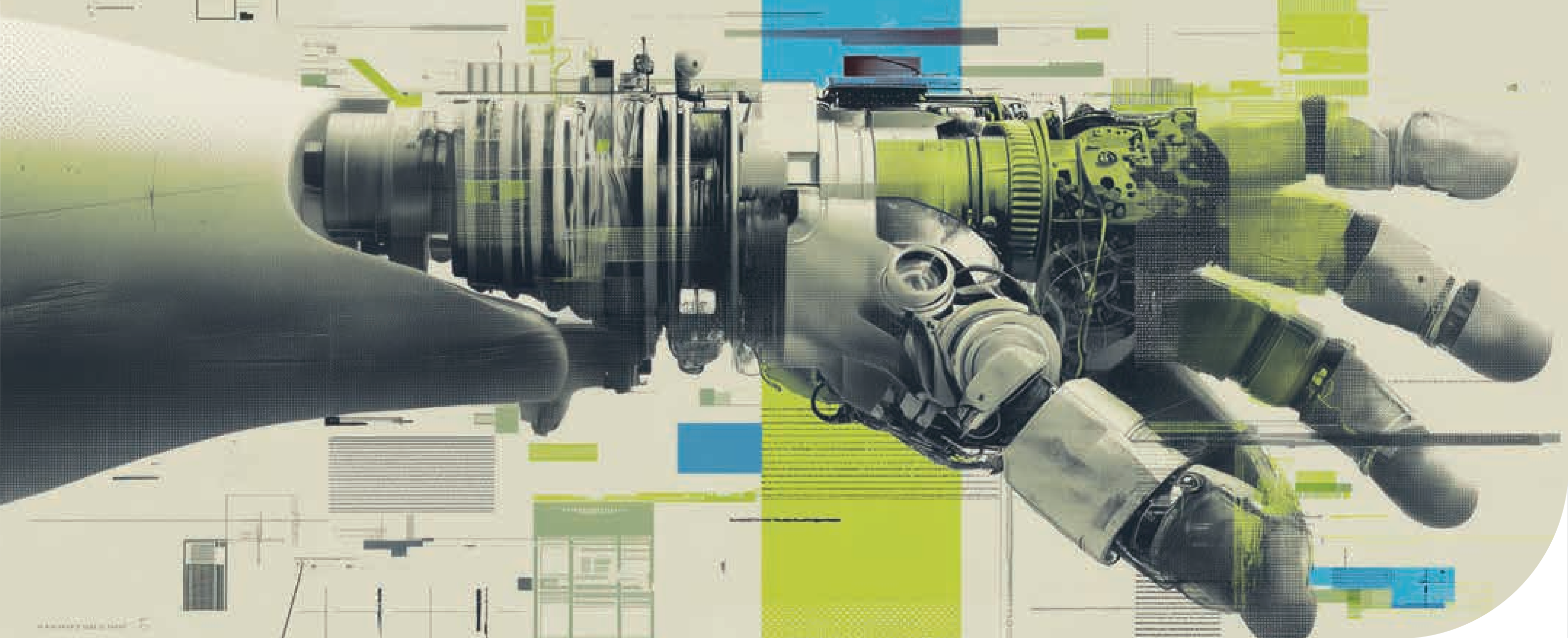
## Wealth Distribution

Cost of Sales  
Administrative, Distribution and Others  
Employees  
Income Tax  
Sales Tax  
Financial Charges  
Distribution within Business

## Wealth Distribution







# Crafting Digital Security

IT Governance & Cybersecurity

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# Board Oversight Statement on IT Systems and AI Strategy

The Board of Directors acknowledges its ultimate responsibility for supervising the company’s IT systems, internal controls, and evolving AI initiatives to drive operational efficiency and maintain a competitive edge in our business environment. The Board provides strategic oversight of the cybersecurity framework and data privacy measures, ensuring full alignment with relevant data protection regulations and industry norms. A structured IT governance framework is in place, incorporating strong risk management practices, regular vulnerability assessments, and continuous monitoring across all operational and supply chain environments.

Cybersecurity and IT-related risks are overseen through the IT Steering Committee (ITSC), which regularly engages with senior management to review system performance, risk indicators, and compliance matters. In the event of a security breach, data loss, or control failure, management must report the incident to the ITSC within 24 hours. For any significant incident, the ITSC coordinates with Board members to seek timely guidance, assess the situation, and ensure appropriate response actions and corrective measures are taken.

Investment decisions related to IT, including the adoption of AI solutions for predictive maintenance, quality enhancement, and supply chain efficiency, are reviewed and approved by the Board, ensuring that such technologies are deployed with appropriate ethical safeguards and risk controls. Periodic IT reviews and independent evaluations, conducted as needed, enable the Board through the ITSC to ensure that the company’s technology environment remains secure, compliant, and aligned with overall strategic objectives.

### Responsibility for the Implications of Cyber Risks:

IT Governance is an integral part of the Company and it helps to engage the Board members, executive management and underlying staff. Although there is no legal or regulatory requirement applicable that enforces Board responsibilities in case of any cyber risks, however, Board members are proactively involved in directing and controlling the actions and affairs of management for effective monitoring.

The Director of IT is responsible for overseeing the cybersecurity risk and assessments and puts forward findings and recommendations to the IT Steering Committee. He is also responsible for ensuring training of IT and other staff members to mitigate any potential cyber risks.

IT team is responsible for developing and effectively monitoring the security framework and ensuring that the procedures are implemented to store, safeguard, retrieve and share information, exposed to cyber risks.

IT Steering Committee based on the recommendations assesses the financial, reputational, and compliance risks and recommends its suggestion to the Board.

The Company also engages an expert consultant as an independent IT auditor for formal IT Audit, Risk Assessment, and Penetration testing to set out the high-level principles of IT governance across the organization.

### IT Governance Policy and Cybersecurity Procedures:

The Company’s IT and information security policies and procedures are in place which cover the requirement of information/cybersecurity. components. This policy not only helps us in precise dissemination and accurate presentation of information but, in particular, saves time and cost.

### Policy Statement:

- **Strategic Alignment:** Alignment of the strategic direction of IT with the business with respect to services and projects and verifying strategic compliance, i.e., achievement of organizational objectives through strategic IT objectives.
- **Benefit Realization (Value Delivery):** Organization’s IT processes shall provide effective and efficient delivery of the IT services and early warnings, including any impact on cost, schedule, or functionality that may impact the expected outcomes of the services.
- **IT Risk Management:** Ensuring that processes are in place and effective to assess, manage and monitor the associated risks in IT investments, developments, and operations. The organization ensures that the IT risks do not exceed the enterprise risk appetite.
- **Resource Optimization:** Ensuring that there is an adequate IT capability and infrastructure assessment to support current and expected future business requirements.
- **Performance Management:** Reviewing the measurement of IT performance and the contribution of IT to the business.
- **Adequate Policies Framework and Its Independent Assurance:** Ensuring that the appropriate policy controls are in place and the processes are documented.

### Cybersecurity Procedure / Action Plan:

In today’s highly competitive and dynamic environment, companies must align themselves with modern advancements. The Company’s Cybersecurity strategy is in place, which defines the roadmap for technology enhancement and clarifies the role of cyber security by enforcing the below-mentioned action plan to ensure network security in a manner.

- The Company shall formulate cyber security action plan to anticipate, withstand, detect, and respond to cyber-attacks in line with standards and best practices.
- Development and implementation of robust cyber security awareness program shall be carried out, ensuring that end-users are aware of the importance of protecting sensitive information and the risks of mishandling information.
- Developing and implement assessment methods / procedures for determining security control effectiveness.

### Committee and Risk Administration:

The Company ensures that MIS on incidents, logs, breaches, etc., is regularly reviewed by management, and critical incidents are submitted to the IT Steering Committee for review. The formal IT Steering Committee, chaired by a Board Director and comprising members from senior management, addresses IT security matters. Any high-level cybersecurity threat is escalated to the full Board when broader involvement is required.

However, minor risk-related decisions can be agreed between the Director of IT / Head of respective business units.

### Risk Administration:

Furthermore, the risk administration exercise whether for new project / product or major upgrades, is usually conducted by compliance and security function in consultation with IT and relevant stakeholders within the Company. The following steps are taken during the risk identification / administration strategy.

- Vulnerability scanning is performed based on the scope of risk assessment.
- Database and Operating System hardening requirements are reviewed.
- Application security requirements are also reviewed.
- A penetration testing exercise is conducted to identify potential threats to the systems.
- The penetration testing report is shared with relevant stakeholders.
- Risks rated as high must be mitigated before deployment.

After administration of risks, the asset value is calculated, and each asset is first valued on confidentiality, integrity, and availability. The product of the values gives the Asset Value. Then the rate the Asset Value is rated according to nature of its criticality.

### Company’s Strategy on “Early Warning System”

An Early Warning System (EWS) allows for harm and loss reduction, as well as dissemination of warning information about vulnerabilities considered risks. Considering our environment, where there is no application hosted publicly, the risk of cyber breach is minimum. Therefore, there is no requirement for deploying any real-time monitoring and reporting tool. Further, in case of such an event, an Incident Management Plan (IMP) is in place which escalates the matter to the IT Steering Committee, which can further update the matter to the Board.

The following are the steps of the formal disciplinary process underlying real-time monitoring by the management to encounter an IMP within organization:

- The nature and gravity of the incident / breach and its impact on the business;
- Whether or not this is a first or repeated offence.
- Whether or not the involved staff was properly trained for allowed use;
- Relevant legislation;
- Business contracts; and
- In serious cases of misconduct, the process shall allow for instant removal of duties, access rights and privileges, and for immediate escorting out of the premises, if necessary.

Here, the above-mentioned process or responses are carried out on the basis of categories of incidents including Network Incident, Email Incident, Applications Incident, DC Incident (Domain Controller), and Information / Cyber Security Incidents. The purpose of this process is to manage IT incidents effectively and efficiently as per the IT IMP. This shall ensure that all unplanned interruption or failures to an IT service or reduction in the quality of an IT service is recorded, analyzed, and resolved in a timely manner.

However, if any cyber security risk or incident is being monitored within the organization, the related responses are also communicated to the entire group of companies for better control over the incident and to reduce the chances of repetition..

### Independent Audit Policy:

#### Objective:

IT Governance and Security functions conduct internal reviews to strengthen controls. To enhance confidence in business systems, the Company engaged a third party for a comprehensive security assessment, including VAPT, risk assessment, and network reviews. These audits were

successfully completed in the recent past. A similar assessment is planned for the 2025–26 fiscal year. This ongoing audit practice enables proactive risk management and strengthens the Company’s security posture.

**Policy Statement:**

- External IT audit shall be conducted at least once a year by a reputable auditing firms.
- Internal audit or governance review shall be conducted by a person / department independent the IT Division, who shall be competent and qualified to perform such review/audits.
- As a first step, a risk assessment shall be carried out to highlight areas where the exposure to risk is relatively higher.
- A formal audit / review plan shall be prepared in consultation with the CIO / Director IT based on the risk assessment and be concurred by the Head of Internal Audit.
- Appropriate measures should be taken when granting system access to the auditors, such as restricting the access to read-only.
- A draft audit report on the findings shall be prepared and submitted to the management. The issues highlighted in the report shall be discussed and agreed upon management.
- The management's comments shall be taken and incorporated in the auditors' report. Definite date for the actions to be taken by the management shall be mutually agreed and documented.
- The CIO / Director IT shall be responsible for ensuring effective implementation of the action plan.

**Scope of Audit:**

Furthermore, last audit was conducted for the period July 2024 to June 2025, under the scope of following functional aspects of review.

- IT Governance and Risk Management Analysis of Entity-level Controls
- Systems and Infrastructure Review
- Business Continuity and Disaster Recovery Evaluation
- IT / IS Policy and Procedure Review
- Information Technology Application Controls Review (ITGCs)

**Disaster Recovery Plan and Cyber Insurance:**

In line with Business Continuity Management, the Company has formulated a Business Continuity Plan (BCP) / Disaster Recovery Plan (DRP) to minimize financial losses and mitigate the negative effects of disruptions on business while ensuring compliance with information and security

policies. We have an updated DRP in place and checked every evaluation carried out by the team on quarterly basis. This plan helps to ensure the continuity of operations and availability of critical resources in the event of disaster.

**Policy Statement:**

BCP and DRP shall be made available to all key persons to ensure continuity in the event of a loss of service or disaster. BCP and DRP must incorporate an adequate level of controls to comply with the information technology and security policies of the Company.

All IT systems must go through a Business Impact Analysis (BIA) to prioritize critical business process and systems.

**Company’s Cyber Insurance**

The overall number of cyber risk incidents is minimal within the Company due to the strict monitoring and risk assessment planning. However, the Company is interested in moving towards cyber insurance for a long-term protection in future. As it will be covering the financial losses that result from cyber events and incidents, the Company’s management will closely review details first to ensure it contains the necessary protections and provisions to adhere.

**Driving Digital Transformation**

The Company remains committed to advancing its digital transformation journey, embracing innovation to enhance operational efficiency and user experience. Our IT team has undertaken strategic initiatives to modernize systems and streamline service delivery, while upholding strong governance and performance standards. Investments in IT infrastructure continue to support reliable operations and data-driven decision-making across the organization. The Company affirms its alignment with 4.0 Industrial revolution by progressively adopting advanced digital technologies to enhance governance, transparency, and value creation

**Launch of Advanced In-House ERP System**

A major technological achievement this year has been the successful rollout of our in-house developed Enterprise Resource Planning (ERP) system, which officially went live on July 1, 2024. This development signifies a transformative shift in how we manage our operations, with a heightened focus on efficiency, security, and compliance.

**Key Highlights**

- **Standards-Aligned Architecture**  
Our ERP system has been developed with a structured approach inspired by commonly adopted practices in modern ERP solutions. It incorporates key process controls and design elements that support operational efficiency, system reliability, and business continuity.
- **Seamless Departmental Connectivity**  
Designed with strong data integration capabilities, the ERP platform enables smooth information flow across departments. Real-time access to consolidated data supports quicker, more informed decisions and promotes collaboration across the organization.

- **Technology Stack Modernization**  
The system operates on the latest database and application environments, delivering improved system responsiveness, enhanced features, and greater operational resilience.
- **Strengthened Information Security**  
With security embedded into its core, the ERP includes encrypted data exchange protocols, access controls, and routine security updates, safeguarding sensitive business information and ensuring data integrity.

**Gratitude and Acknowledgment:**

This landmark project would not have been possible without the tireless efforts and dedication of our development team and business process stakeholders. Their commitment to excellence has resulted in a robust, secure, and efficient ERP system that will serve as the cornerstone of our operations moving forward.

**BI Integration with ERP System:**

Business Intelligence (BI) dashboards have been successfully integrated with the in-house ERP system, enabling data-driven decision-making through real-time visual insights. This integration empowers management with greater visibility, operational transparency, and analytics to support strategic planning.

These initiatives reflect our broader strategy to modernize internal operations, reduce paper dependency, and leverage digital tools for improved governance and operational performance.

**Progressive Digital Initiatives**

As part of our ongoing commitment to digital transformation, the Company continued to streamline core operational processes through targeted technology enablement. Several key initiatives were implemented to enhance efficiency, accuracy, and accessibility across business functions:

- **Technology-Enabled Attendance Management**  
A facial recognition-based attendance system has now been fully rolled out across all production facilities. This initiative reinforces a transparent and automated mechanism for workforce attendance, reducing manual dependencies and improving record accuracy.
- **Unified Workflow Approvals**  
The approval framework has been further enhanced through a responsive web-based portal, accessible via mobile devices, enabling seamless authorization workflows across departments and improving process turnaround times.

- **Digitized Document Management**  
A centralized Document Management System (DMS) has been introduced to convert physical documents into searchable digital records. Integrated with the ERP platform, this solution uses OCR (Optical Character Recognition) technology to facilitate fast and reliable document retrieval, significantly improving information access and archival efficiency.

**Education and Trainings on Cybersecurity Risks**

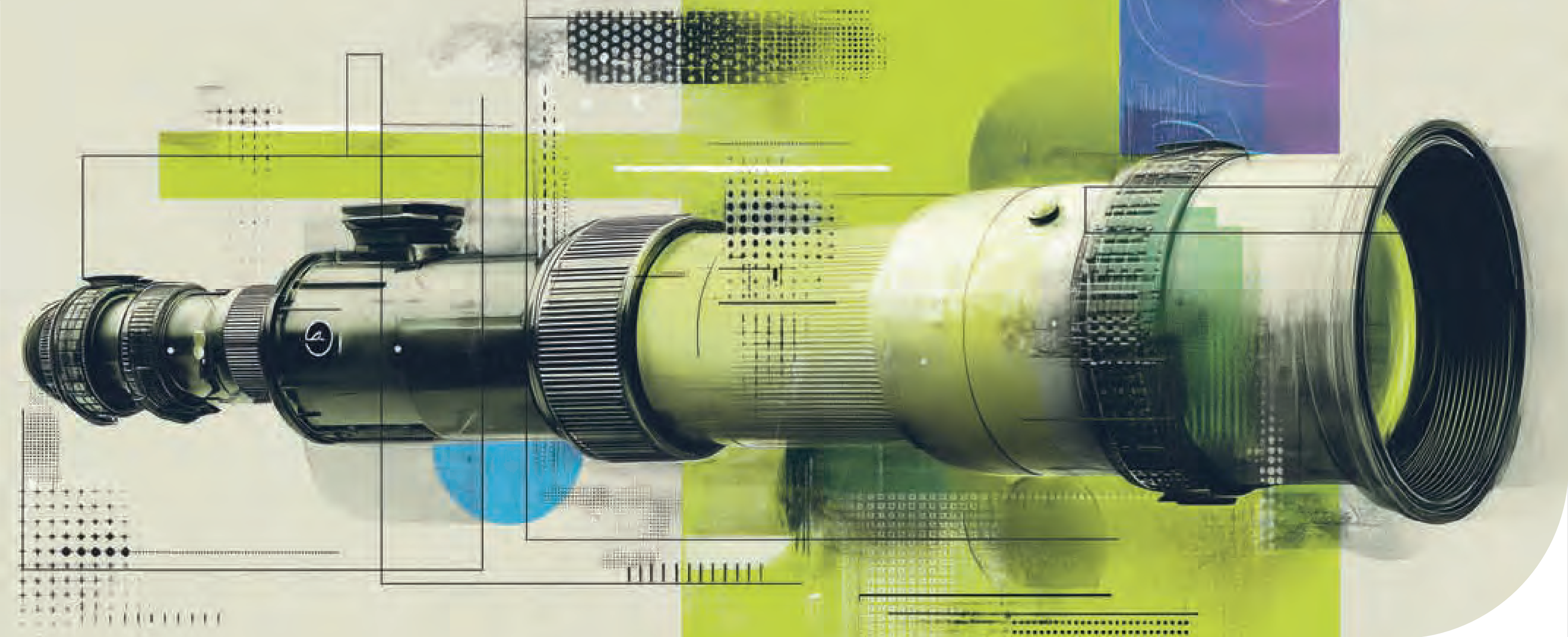
Cybersecurity threats continue to evolve in sophistication and pose significant challenges. Organizations without a structured awareness program leave themselves vulnerable to potential breaches. Alongside investments in advanced, industry-recommended cybersecurity tools, equipping employees with up-to-date security knowledge remains essential to safeguarding the Company’s sensitive information over the long term.

During the year, various information security awareness sessions were arranged under the umbrella of our cybersecurity education initiatives. These sessions targeted key areas to help employees recognize and prevent future cyber incidents, including:

- Information handling and alert protocols
- Protection of email and IT systems.
- Human-based attacks and fraudulent communications
- Access credentials and verification processes
- Secure browsing practices
- Workspace security standards

Participation levels were actively monitored, and post-training surveys were distributed to gather feedback from attendees, enabling continuous improvement of the program.





# Crafting The Next Horizon

## Outlook

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164	Performance Against Last Year's Projection	165	Future Research & Development Initiatives
164	Status of Projects		
165	Sources of Information and Assumptions used for Forecast		

# Forward-Looking Statement

**“At GTML, we remain steadfast in our commitment to innovation, sustainability, and excellence as we navigate the future. Our strategic initiatives are focused on enhancing operational efficiency, expanding our market presence, and driving sustainable growth. We are dedicated to investing in cutting-edge technologies and renewable energy sources to reduce our environmental impact and promote a greener future. Our ongoing efforts in employee development, community engagement, and corporate governance underscore our resolve to create long-term value for our stakeholders. As we look ahead, we are confident that our proactive approach and unwavering commitment to our core values will enable us to seize new opportunities, overcome challenges, and continue to thrive in an ever-evolving industry landscape”**

The Company remains steadfast in its commitment to fostering long-term success by embracing innovation, enhancing operational efficiencies, and diversifying into value-added sectors of the market with a focus on maximizing shareholders’ value. In pursuit of sustainable growth, the Company is actively exploring opportunities to extend its value chain while ensuring the responsible and efficient consumption of natural resources.

A stable and predictable macroeconomic environment remains critical for the business community at large. Consistency in economic policies, coupled with a secure law and order situation, forms the foundation for sustainable business growth and prosperity. Looking ahead, inflation and interest rates are anticipated to remain stable throughout the upcoming financial year, creating favorable conditions for steady profitability. While the Company experienced volatility in power and fuel costs during the past year, projections suggest relative stability in energy prices in the year ahead, providing greater predictability in managing operational costs.

The management is confident that the strategic investments undertaken during the year—particularly in advanced technology, high-tech machinery, and value-added business segments—will further strengthen the Company’s competitive positioning in the industry. These initiatives are expected to not only enhance productivity but also create differentiation in the market. At the same time, the Company remains conscious that elevated financing and energy costs may continue to exert pressure on profit margins; however, operational efficiencies and effective cost management strategies are expected to mitigate some of these impacts.

The Company’s forward-looking growth strategy places strong emphasis on building and nurturing its resource capitals. Dedicated budget allocations have been made for the development of human capital, manufactured capital, intellectual capital, and social and relationship capital. By investing in people, processes, and partnerships, the Company aims to deliver long-term value to all stakeholders while maintaining business resilience and adaptability in a dynamic economic environment.

Moving forward, the Company remains committed to sustaining its sales momentum, expanding into new

opportunities, and embedding sustainability and innovation into its core operations. The management believes that these collective efforts will not only secure the Company’s growth trajectory but also contribute positively to the broader industry and economy.

Further details and deliberations on the Company’s strategic priorities and future outlook are presented in the Directors’ Report.

### Performance Against Last Year’s Projection

During the period, our sales targets were not fully achieved due to lower-than-expected market demand & lower sale prices, which directly impacted revenue generation. At the same time, overall fuel costs remained high, adding further pressure on operational expenses. Despite these challenges, the Company improved gross margins through efficient procurement, product mix optimization, operational efficiencies and increased use of renewable energy. Favourable interest rates also partially helped the Compnay in offsetting escalating conversion costs.

The CAPEX incurred over the years helped the Company to manage its costs to some extent by incorporating efficiencies. However, the persistent rise in power costs has significantly offset these benefits, making it difficult to realize the full potential of the efficiencies achieved. As a result, the Company was unable to achieve the desired results as initially forecasted.

Further, a comparison of financial performance with the budgeted projections is detailed in the analysis of the financial and non-financial performance section of this report.

### Status of Projects

During the year, the Company successfully executed the initiatives outlined in its previous forward-looking statement. We continued to cultivate success factors and foster innovation, while diversifying into value-added sectors to enhance shareholder value. The Company expanded its value chain exposure and ensured responsible consumption of natural resources in line with its sustainability goals. Furthermore, the Company effectively managed challenges arising from high finance and energy costs, mitigating their impact on overall profitability. The allocated budget for the development of our resource

capitals was efficiently deployed, leading to tangible progress in human, manufactured, intellectual, social, and relationship capital development.

Apart from this, the Company comprehensively invested in renewable energy projects during the year to promote the agenda of responsible production & responsible consumption. These initiatives are not only aligned with global sustainability goals but are also strategically designed to reduce dependency on conventional energy sources. Looking ahead, we anticipate that these green energy projects will play a pivotal role in optimizing long-term power costs, enhancing operational efficiency, and strengthening our resilience against energy market volatility.

### Sources of Information and Assumptions Used for Forecast

The Company’s management collects and analyzes relevant data, market research, financial projections, industry trends, and internal information to form a comprehensive understanding of the organization’s current state and potential future outcomes. Based on the gathered information and analysis, management sets specific goals and objectives that align with the organization’s mission and long-term vision.

The Company based on current monetary and fiscal policies, affiliation / contacts with associations, consultation with industry experts, including advisory firms, market research including past trends, forecasts the factors, i.e., exchange rate, interest rate, cotton prices, sales prices, etc. that have significant impacts on the Company’s operations and accordingly makes projections / budgets for the upcoming year.

### AI Adoption Strategy and Long-Term Impact Disclosure

The Company is strategically positioning itself to leverage artificial intelligence technologies as a key enabler of operational excellence and competitive advantage in our manufacturing sector. Our initial AI adoption approach focuses on integrating AI capabilities into our Business

Intelligence dashboards to provide deeper insights and analytics from our operational data, enabling more informed decision-making across all business functions. Building upon this foundation, our AI roadmap encompasses future expansion into predictive maintenance systems, quality control automation, and supply chain optimization.

The Board recognizes that AI integration represents a fundamental shift in our long-term strategy, with anticipated benefits including improved operational efficiency, enhanced product quality, and strengthened market responsiveness. Our approach emphasizes responsible AI deployment with appropriate governance frameworks and risk management protocols to ensure ethical use and regulatory compliance. We believe that effective AI implementation can enhance our overall business processes and contribute to building a more competitive and resilient organization aligned with our strategic objectives.

### Future Research & Development Initiatives:

As part of our future outlook, the Company is dedicated to advancing overall Research & Development initiatives to drive innovation and sustainability. Our focus will be on utilizing cutting-edge technologies that enhance production efficiency and reduce environmental impact. We plan to research advanced materials, aiming to create more sustainable and eco-friendly textile products. Additionally, we are exploring new energy-efficient processes and renewable energy integrations to further minimize our carbon footprint. Our commitment to continuous improvement and innovation ensures that we remain at the forefront of the industry, delivering value to our stakeholders and contributing to a sustainable future.



# Crafting Shared Success

Stakeholder’s Relationship & Engagement

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169	Stakeholder’s Engagement Process	170	Redressal of Investors’ Complaints
170	Relation with Stakeholders	170	Corporate Benefit to Shareholders
170	Encouraging Minority Shareholders	171	Whistle Blowing Policy



# Stakeholder’s Engagement Policy

GTML is fully committed to developing an effective working relationship with all its stakeholders. The objective of this policy is to lay down key principles of engagement with stakeholders. With respect to the engagement of its stakeholders, GTML is committed to

- Providing accurate and timely information to all stakeholders.
- Obtaining regular feedback from stakeholders.
- Evaluating the effectiveness of stakeholders’ engagement activities and working continuously to improve such engagements.

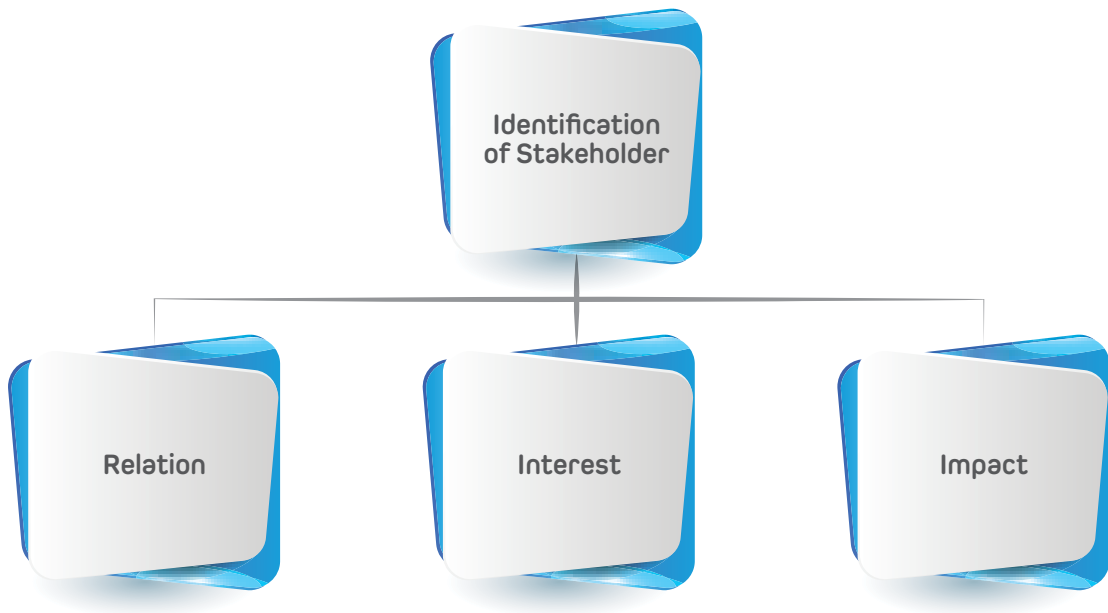
Frequency of stakeholder’s engagements is based on the corporate and business requirements as laid down by the corporate laws, contractual obligations, and as when required. Ultimately, a robust stakeholder engagement strategy is essential for long-term growth and resilience in an ever-evolving business landscape.

### Identification of Stakeholders

The Company focuses on identifying and establishing strong relationships with its stakeholders to encourage the growth and existence of the Company. A stakeholder is said to be an individual or a group that can be affected by or can affect the business operation either directly or indirectly. There are several factors involved in identifying the type or nature of a stakeholder some of which are as follows:

- Relation of a stakeholder with the business;
- Interest of a stakeholder in the business; and
- Impact of a business operation / decision on the stakeholder.

Nature/Type	Relation	Interest	Impact	Examples
Primary Stakeholder	Shares direct relation with the business activities.	Are interested in day-to-day operations of the business	Are directly impacted by the decisions taken by the Company	Investors, lenders of finance. Employees, customers, and suppliers
Secondary Stakeholder	Are indirectly related to the business operations / activities	Take interest once in a while or when major decision has been taken by the Company	Are indirectly impacted by the decisions taken by the Company	Media groups, regulators, community, and other external groups



# Stakeholder’s Engagement Process

GTML focuses on establishing strong relationships with its stakeholders to encourage the growth and existence of the Company. The Company makes use of commitment, sincerity, competence, effective communication, and reliable behavior to collaborate with its stakeholders. From short-term assessments to long-term strategic relationship building, Stakeholders’ Engagement lies at the core of the Company’s business practices.

Stakeholders	Description	Frequency
Employees	The Company ensures to foster a positive work environment, offering professional development, and maintaining open communication channels. Engaging employees in the decision-making process and aligning their personal goals with the Company’s objectives further strengthens their connection, leading to higher levels of productivity, innovation, and overall job satisfaction.	Continuous
Investors and Shareholders	To update investors / shareholders about the Company’s current performance / future plans and to provide them with a platform for raising their concerns. The Company engages with them through Annual General Meetings, Quarterly / Half Yearly / Annual Reports, website, and investor / corporate briefing sessions	Yearly / Continuous / As required
Customer and Suppliers	The Company strives to come up with innovative ways to interact with its customers and suppliers. It engages with all its customers and suppliers through get-togethers, market visits, customer satisfaction surveys, and feedback on a periodic basis.	Continuous
Banks and Lenders of Finance	The Company considers the providers of funds to be its partners in success and ensures that they are frequently engaged with the Company and taken into confidence as and when required. The Company maintains excellent and lasting relationships with all the leading financial institutions in the Country for future partnerships	Continuous / As required
Media	The Company engages with the media and disseminates news and other relevant updates to its stakeholders through press releases, corporate briefings, media announcements, presentations, and etc. Further, our Corporate Branding team regularly updates our social media platforms and website	As required
Regulators	The Company believes in strict compliance with applicable laws and regulations. To remain compliant, GTML ensures that all the regulators’ queries are responded to on a timely basis, including the filing of various statutory returns / forms.	Periodic / As required
Local Committees	The Company actively participates in various CSR initiatives and activities in the health, education, and social sector	Continuous

# Relation with Stakeholders

A healthy relationship with stakeholders is the key to a successful business. In this context, our management understands that any dispute with a stakeholder can cause hindrances in day-to-day business operations and therefore give due importance to their feedback / suggestions. Accordingly, stakeholders are allowed to have direct access to the Company Secretary in case of any grievance. Furthermore, the Company also ensures that all business activities between stakeholders are conducted through fair, legal, and ethical means.

By involving stakeholders in decision-making processes, addressing their concerns, and demonstrating transparency and accountability, companies can establish a positive image and strengthen relationships with stakeholders.

### Encouraging Minority Shareholders

The shareholders hold immense value to the Company. GTML prioritizes the interests of its shareholders, and so their views are of utmost importance to us. The Company understands the importance of continuous collaboration with all its shareholders and believes that effective stakeholder engagement helps build trust and enhance the Company's reputation. Therefore, regardless of their shareholding value, we encourage all shareholders to attend the General Meetings.

The Company has adopted the following steps to encourage minority shareholders to attend the General Meeting:

- Notice is circulated within the regulatory timeframe.
- Notice is also sent electronically.
- Notice is issued in English and Urdu newspapers having nationwide circulation.
- Notice is updated on the PSX portal as well as on official website of the Company

Apart from timely submission of accounts and notices to shareholders, the Company encourages minority shareholders to attend the Annual General Meetings and provides the video conferencing facility to shareholders (having shareholding of 10% or more in aggregate), as per section 132(2) of the Companies Act, 2017, subject to availability of video conference facility in that city and receipt of intimation from the shareholders at least seven days prior to the date of the meeting. In addition, over the last two years, the Company has also arranged the online meeting facility for those shareholders who are interested in participating virtually in the General Meetings.

Further, to provide an additional opportunity to minority shareholders to interact with the management of the Company, the Company has been conducting corporate briefing sessions twice a year.

### Investors' Relations Section

The Company communicates all major financial information including audited annual reports needed for investors' decision-making by uploading it on the corporate website, i.e. (www.gadoontextile.com) under the section of Investor Relations, on a timely basis.

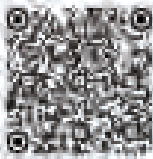
### Investors' Corporate Briefing Program

Our stakeholder extend valuable contributions toward growth and existence. The Company understands the importance of continuous collaboration with all its stakeholders by maintaining open lines of communication on an ongoing basis, providing regular updates, share relevant information, and seek their input on key decisions or initiatives to ensure a more comprehensive and well-rounded decision-making process.

The Board has devised a mechanism to arrange interactive sessions between the management of the Company and its shareholders to solicit and understand the views of shareholders. The purpose of these sessions is to brief shareholders about the performance of the Company, macro and micro economic factors affecting the Company, prospects of the Company, and the steps taken by the Company to improve its performance in challenging circumstances. These communications help the Company to understand and resolve the concerns of the shareholders and to create a synergy factor to achieve better results for the Company's prospects.

The Board is pleased to inform you that the Company held the corporate briefing session on May 29, 2025 through a live online session between the members, research analysts, fund managers, and management representatives where insight on the Company's performance was discussed along with future prospects.

Similarly, the Company is planning to hold the corporate briefing session for the year ended June 30, 2025 in the month of October 2025.



### Redressal of Investors' Complaints

The Company practices a strategic support system to address & monitor the investors' complaints reported. To resolve the issues reported within the given time frame, an online investor grievances form is available on the official website of the Company. During the year, no complaints were received.

### Corporate Benefit to Shareholders

Throughout the fiscal year, our dedication to enhancing shareholder value remained unwavering. During the past five years, shareholders have enjoyed the benefits of both value

appreciation and dividend distributions. We continue to prioritize sustainable growth, with a focus on delivering long-term value through prudent financial management and strategic market positioning.

### Whistle Blowing Policy

This policy sets out guidelines to encourage individuals who believe or have discovered malpractice or impropriety in the activities of the Company.

[The Company is committed to the highest standards of openness, honesty, and accountability. In line with its commitment, the Company encourages employees and/or third parties (suppliers, customers, dealers, etc.) with serious concerns about any aspect of the Company's work to come forward and blow the whistle. These concerns may include but are not limited to the following:

- Financial malpractice or impropriety or fraud.
- Failure to comply with a legal obligation.
- Disclosure of confidential information within or outside the Company.
- Deviation from full and fair reporting of the Company's financial position.
- Dangers to health and safety or the environment.
- Unlawful civil and criminal activity.
- Improper conduct or unethical behavior.

All reporting shall be handled in a confidential manner. It shall be ensured that the person raising the issue, if not anonymous, is not targeted or penalized for raising the matter in all circumstances. Confidentiality shall be maintained to the fullest extent possible. However, if the person raising the issue has acted with delete malicious intent, disciplinary action may be taken against the person.

This mechanism has fostered a culture of accountability, ethical conduct, and openness within the organization, thereby strengthening stakeholders' confidence in the Company's governance practices. In order to blow a whistle or to file a complaint officially, stakeholders can also contact the members of the committee through designated email address (speakup@gadoontextile.com).





# Crafting Transparency

Excellence in  
Corporate Reporting

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International Financial Reporting Standards (IFRS)  
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# Statement of Unreserved Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Company have been prepared in accordance with the IFRS issued by the IASB as notified under the Companies Act, 2017, which ensures consistency, comparability, and credibility in corporate reporting.

Further, there are certain standards and interpretations which are yet to be effective in Pakistan and certain standards not adopted by the SECP, as disclosed in note 03 of the financial statements. However, the management believes these standards and interpretations do not have any material impact on the financial statements of the Company, other than certain additional disclosures.

### Integrated Reporting

To meet excellence in corporate reporting, the Company continuously strives to meet the best corporate reporting standards and create value for its stakeholders. The Company aims to achieve excellence in transparent reporting along with consistent improvement in the quality of the information disclosed within the report. This approach allows stakeholders to gain a deeper understanding of the Company's strategy, governance, performance, and prospects in the context of its external environment. By highlighting the relationships between financial and non-financial factors, the report fosters transparency and accountability, helping to build trust with investors, customers, employees, and other stakeholders.

### Management Approach:

The Company has adopted the International Integrated Reporting Framework to design this Annual Report with the ongoing changes and improvements in the reporting standards.

The Company's management acknowledges its utmost responsibility to ensure the integrity of this report by following the Integrated Reporting (IR) Framework, International Financial Reporting Standards (IFRS), and Best Corporate Reporting (BCR) guidelines. The management is also committed to providing stakeholders with a concise and transparent assessment of our value chain process including the business model, risks, processes, strategies, governance, and opportunities in an orderly manner.

### Disclosures Beyond BCR:

The Company, in order to promote transparency in its dealings, has added certain additional information for its stakeholders, which is beyond the required criteria of the BCR Criteria (Page No. 239). Details are as follows:

Page No.	010	Product Gallery	Page No.	063	Sustainability Snapshot
Page No.	064	United Nation SDGs	Page No.	032	Awards and Achievements
Page No.	053	Materiality Determination	Page No.	096	CEO's Message
Page No.	103	Employee Engagement Activities	Page No.	038	Calendar of Notable Events
Page No.	072	Health and Safety Roadshow			





# Crafting Assurance

## Financial Statements

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# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GADOON TEXTILE MILLS LIMITED

## Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of Gadoon Textile Mills Limited (the Company), which comprise the statement of financial position as at June 30, 2025, 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 June 30, 2025 and of the profits, the 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 year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S.No.	Key audit matters	How the matter was addressed in our audit
1	Capital Expenditure	
	<p>(Refer Note 5 to the annexed Financial Statements)</p> <p>The company's financial statements for the year ended June 30, 2025 disclosed a significant capital expenditure of Rs. 5,665 million incurred during the year which primarily relates to the installation of a solar power plant and technological advanced machines.</p> <p>The capital expenditure incurred during the year represents significant transactions and requires appropriate application as per applicable financial reporting framework. In view of the above, we have identified this matter as a key audit matter.</p>	<p>Our key audit procedures in this area amongst others included the following:</p> <p>We evaluated the authorization and approval procedures for capital expenditure, checking compliance with company policies along with their budgeting.</p> <p>We tested samples of capital expenditure transactions to check the accuracy and valuation of the amounts recorded in the financial statements.</p> <p>We assessed management's criteria for capitalizing expenditure, as per the capitalization policy and evaluated consistency with the relevant accounting standards.</p> <p>We performed physical verification, on sample basis, of assets acquired to check the existence of assets.</p> <p>We examined the documentation supporting management's decisions regarding the capitalization of expenditure, such as contracts, and invoices.</p> <p>We evaluated the basis used by the management for depreciation charged in relation to the assets, by considering factors such as current useful life estimates and timing of capitalization.</p> <p>We assessed the adequacy of disclosures in accordance with the applicable financial reporting framework.</p>

### 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 Auditors' 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 year 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:

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

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

- 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 Arif Nazeer.



Chartered Accountants

Karachi  
Date: August 28, 2025  
UDIN: AR2025100991Ec0BZYyk

# Statement of Financial Position

As at June 30, 2025

		2025	2024
	Note	----- (Rupees in '000) -----	
<strong>ASSETS</strong>			
<strong>Non-Current Assets</strong>			
Property, plant and equipment	5	27,619,937	24,563,610
Biological assets	6	563,983	761,358
Long term advance	7	-	-
Long term loans	8	1,467	7,753
Long term deposits		72,668	64,586
Long term investments	9	6,518,977	6,357,687
		34,777,032	31,754,994
<strong>Current Assets</strong>			
Stores, spares and loose tools	10	2,100,960	1,409,278
Stock-in-trade	11	26,212,864	19,283,229
Trade debts	12	4,956,001	5,062,757
Loans and advances	13	306,403	177,829
Trade deposits and short term prepayments		61,948	52,800
Other receivables	14	2,620,022	2,616,577
Taxation- net		-	73,339
Cash and bank balances	15	83,256	1,401,011
		36,341,454	30,076,820
<strong>Total Assets</strong>		<strong>71,118,486</strong>	<strong>61,831,814</strong>

## EQUITY AND LIABILITIES

### Share Capital and Reserves

Authorised  
57,500,000 ordinary shares of Rs.10/- each

Issued, subscribed and paid-up capital

Capital reserves

Revenue reserves

**Total Equity**

### Non-Current Liabilities

Long term finance

Deferred government grant

Retirement benefit obligation

Deferred tax liabilities

### Current Liabilities

Trade and other payables

Unclaimed dividend

Levies payable

Current portion of long term finance

Current portion of deferred government grant

Accrued mark-up

Short term borrowings

Taxation- net

**Total Liabilities**

**Total Equity and Liabilities**

## CONTINGENCIES AND COMMITMENTS

The annexed notes from 1 to 44 form an integral part of these financial statements.

  
**MUHAMMAD ALI TABBA**  
Chairman

  
**MUHAMMAD SOHAIL TABBA**  
Chief Executive Officer

  
**MUHAMMAD IMRAN MOTEN**  
Chief Financial Officer

# Statement of Profit or Loss

For the Year Ended June 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Sales - net	25	70,979,986	72,723,982
Cost of sales	26	(64,653,932)	(67,706,538)
Gross profit		6,326,054	5,017,444
Distribution cost	27	(887,641)	(894,348)
Administrative expenses	28	(585,309)	(538,602)
		(1,472,950)	(1,432,950)
		4,853,104	3,584,494
Finance cost	29	(2,523,731)	(3,974,220)
Other expenses	30	(432,295)	(100,646)
		1,897,078	(490,372)
Other income	31	484,857	450,004
Share of profit from associates	9	1,217,276	1,429,272
Profit before final taxes, revenue taxes and income taxes		3,599,211	1,388,904
Final taxes	32	-	(640,147)
Profit before revenue taxes and income tax		3,599,211	748,757
Revenue taxes	32	(194,372)	(432,324)
Profit before income tax		3,404,839	316,433
Taxation - net	32	(1,012,935)	478,115
Profit for the year		2,391,904	794,548
Earnings per share - basic and diluted (Rupees)	33	85.33	28.35

The annexed notes from 1 to 44 form an integral part of these financial statements.



MUHAMMAD ALI TABBA  
Chairman



MUHAMMAD SOHAIL TABBA  
Chief Executive Officer



MUHAMMAD IMRAN MOTEN  
Chief Financial Officer

# Statement of Comprehensive Income

For the Year Ended June 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Profit for the year		2,391,904	794,548
Other comprehensive income			
Items that will be reclassified subsequently to the statement of profit or loss			
Share of other comprehensive income / (loss) from associates - net of tax	9	1,222	10,314
Items that will not be reclassified subsequently to the statement of profit or loss			
- Remeasurement of defined benefit obligation	20.5	31,937	2,685
- Income tax relating to defined benefit obligation		(12,455)	(451)
		19,482	2,234
Other comprehensive income		20,704	12,548
Total comprehensive income for the year		2,412,608	807,096

The annexed notes from 1 to 44 form an integral part of these financial statements.



MUHAMMAD ALI TABBA  
Chairman



MUHAMMAD SOHAIL TABBA  
Chief Executive Officer



MUHAMMAD IMRAN MOTEN  
Chief Financial Officer



# Statement of Changes in Equity

For the Year Ended June 30, 2025

	Capital Reserves					Revenue Reserves				Grand total
	Issued subscribed and paid-up share capital	Share premium	Amalgamation reserve	Reserves against long term investment capacity expansion & BMR	Sub Total	General reserve	Amalgamation reserve	Unappropriated profit	Sub total	
------(Rupees in '000)-----										
Balance as at July 1, 2023	280,296	103,125	34,416	16,500,000	16,637,541	1,000,000	727,333	2,046,032	3,773,365	20,691,202
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	-	794,548	794,548	794,548
Other comprehensive income	-	-	-	-	-	-	-	12,548	12,548	12,548
Total comprehensive income for the year	-	-	-	-	-	-	-	807,096	807,096	807,096
Balance as at June 30, 2024	280,296	103,125	34,416	16,500,000	16,637,541	1,000,000	727,333	2,853,128	4,580,461	21,498,298
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	-	2,391,904	2,391,904	2,391,904
Other comprehensive income	-	-	-	-	-	-	-	20,704	20,704	20,704
Total comprehensive income for the year	-	-	-	-	-	-	-	2,412,608	2,412,608	2,412,608
Balance as at June 30, 2025	280,296	103,125	34,416	16,500,000	16,637,541	1,000,000	727,333	5,265,736	6,993,069	23,910,906

The annexed notes from 1 to 44 form an integral part of these financial statements.

MUHAMMAD ALI TABBA  
Chairman

MUHAMMAD SOHAIL TABBA  
Chief Executive Officer

MUHAMMAD IMRAN MOTEN  
Chief Financial Officer

# Statement of Cash Flows

For the Year Ended June 30, 2025

A. CASH FLOWS FROM OPERATING ACTIVITIES

Cash generated from operations  
Finance cost paid  
Income taxes and Levies paid  
Retirement benefits paid

Net cash (used in) / generated from operating activities

B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment  
Short term Investment made  
Sale proceeds from disposal of short term investment  
Sale proceeds from disposal of property, plant and equipment  
Sale proceeds from disposal of biological assets  
Loans repaid by employees  
Long term advance received  
Long term deposits given  
Profit received from bank deposits  
Dividend received  
Net cash used in investing activities

C. CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long term finance  
Term loan obtained  
Repayment of Term Loan  
Repayment of temporary economic refinance facility  
Renewable energy financing obtained  
Export Refinance - net  
Import Loan - net  
Dividend paid  
Net cash (used in) / generated from financing activities

Net (decrease) / increase in cash and cash equivalents (A+B+C)  
Cash and cash equivalents at the beginning of the year  
Cash and cash equivalents at the end of the year

CASH AND CASH EQUIVALENTS

Cash and bank balances  
Short term borrowings

CHANGES ARISING FROM FINANCING ACTIVITIES

	2024	Financing cash inflows	Financing cash outflows	Non-cash changes	2025
(Rupees in '000)					
Long term finance	6,747,549	-	(2,244,803)	-	4,502,746
Unclaimed dividend	32,380	-	(107)	-	32,273

The annexed notes from 1 to 44 form an integral part of these financial statements.

MUHAMMAD ALI TABBA  
Chairman

MUHAMMAD SOHAIL TABBA  
Chief Executive Officer

MUHAMMAD IMRAN MOTEN  
Chief Financial Officer

# Notes to the Financial Statements

For the Year Ended June 30, 2025

1. THE COMPANY AND ITS OPERATIONS

Gadoon Textile Mills Limited (the Company) was incorporated in Pakistan on February 23, 1988 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of yarn and knitted bedding products, dyeing services and production and sale of milk.

Y.B. Holdings (Private) Limited is the holding company of the Company.

Following are the geographical location and address of all business units of the Company:

Head Office:

7-A, Muhammad Ali Society, Abdul Aziz Haji Hashim Tabba Street, Karachi, Province of Sindh, South, Pakistan.

Manufacturing Facility:

- a) 200-201, Gadoon Amazai Industrial Estate, District Swabi, Province of Khyber Pakhtunkhwa, North, Pakistan.
- b) 57 Km on Super Highway (near Karachi), Province of Sindh, South, Pakistan.

Liaison Office:

Office No. 401, 4th Floor, Tri Tower, Opposite Sarhad University, Ring Road, Peshawar.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except:

- obligations under the defined benefit plan are stated at present value;
- biological assets i.e. livestock are stated at fair value less estimated point-of-sale costs;
- investment in associates are accounted for using equity method; and
- obligations for TERF is stated at present value.

2.3 Functional and presentation currency

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

2.4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 4, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and in future periods, if the revision affects both current and future periods.

Critical judgements

Management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgement was exercised in application of accounting policies are as follows:

- a) determining the residual values and useful lives of the property, plant and equipment (note 4.1);
- b) valuation of biological assets (note 4.2);
- c) provisions - for slow moving stores, spares and loose tools (note 4.3);
- d) valuation of stock-in-trade - at lower of cost and NRV (note 4.4);
- e) impairment of financial assets and provisions - for loss allowance (notes 4.7.2);
- f) impairment of non financial assets (note 4.7.3);
- g) provision for taxation including deferred tax (note 4.10);
- h) accounting for retirement benefit obligation (note 4.11); and
- i) provisions against liability and contingencies (note 4.14).

3 Changes in accounting standards and interpretations

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following amendments are effective for the year ended June 30, 2025. These amendments are either not relevant to the company's operations or are not expected to have significant impact on the company's financial statements other than certain additional disclosures.

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

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

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

3.2 New accounting standards and amendments that are not yet effective

The following standards and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Company's / Bank's operations or are not expected to have significant impact on the Company.

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

-	Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
-	Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Nature-dependent Electricity instruments disclosures' - Contracts Referencing	January 01, 2026
	Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:	
	<ul style="list-style-type: none"> <li>- IFRS 1 – First Time Adoption of International Financial Reporting Standards</li> <li>- IFRS 18 - Presentation and Disclosures in Financial Statements</li> <li>- IFRS 19 - Subsidiaries without Public Accountability: Disclosures</li> </ul>	
4.	<b>MATERIAL ACCOUNTING POLICY INFORMATION</b> The material accounting policies applied in the preparation of these financial statements are set out below. These have been consistently applied to all the years presented, unless otherwise stated.	
4.1	<b>Property, plant and equipment</b> Property, plant and equipment except freehold land and capital work-in-progress are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land and capital work-in-progress is stated at cost less impairment losses, if any. Freehold land is stated at cost.  All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when these assets are available for intended use.  Depreciation is charged, from the month when the asset is available for use and ceased from the month of disposal, to the statement of profit or loss applying the reducing balance method except for leasehold land and solar system, which is depreciated using the straight-line method. The residual values, useful lives and depreciation methods are reviewed and changes, if any, are treated as change in accounting estimates, at each reporting date. Rates for depreciation are stated in note 5.1 to the financial statements.  Maintenance and repairs are charged to the statement profit or loss as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.  Gains and losses on disposal of assets are taken to the statement of profit or loss as and when incurred.	
4.2	<b>Biological assets</b>  Livestock are measured at their fair value less estimated point-of-sale costs. Fair value of livestock is determined by an independent valuer on the basis of best available estimates for livestock of similar attributes.  Biological assets have been classified at level 2 of fair value hierarchy as disclosed in note 40 to the financial statements.  Gains or losses arising from changes in fair value less estimated point-of-sale costs of livestock are recognised in the statement of profit or loss.	
4.3	<b>Stores, spares and loose tools</b>  These are stated at lower of cost and net realisable value. Cost is determined using moving average method. Items in transit are stated at invoice value plus other charges incurred thereon until the reporting date.  For items that are slow moving adequate provision is made, if necessary, for any excess carrying value over estimated realisable value and charged to the statement of profit or loss.	

4.4	<b>Stock-in-trade</b> Basis of valuation is as under: <table> <tr> <td>- Raw material in hand (imported)</td><td>Lower of cost (weighted average) and Net Realisable Value (NRV)</td></tr> <tr> <td>- Raw material in hand (local)</td><td>Lower of cost (weighted average) and NRV</td></tr> <tr> <td>- Raw material in hand (feed)</td><td>Lower of cost (weighted average) and NRV</td></tr> <tr> <td>- Raw material in-transit</td><td>Cost accumulated to end of reporting period</td></tr> <tr> <td>- Work-in-process</td><td>Lower of cost (weighted average) and NRV</td></tr> <tr> <td>- Finished goods</td><td>Lower of cost (weighted average) and NRV</td></tr> <tr> <td>- Finished goods (milk)</td><td>Fair value less estimated point-of-sale costs</td></tr> <tr> <td>- Waste</td><td>NRV</td></tr> </table> Cost in relation to work-in-process and finished goods represents annual average manufacturing cost which consists of prime cost and appropriate manufacturing overheads.  NRV signifies the estimated selling price in the ordinary course of business less estimated cost of completion and estimated cost necessary to be incurred to effect such sale.	- Raw material in hand (imported)	Lower of cost (weighted average) and Net Realisable Value (NRV)	- Raw material in hand (local)	Lower of cost (weighted average) and NRV	- Raw material in hand (feed)	Lower of cost (weighted average) and NRV	- Raw material in-transit	Cost accumulated to end of reporting period	- Work-in-process	Lower of cost (weighted average) and NRV	- Finished goods	Lower of cost (weighted average) and NRV	- Finished goods (milk)	Fair value less estimated point-of-sale costs	- Waste	NRV
- Raw material in hand (imported)	Lower of cost (weighted average) and Net Realisable Value (NRV)																
- Raw material in hand (local)	Lower of cost (weighted average) and NRV																
- Raw material in hand (feed)	Lower of cost (weighted average) and NRV																
- Raw material in-transit	Cost accumulated to end of reporting period																
- Work-in-process	Lower of cost (weighted average) and NRV																
- Finished goods	Lower of cost (weighted average) and NRV																
- Finished goods (milk)	Fair value less estimated point-of-sale costs																
- Waste	NRV																
4.5	<b>Cash and cash equivalents</b>  Cash and cash equivalents for cash flow purposes include cash in hand, current and deposit accounts held with banks. Short term borrowings (except export refinance and import loan) availed by the Company which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of the statement of cash flows.																
4.6	<b>Investments</b>  <b>Investment in associates</b> Associates are entities over which the Company exercises significant influence. Investment in associates is accounted for using equity basis of accounting, under which the investment in associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of profit or loss of the associate after the date of acquisition. The Company's share of profit or loss of the associate is recognised in the statement of profit or loss. Distributions received from associate reduce the carrying amount of the investment. Adjustments to the carrying amount are also made for changes in the Company's proportionate interest in the associate arising from changes in the associates' other comprehensive income that have not been recognised in the associate's statement of profit or loss. The Company's share of those changes is recognised in the statement of comprehensive income of the Company.  The carrying amount of the investment is tested for impairment, by comparing its recoverable amount (higher of value in use and the fair value less costs to sell) with its carrying amount and loss, if any, is recognised in the statement of profit or loss.																
4.7	<b>Financial instruments</b>																
4.7.1	<b>Financial assets</b> All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.																



**Financial assets at amortised cost**

Instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at fair value through profit or loss (FVTPL). Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.
- Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in the statement of profit or loss.

**Derecognition**

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at fair value through other comprehensive income (FVTOCI), the cumulative gain or loss previously accumulated in the investments' revaluation reserve is reclassified to the statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments' revaluation reserve is not reclassified to the statement of profit or loss, but is transferred to retained earnings.

**4.7.2 Impairment of financial assets**

Trade debts and other receivables are recognised initially at fair value and subsequently measured at amortised cost less loss allowance, if any. The Company recognises a loss allowance for ECL on trade debts. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

The Company always recognises lifetime ECL for trade debts. The ECL on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

**(i) Significant increase in credit risk**

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified debtor will default on the contract.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (1) The financial instrument has a low risk of default,
- (2) The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- (3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

**(ii) Definition of default**

The Company employs statistical models to analyse the data collected and generate estimates of probability of default ('PD') of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Company.

**(iii) Credit-impaired financial assets**

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event (see (ii) above);
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

**(iv) Write-off policy**

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

**(v) Measurement and recognition of ECL**

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information. For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

	<p><b>Derivative financial instruments</b></p> <p>Derivatives that do not qualify for hedge accounting are recognised in the statement of financial position at estimated fair value with corresponding effect to the statement of profit or loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.</p>
4.7.3	<p><b>Non-financial assets</b></p> <p>The Company assesses at each reporting date whether there is any indication that assets except inventories, biological assets and deferred tax asset may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognised in the statement of profit or loss. The recoverable amount is the higher of an asset's 'fair value less costs to sell' and 'value in use'.</p> <p>Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised. Reversal of impairment loss is recognised as income in the statement of profit or loss.</p>
4.7.4	<p><b>Financial liabilities</b></p> <p>All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.</p> <p><b>Financial liabilities at FVTPL</b></p> <p>"Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the statement of profit or loss incorporates any interest paid on the financial liability.</p> <p>However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in the statement of comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in the statement of comprehensive income would create or enlarge an accounting mismatch in the statement of profit or loss. The remaining amount of change in the fair value of liability is recognised in the statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in the statement of comprehensive income are not subsequently reclassified to the statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.</p> <p>Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in the statement of profit or loss."</p> <p><b>Financial liabilities measured subsequently at amortised cost</b></p> <p>Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability. Borrowing costs are recognised as an expense in the year in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.</p> <p><b>Derecognition of financial liabilities</b></p> <p>The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit or loss.</p>
4.7.5	<p><b>Offsetting of financial assets and financial liabilities</b></p> <p>Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously.</p>
4.8	<p><b>Borrowings and their costs</b></p> <p>Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently at amortised cost.</p>

4.9	<p><b>Levy</b></p> <p>A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:</p> <p>(a) those outflows of resources that are within the scope of other standards.</p> <p>(b) fines or other penalties that are imposed for breaches of the legislation.</p> <p>In these financial statements, levy includes revenue taxes, if any, final taxes and super taxes which are based on other than taxable profits. The corresponding advance tax paid has been netted off and the net position is shown in the statement of financial position.</p> <p>i. <b>Revenue tax</b></p> <p>Revenue tax includes amount representing excess of :</p> <p>a) minimum tax paid under section 113 over income tax determined on income streams taxable at general rate of taxation and;</p> <p>b) minimum tax withheld / collected / paid or computed over tax liability computed on (related income tax streams taxable at general rate of tax), is not adjustable against tax liability of subsequent tax years.</p> <p>Amount over income tax determined on income streams taxable at general rate of taxation shall be treated as minimum tax differential.</p> <p>The company determines, based on expected future taxable profits, that excess paid under section 113 by the entity over and above its tax liability (on income stream(s) taxable at general rate of taxation) is expected to be realized in subsequent tax years, then, such excess shall be recorded as deferred tax asset adjustable against tax liability for subsequent tax years. This shall be recognized as 'deferred tax asset' for the reason that it represents unused tax credit as it can be adjusted only against tax liability (of subsequent tax years) arising on taxable income subject to general rate of taxation. Such an asset shall be subject to requirements contained in IAS 12 'Income Tax'.</p> <p>ii. <b>Final Taxes</b></p> <p>Final taxes include tax charged / withheld / paid on certain income streams under various provisions of Income Tax Ordinance, 2001 (Ordinance). Final tax is charged / computed under the Ordinance, without reference to income chargeable to tax at the general rate of tax and final tax computed / withheld or paid for a tax year is construed as final tax liability for the related stream of Income under the Ordinance.</p> <p>Final tax paid is considered to be full and final discharge of the tax liability for the Company for a tax year related to that income stream.</p>
4.10	<p><b>Taxation / Revenue Taxes / Final Taxes</b></p> <p>"In making the estimates for income taxes, the Company takes into account the current income tax law and decisions taken by appellate authorities on certain issues in the past. There may be various matters where the Company's view differs with the view taken by the income tax department at the assessment stage and where the Company considers that its view on the item of material nature is in accordance with the law. The difference between the potential and actual tax charge, if any, is disclosed as a contingent liability.</p> <p>Significant management judgment is required to determine the amount of deferred tax that can be recognized based on the likely timing and the level of future taxable profits, together with future tax planning strategies. The management considers tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities. The management based on tax advisor's opinion adjusted the tax written down value of fixed assets</p> <p>i. <b>Current</b></p> <p>Provision for current taxation is based on taxable income at the enacted / corporate tax rate after taking into account tax credits and rebates available, if any, as per the Income Tax Ordinance, 2001.</p>

ii. **Deferred**

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at enacted tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

4.11 **Retirement benefit obligation - defined benefit plan**

The Company operates an unfunded gratuity scheme for its confirmed employees who have completed the minimum qualifying period of service as defined under the scheme. The Company's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method. The most recent valuation of the scheme was carried out as at June 30, 2025.

Remeasurement changes which comprise actuarial gains and losses are recognised immediately in the statement of comprehensive income.

4.12 **Foreign currency transactions and translation**

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange approximating those prevailing on the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated into Pak Rupees at the rates prevailing on the reporting date.

Gains and losses arising on retranslation are included in the statement of profit or loss for the year.

4.13 **Revenue recognition**

"Revenue from the sale of goods is recognised when the control of goods have passed to the buyer, usually on delivery of the goods.

Revenue from service fee is recognized at point in time, when customers utilize the services, in accordance with the terms mutually agreed upon by the company and its customers."

4.14 **Provisions**

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

4.15 **Deferred government grant**

In accordance with IFRS 9 the benefit of interest rate lower than the market rate on borrowings obtained under State Bank of Pakistan (SBP) TERF, is accounted for as a government grant which is the difference between amount of loan received and the fair value of the loan on the date of disbursement. The differential amount presented in statement of financial position as deferred government grant. The amortisation of deferred government grant is netted off with finance cost within in the statement of profit or loss.

4.16 **Dividend and appropriation to / from reserves**

Dividend distribution to the Company's shareholders and appropriation to / from reserves is recognised in the year in which these are approved.

4.17 **Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors has identified different chief operating decision makers responsible for strategic decisions of all the reportable segments.

Operating segments that do not meet the quantitative thresholds, as defined in IFRS 8 'Operating Segments', has not been considered as reportable segments in these financial statements.

4.18 **Earnings per share**

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

	Note	2025 ----- (Rupees in '000)	2024 -----
5. <b>PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1	23,347,318	22,937,175
Capital work-in-progress	5.2	4,272,619	1,626,435
		<u>27,619,937</u>	<u>24,563,610</u>



5.1 Operating fixed assets

Particulars	2025									
	Cost as at	Re-	Additions /	Cost as at	Accumulated	Re-	Depreciation	Accumulated	Carrying	Rate of
	July 01, 2024	classification	(Disposals)	June 30, 2025	depreciation as at July 01, 2024	classification	for the year / (Disposals)	depreciation as at June 30, 2025	value as at June 30, 2025	depreciation
(Rupees in '000)										%
<b>Land:</b>										
Leasehold	196,169	-	-	196,169	17,874	-	1,503	19,377	176,792	1
Freehold	880	-	-	880	-	-	-	-	880	-
<b>Buildings on leasehold land:</b>										
Mills	2,493,278	-	17,825	2,511,103	1,653,219	-	88,390	1,741,609	769,494	10
Knitting unit	360,484	-	243,567	604,051	50,577	-	49,912	100,489	503,562	10
Dyeing Unit	3,607,724	(436,872)	84,057	3,254,909	270,579	(32,765)	297,155	534,969	2,719,940	10
Roads	47,456	-	79,209	126,665	33,220	-	6,044	39,264	87,401	10
Power plant	217,187	-	-	217,187	144,118	-	7,307	151,425	65,762	10
Office	176,101	-	-	176,101	60,667	-	11,544	72,211	103,890	10
Workers' colony	190,656	-	-	190,656	167,509	-	1,157	168,666	21,990	10
Other	801,878	-	39,631	841,509	274,903	-	28,248	303,151	538,358	5
<b>Buildings on freehold land:</b>										
Family colony	319,737	-	-	319,737	213,234	-	10,650	223,884	95,853	10
<b>Plant and machinery</b>										
Plant and machinery	23,862,961	436,872	1,906,083 (677,446)	25,528,470	9,850,328	32,765	1,575,754 (524,813)	10,934,034	14,594,436	10
Power plant	4,024,290	-	643,503	4,667,793	1,056,755	-	345,360	1,402,115	3,265,678	10
Electric installations	374,472	-	5,550	380,022	253,025	-	12,653	265,678	114,344	10
Tools and equipment	50,363	-	10,091	60,454	20,940	-	3,600	24,540	35,914	10
Furniture and fittings	29,338	-	20,080	49,418	14,831	-	2,125	16,956	32,462	10
Computer equipment	80,087	-	15,242 (2,074)	93,255	48,253	-	11,868 (1,315)	58,806	34,449	30
Office equipment and installations	45,701	-	6,688	52,389	16,321	-	3,501	19,822	32,567	10
Fork lifters and tractors	81,430	-	2,912	84,342	56,886	-	5,248	62,134	22,208	20
Vehicles	384,438	-	- (36,163)	348,275	206,936	-	34,183 (21,735)	219,384	128,891	20
Fire fighting equipments	11,778	-	-	11,778	9,058	-	273	9,331	2,447	10
<b>June 30, 2025</b>										
	37,356,408	-	3,074,438 (715,683)	39,715,163	14,419,233	-	2,496,475 (547,863)	16,367,845	23,347,318	

Additions to operating fixed assets include transfers from capital work-in-progress amounting to Rs. 3.02 billion.

5.1 Operating fixed assets

Particulars	2024									
	Cost as at	Re-	Additions /	Cost as at	Accumulated	Re-	Depreciation	Accumulated	Carrying	Rate of
	July 01, 2023	classification	(Disposals)	June 30, 2024	depreciation as at July 01, 2023	classification	for the year / (Disposals)	depreciation as at June 30, 2024	value as at June 30, 2024	depreciation
(Rupees in '000)										%
<b>Land:</b>										
Leasehold	196,169	-	-	196,169	16,371	-	1,503	17,874	178,295	1
Freehold	880	-	-	880	-	-	-	-	880	-
<b>Buildings on leasehold land:</b>										
Mills	2,436,237	-	57,041	2,493,278	1,559,474	-	93,745	1,653,219	840,059	10
Knitting unit	360,484	-	-	360,484	19,927	-	30,650	50,577	309,907	10
Dyeing Unit	-	-	3,607,724	3,607,724	-	-	270,579	270,579	3,337,145	
Roads	47,456	-	-	47,456	31,638	-	1,582	33,220	14,236	10
Power plant	194,578	-	22,609	217,187	136,510	-	7,608	144,118	73,069	10
Office	172,779	-	3,322	176,101	48,069	-	12,598	60,667	115,434	10
Workers' colony	66,122	123,727	807	190,656	58,768	107,554	1,187	167,509	23,147	10
Other	656,303	-	145,575	801,878	251,328	-	23,575	274,903	526,975	5
<b>Buildings on freehold land:</b>										
Family colony	319,737	-	-	319,737	201,400	-	11,834	213,234	106,503	10
Workers' colony	123,727	(123,727)	-	-	107,554	(107,554)	-	-	-	10
<b>Plant and machinery</b>										
Plant and machinery	18,167,943	105,724	5,890,064 (300,770)	23,862,961	8,613,934	68,690	1,377,275 (209,571)	9,850,328	14,012,633	10
Power plant	2,588,020	-	1,681,716 (245,446)	4,024,290	1,030,121	-	242,008 (215,374)	1,056,755	2,967,535	10
Electric installations	435,984	(105,736)	44,224	374,472	311,384	(68,680)	10,321	253,025	121,447	10
Tools and equipment	57,462	(4,053)	1,850 (4,896)	50,363	22,403	(404)	3,246 (4,305)	20,940	29,423	10
Furniture and fittings	28,807	-	6,448 (5,917)	29,338	18,910	-	1,446 (5,525)	14,831	14,507	10
Computer equipment	69,716	-	15,278 (4,907)	80,087	41,904	-	10,612 (4,263)	48,253	31,834	30
Office equipment and installations	40,368	-	11,714 (6,381)	45,701	19,237	-	2,617 (5,533)	16,321	29,380	10
Fork lifters and tractors	71,675	9,755	-	81,430	46,276	4,474	6,136	56,886	24,544	20
Vehicles	426,833	(5,690)	705 (37,410)	384,438	191,184	(4,080)	45,215 (25,383)	206,936	177,502	20
Fire fighting equipments	11,778	-	-	11,778	8,756	-	302	9,058	2,720	10
<b>June 30, 2024</b>										
	26,473,058	-	11,489,077 (605,727)	37,356,408	12,735,148	-	2,154,039 (469,954)	14,419,233	22,937,175	

Additions to operating fixed assets include transfers from capital work-in-progress amounting to Rs. 11.46 billion.

5.1.1 Depreciation charged for the year has been allocated as under:

	Note	2025	2024
		----- (Rupees in ‘000) -----	
Cost of sales	26.1 & 26.1.2	2,463,736	2,114,155
Administrative expenses	28	32,739	39,884
		<u>2,496,475</u>	<u>2,154,039</u>

5.1.2 Disposal of operating fixed assets having net book value in excess of Rs. 500,000

Description	Cost	Accumulated depreciation	Carrying value	Sales proceeds	(Loss) / gain	Mode of disposal	Purchaser
----- (Rupees) -----							
Plant and machinery	14,957,854	7,310,854	7,647,000	3,538,136	(4,108,864)	Negotiation	Ideal Trading Co
	9,524,076	5,725,115	3,798,961	3,538,136	(260,825)	Negotiation	Ideal Trading Co
	14,957,854	7,310,854	7,647,000	3,538,136	(4,108,864)	Negotiation	Ideal Trading Co
	6,393,765	5,429,749	964,016	1,461,865	497,848	Negotiation	Ideal Trading Co
	6,000,015	5,308,790	691,225	1,461,865	770,640	Negotiation	Ideal Trading Co
	14,957,854	7,567,896	7,389,958	3,305,085	(4,084,873)	Negotiation	Mubashar Brothers
	14,957,854	7,567,896	7,389,958	3,305,085	(4,084,873)	Negotiation	Mubashar Brothers
	24,011,345	20,698,208	3,313,137	3,305,085	(8,052)	Negotiation	Mubashar Brothers
	3,567,711	2,955,364	612,347	169,492	(442,855)	Negotiation	Mubashar Brothers
	3,567,711	2,955,364	612,347	169,492	(442,855)	Negotiation	Mubashar Brothers
	6,480,015	5,369,433	1,110,582	1,186,441	75,859	Negotiation	Mubashar Brothers
	6,536,835	5,610,688	926,147	1,186,441	260,294	Negotiation	Mubashar Brothers
	6,356,835	5,587,438	769,397	1,186,441	417,044	Negotiation	Mubashar Brothers
	9,806,087	8,443,635	1,362,452	1,644,975	282,523	Negotiation	Mubashar Brothers
	8,552,504	7,812,399	740,105	1,644,975	904,870	Negotiation	Mubashar Brothers
	8,552,504	7,812,399	740,105	1,644,975	904,870	Negotiation	Mubashar Brothers
	8,552,504	7,818,891	733,613	1,644,975	911,362	Negotiation	Mubashar Brothers
	8,627,411	7,713,782	913,629	1,644,975	731,346	Negotiation	Mubashar Brothers
	8,646,571	7,730,914	915,657	1,644,975	729,318	Negotiation	Mubashar Brothers
	10,073,773	8,389,604	1,684,169	1,644,975	(39,194)	Negotiation	Sharif Enterprises
	10,073,773	8,389,604	1,684,169	1,644,975	(39,194)	Negotiation	Sharif Enterprises
	10,493,309	8,723,877	1,769,432	1,644,975	(124,457)	Negotiation	Sharif Enterprises
	10,493,309	8,723,877	1,769,432	1,644,975	(124,457)	Negotiation	Mubashar Brothers
	9,330,794	7,757,391	1,573,403	1,644,975	71,572	Negotiation	Mubashar Brothers
	9,330,794	7,757,391	1,573,403	1,644,975	71,572	Negotiation	Mubashar Brothers
	9,330,794	7,757,391	1,573,403	1,644,975	71,572	Negotiation	Mubashar Brothers
	9,462,844	7,767,221	1,695,623	1,644,975	(50,648)	Negotiation	Mubashar Brothers
	20,355,088	15,064,490	5,290,598	3,313,559	(1,977,039)	Negotiation	Ideal Trading Company
	20,355,088	15,064,490	5,290,598	3,313,559	(1,977,039)	Negotiation	Ideal Trading Company
	20,355,088	15,064,490	5,290,598	3,313,559	(1,977,039)	Negotiation	Ideal Trading Company
	20,355,088	15,035,201	5,319,887	3,313,559	(2,006,328)	Negotiation	Ideal Trading Company
	20,355,088	15,035,201	5,319,887	3,313,559	(2,006,328)	Negotiation	Ideal Trading Company
	20,355,088	15,035,201	5,319,887	3,313,559	(2,006,328)	Negotiation	Ideal Trading Company
	20,355,088	15,035,201	5,319,887	3,313,559	(2,006,328)	Negotiation	Ideal Trading Company
	20,355,088	15,064,490	5,290,598	3,313,559	(1,977,039)	Negotiation	Mubashar Brothers
	11,070,127	10,421,374	648,753	1,203,390	554,637	Negotiation	Mubashar Brothers
	7,783,577	6,586,145	1,197,432	1,203,390	5,958	Negotiation	Mubashar Brothers
	3,898,012	2,879,055	1,018,957	1,203,390	184,433	Negotiation	Mubashar Brothers
	2,323,798	1,085,447	1,238,352	932,203	(306,149)	Negotiation	Mubashar Brothers
	2,591,990	1,370,565	1,221,425	932,203	(289,222)	Negotiation	Mubashar Brothers
	4,434,683	3,608,900	825,783	932,203	106,420	Negotiation	Mubashar Brothers
	10,641,175	9,433,405	1,207,770	1,949,153	741,383	Negotiation	Mubashar Brothers
	8,654,039	7,858,433	795,606	1,949,153	1,153,547	Negotiation	Mubashar Brothers
	20,552,582	17,646,241	2,906,341	3,644,068	737,727	Negotiation	Mubashar Brothers
	23,836,345	20,794,059	3,042,286	3,644,068	601,782	Negotiation	Mubashar Brothers
	19,451,854	17,096,541	2,355,313	3,644,068	1,288,755	Negotiation	Mubashar Brothers
	15,768,020	9,896,618	5,871,402	3,644,068	(2,227,334)	Negotiation	Mubashar Brothers
	15,868,020	9,914,868	5,953,152	3,644,068	(2,309,084)	Negotiation	Mubashar Brothers
	20,727,582	17,704,286	3,023,296	3,644,068	620,772	Negotiation	Mubashar Brothers
	16,179,120	12,063,115	4,116,005	3,432,203	(683,802)	Negotiation	Mubashar Brothers
	16,179,120	12,063,115	4,116,005	3,432,203	(683,802)	Negotiation	Mubashar Brothers
	16,179,120	12,063,115	4,116,005	3,432,203	(683,802)	Negotiation	Mubashar Brothers

Description	Cost	Accumulated depreciation	Carrying value	Sales proceeds	(Loss) / gain	Mode of disposal	Purchaser
----- (Rupees) -----							
Vehicle	16,179,120	12,063,115	4,116,005	3,432,203	(683,802)	Negotiation	Mubashar Brothers
	16,179,120	12,063,115	4,116,005	3,432,203	(683,802)	Negotiation	Mubashar Brothers
	654,579,715	503,971,100	150,608,616	122,906,771	(27,701,846)		
	2,727,380	2,012,414	714,966	1,856,666	1,141,700	Company Policy	Mr. Akhtar Kamdar- Employee
	4,090,000	1,851,952	2,238,048	3,496,950	1,258,902	Company Policy	Mr. Abdul Salam- Employee
	2,511,000	1,663,054	847,946	1,757,700	909,754	Company Policy	Mr. Zaheer Ahmed- Employee
	2,583,858	1,710,720	873,138	1,966,962	1,093,824	Company Policy	Mr. Rasib Hussain- Employee
	3,665,663	2,005,199	1,660,464	2,914,202	1,253,738	Company Policy	Mr. Munir Ansari- Employee
	2,555,100	1,813,780	741,320	1,788,570	1,047,250	Company Policy	Mr. Tariq Saeed- Employee
	2,511,000	1,738,764	772,236	1,757,700	985,464	Company Policy	Mr. Imran Maroof- Employee
	3,575,688	2,045,484	1,530,204	2,824,794	1,294,590	Company Policy	Lucky Landmark (Pvt) Ltd
	3,495,675	1,516,346	1,979,329	3,003,521	1,024,192	Company Policy	Mr. Abdul Rehman- Employee
	27,715,364	16,357,713	11,357,651	21,367,065	10,009,414		

5.1.3 Leasehold and freehold land pertain to the manufacturing facilities having combined area of 147.8 acres (2024:147.8 acres).

5.2 Capital work-in-progress

	Civil works	Plant,machinery and equipments	Vehicles	Markup capitalised	Total
	(Rupees in '000)				
Year ended June 30, 2025					
Balance as at July 1, 2024	492,293	1,111,831	3,215	19,096	1,626,435
Additions during the year	484,825	5,183,998	(3,215)	-	5,665,608
Transfers to operating fixed assets	(464,288)	(2,555,136)	-	-	(3,019,424)
Balance as at June 30, 2025	512,830	3,740,693	-	19,096	4,272,619
Year ended June 30, 2024					
Balance as at July 1, 2023	2,501,687	4,549,363	-	453,874	7,504,924
Additions during the year	1,556,748	3,743,589	3,920	279,341	5,583,598
Transfers to operating fixed assets	(3,566,142)	(7,181,121)	(705)	(714,119)	(11,462,087)
Balance as at June 30, 2024	492,293	1,111,831	3,215	19,096	1,626,435

6. BIOLOGICAL ASSETS

	Note	----- (Rupees in '000) -----	
Dairy livestock			
- Mature		500,672	468,936
- Immature		63,311	292,422
	6.1	<u>563,983</u>	<u>761,358</u>
6.1 Reconciliation of biological assets			
Balance as at July 1		761,358	753,053
Livestock expired		(11,985)	(14,433)
Sale of livestock		(267,161)	(170,640)
Gain on fair valuation of livestock due to:			
- new births		63,728	45,038
- price and age change		18,043	148,340
		<u>81,771</u>	<u>193,378</u>
Balance as at June 30		<u>563,983</u>	<u>761,358</u>

- 6.2 At June 30, 2025, the Company held 688 mature livestock - including pregnant livestock (2024: 644 mature livestock) able to produce milk and 346 immature livestock (2024: 669 immature livestock) which are being raised to produce milk in the future.
- 6.3 During the year, the Company produced approximately 3,459,469 (2024: 5,608,378) gross litres of milk from mature livestock.
- 6.4 As at June 30, 2025, the Company held 77 breeding bulls (2024:47 breeding bulls).
- 6.5 The valuation of dairy livestock as at June 30, 2025 has been carried out by an independent valuer. In this regard the valuer examined the physical condition of the livestock, assessed the key assumptions and estimates and relied on the representations made by the Company. Livestock has been valued on the basis of market values of livestock of similar attribute. The valuation is considered to be a level II in the fair value heirarchy due to observable market data other than quoted prices than active markets.
- 6.6 Cost to sell is considered immaterial and has not been taken into account while valuing the biological assets.

7. **LONG TERM ADVANCE**

The Company invested Rs. 66.6 million for a Joint Venture Project with the the principal activity of the acquisition and development of a real estate project in Karachi. The Company's share in this Joint Venture project was ten percent. The Project could not be executed and accordingly the amount was provided in previous years. However, last year the parties to the Joint Venture have agreed to settle the amount spent for the project. In this respect the Company has received Rs. 49.1 million as full and final settlement. The remaining amount of Rs. 17.5 million will not be received further, therefore, the Board has granted the approval to write off the remaining amount of Rs. 17.5 million.

8. **LONG TERM LOANS**

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
<b>- Considered good</b>			
Loan to employees			
Related parties - Key management personnel		967	7,694
Other employees	8.1	10,932	20,393
		11,899	28,087
Current portion of long term loans	13	(10,432)	(20,334)
		1,467	7,753

- 8.1 These are interest free loans recoverable in monthly instalments over a period of three years. These loans are secured against employees' retirement benefit obligation.
- 8.2 The maximum amount of loans to the key management personnel outstanding at the end of any month during the year ended June 30, 2025 was Rs.7.51 million (2024: Rs. 12.347 million).

9. **LONG TERM INVESTMENTS**

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Investments in associates - equity method	9.1	6,518,977	6,357,687

9.1 **Investment in associates - equity method**

Lucky Core Industries Limited (LCI)	9.2	4,483,383	4,084,042
Lucky Holdings Limited (LHL)	9.3	936	875
Yunus Energy Limited (YEL)	9.4	2,034,658	2,272,770
		6,518,977	6,357,687

- 9.1.1 The Company's investment in Lucky Core Industries Limited (LCI), Lucky Holdings Limited (LHL) and Yunus Energy Limited (YEL) is less than 20% but these are considered associates as the Company has significant influence over the financial and operating policies through representation on the Board of Directors of these companies.

- 9.1.2 The principal place of business of all the associates is located in Pakistan.

9.2 **Investment in Lucky Core Industries Limited (LCI) - at equity method**

	2025	2024
Number of shares held	6,654,867	6,654,867
Cost of investment (Rupees in '000)	1,341,311	1,341,311
Fair value of investment (Rupees in '000)	10,576,380	6,185,632
Ownership interest	7.21%	7.21%

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Balance as at July 01	4,084,042	3,677,707
Share of profit	847,688	795,051
Share of other comprehensive (loss) / income	(2,471)	10,576
Dividend received	(445,876)	(399,292)
Balance as at June 30	4,483,383	4,084,042

The financial year end of Lucky Core Industries Limited (LCI) is June 30, 2025. Summarised financial highlights of LCI and the related share of the Company as at reporting date are as follows:

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Total assets	104,329,149	92,375,253
Total liabilities	(49,336,545)	(42,917,508)
Net assets	54,992,604	49,457,745
Company's share of net assets	3,964,967	3,565,903
Revenue	119,940,714	120,635,402
Profit for the year	11,757,185	11,150,545
Company's share of profit	847,688	795,051
Other comprehensive income / (loss) for the year	(34,269)	146,688
Company's share of other comprehensive income / (loss)	(2,471)	10,576



9.3 Investment in Lucky Holdings Limited (LHL) - at equity method

	2025	2024
Number of shares held	8,580	8,580
Cost of investment (Rupees in '000)	429	429
Ownership interest	1%	1%
	2025	2024
	----- (Rupees in '000) -----	
Balance as at July 01	875	787
Share of profit	61	88
Balance as at June 30	936	875

The financial year end of LHL is June 30, 2025. Summarised financial highlights of LHL as at reporting date and the related share of the Company are as follows:

	2025	2024
	----- (Rupees in '000) -----	
Total assets	452,586	446,659
Total liabilities	(388,177)	(388,296)
Net assets	64,409	58,363
Company's share of net assets	644	583
Revenue	-	-
Profit for the year	6,080	9,571
Company's share of profit	61	88

9.4 Investment in Yunus Energy Limited (YEL) - at equity method

	2025	2024
Number of shares held	61,136,500	61,136,500
Cost of investment (Rupees in '000)	611,365	611,365
Ownership interest	19.99%	19.99%
	2025	2024
	----- (Rupees in '000) -----	
Balance as at July 01	2,272,770	1,819,161
Share of profit	369,526	634,133
Share of other comprehensive income / (loss)	3,727	2,887
Dividend received	(611,365)	(183,411)
Balance as at June 30	2,034,658	2,272,770

The financial year end of YEL is June 30, 2025. Summarised financial highlights of YEL as at reporting date and the related share of the Company are as follows:

	2025	2024
	----- (Rupees in '000) -----	
Total assets	12,249,006	14,450,119
Total liabilities	(2,173,460)	(3,184,146)
Net assets	10,075,546	11,265,973
Company's share of net assets	2,014,102	2,252,068
Revenue	3,720,743	5,412,700
Profit for the year	1,848,556	3,172,253
Company's share of profit	369,526	634,133
Other comprehensive income for the year	18,642	14,445
Company's share of other comprehensive income	3,727	2,887

10. STORES, SPARES AND LOOSE TOOLS

Stores	866,935	655,871
Spares	709,345	642,612
Loose tools	7,070	3,761
	1,583,350	1,302,244
Less: Provision for slow moving stores, spares and loose tools	(41,357)	(41,357)
	1,541,993	1,260,887
Stores in-transit	558,967	148,391
	2,100,960	1,409,278

11. STOCK-IN-TRADE

Raw material in		
- hand	10,298,309	8,385,834
- transit	6,241,656	4,560,166
- feed	88,891	85,887
	16,628,856	13,031,887
Work-in-process	2,118,657	1,932,370
Finished goods		
- Yarn	6,645,249	3,682,809
- Knitted fabric	722,858	576,479
- Waste	95,354	59,463
- Unprocessed milk	1,890	221
	7,465,351	4,318,972
	26,212,864	19,283,229

12. **TRADE DEBTS**

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
<b>- Considered good</b>			
Foreign - Secured against LC	12.4	1,102,763	1,837,318
Local - Unsecured	12.5	3,536,711	2,714,953
Local - Secured against LC		316,527	510,486
		<u>4,956,001</u>	<u>5,062,757</u>
<b>- Considered doubtful</b>			
Local - Unsecured		97	97
Provision for loss allowance		(97)	(97)
		<u>-</u>	<u>-</u>
		<u>4,956,001</u>	<u>5,062,757</u>

12.1 The Company has recognised a loss allowance of Rs. 0.09 million (2024: Rs. 0.09 million) against all local trade debts.

12.2 The balance includes trade balances outstanding from associated companies as follows:

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Lucky Textile Mills Limited	8,912	7,916
Lucky Knits (Private) Limited	131,095	335,188
	<u>140,007</u>	<u>343,104</u>

12.3 The maximum amount due from related parties, at the end of any month during the year were Rs. 140.00 million (2024: Rs. 343.22 million). The transactions with associated companies are carried on agreed terms.

12.4 Following are the details of debtors in relation to export sales:

Jurisdiction	Category	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Asia	Letter of credit	-	353,644
Europe	Letter of credit	69,978	78,340
	Contract	540,770	936,236
North America	Contract	492,014	468,768
		<u>69,978</u>	<u>431,984</u>
Total	Letter of credit	69,978	431,984
	Contract	<u>1,032,784</u>	<u>1,405,004</u>

12.5 No significant amount of trade debts is overdue / past due.

13. **LOANS AND ADVANCES**

**- Unsecured - considered good**

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Current portion of long term loans	8	10,432	20,334
Advances to employees		24,883	32,610
Advance to suppliers and contractors		217,859	88,533
Letters of credit, fee and expenses		-	1,544
Subordinated loan	13.1	38,214	34,808
LC margin		15,015	-
		<u>306,403</u>	<u>177,829</u>

13.1 This represents subordinated loan in companies mentioned in Note 13.1.1. The shares will be issued in due course in accordance with the regulatory requirements.

13.1.1 **Subordinated loan**

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Tricom Solar Power (Private) Limited		29,013	26,329
Yunus Wind Power Limited		9,201	8,479
	13.1.2	<u>38,214</u>	<u>34,808</u>

13.1.2 As part of strategic investments, the Company had given subordinated loan to Tricom Solar Power (Private) Limited and Yunus Wind Power Limited, shares in respect of which will be issued in due course in accordance with the regulatory requirements.

Upon expiry of initial 12 months period from previous approval dated April 13, 2018 for the investment, the Company obtained extension from the shareholders in EOGM dated March 20, 2019 for a period of four years or till the Project achieves commercial operations, whichever is later.

14. **OTHER RECEIVABLES**

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
<b>-Considered good</b>		
Sales tax Refundable including carried forward input tax	2,477,536	2,494,637
Rebate receivable on export sales	91,752	37,003
Claims receivable	47,283	80,993
Others	3,451	3,944
	<u>2,620,022</u>	<u>2,616,577</u>

		2025	2024
		----- (Rupees in '000) -----	
<b>-Considered doubtful</b>	Note		
Claims receivable	24.1.2	20,000	20,000
Others	14.1	5,600	5,600
		25,600	25,600
Provision for doubtful other receivables		(25,600)	(25,600)
		-	-
		2,620,022	2,616,577

14.1 The Company received a demand cum show cause notice for the amount of Rs. 28.22 million from Custom Authorities vide order dated October 19, 2010, deleting their Manufacturing Bond Entry for import of Polyester Staple Fiber (PSF). The Company has paid Rs. 5.60 million under protest against the demand and also made provision for the same amount. Since the goods were imported for re-export, the FBR has rectified the anomaly through S.R.O. 688(I)/2010 dated July 27, 2010. In 2023, the matter has been decided in favour of the Company from the Honorable PHC but has been challenged before the SCP by the department. Management believes that no further provision is required for the remaining amount and the amount so paid shall become refundable.

#### 15. CASH AND BANK BALANCES

	Note	2025	2024
		----- (Rupees in '000) -----	
Cash in hand		9,476	6,083
Cash with banks			
- current account	15.1	66,221	40,991
- time deposits	15.2	7,559	1,353,937
		73,780	1,394,928
		83,256	1,401,011

15.1 It includes balances in foreign currency bank accounts equivalent to Rs. 19.15 million (2024: Rs. 12.90 million).

15.2 These carry markup at the rates ranging from 11.38% to 20.85% per annum (2024: 18% to 20.50% per annum).

#### 16. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		2025	2024
----- (Number of Shares) -----			----- (Rupees in '000) -----	
6,000,000	6,000,000	Ordinary shares of Rs.10 each fully paid in cash	60,000	60,000
17,437,500	17,437,500	Ordinary shares of Rs.10 each issued as fully paid bonus shares	174,375	174,375
4,592,083	4,592,083	Ordinary shares of Rs. 10 each issued as fully paid in as fully paid Pursuant to amalgamation	45,921	45,921
28,029,583	28,029,583		280,296	280,296

16.1 As at June 30, 2025, Y.B. Holdings (Private) Limited (the Holding Company) hold 19,499,741 (2024: 19,499,741) ordinary shares of Rs. 10 each.

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

#### 17. RESERVES

	2025	2024
	----- (Rupees in '000) -----	
<b>Capital Reserves</b>		
Share premium	103,125	103,125
Amalgamation reserves	34,416	34,416
Against long-term Investments, capacity expansion and BMR	16,500,000	16,500,000
	16,637,541	16,637,541
<b>Revenue Reserves</b>		
General reserve	1,000,000	1,000,000
Amalgamation reserves	727,333	727,333
Unappropriated profit	5,265,736	2,853,128
	6,993,069	4,580,461
	23,630,610	21,218,002

17.1 With respect to the transfer of reserves as disclosed under note 17.1 to the annual financial statements for the year ended June 30, 2023, SECP vide their letter No. SMD/PRDD/Comp/(108)/2023 dated February 15, 2024, has clarified that the Board of Directors' of the Company may transfer amount from 'revenue reserves' to 'capital reserves' being a reserve not regarded free for distribution by way of dividend.

#### 18. LONG TERM FINANCE

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>- Banking companies - secured</b>			
Long term finance facility	18.1	2,849,128	3,147,048
Term loan		-	1,800,000
Financing for Renewable Energy	18.2	837,507	837,507
Temporary economic refinance facility	18.3	680,952	782,703
Less: Current portion of long term finance		(729,389)	(679,913)
		3,638,198	5,887,345

18.1 The Company has entered into a long term finance agreement with commercial banks, with an approved limit of Rs. 3.11 billion (2024: Rs. 10.61 billion). The facility carries a mark-up ranging from SBP Base Rate + 0.10% to 2% payable on a quarterly basis (2024: SBP Base Rate + 0.10% to 2% payable on a quarterly basis).The Term of this facility is 12 years including 2 years moratorium period.

18.2 The Company entered into long-term loan agreements with commercial banks under the Renewable Energy Scheme of the State Bank of Pakistan with an approved limit of 0.83 Billion. Facility is to be repaid in 12 years including 2 years moratorium period. These facilities carries mark-up ranging from SBP + 2% to 3% which is payable in arrears on quarterly / semi-annual basis.

18.3 The Company has entered into a temporary economic refinance facility agreement with commercial banks, with an approved limit of Rs. 0.816 billion (2024: Rs. 1.072 billion). The facility carries a mark up of SBP Base Rate + 0.50% to 0.75% (2024: SBP Base Rate + 0.50% to 0.75%). The tenure of this facility is 12 years including 2 years moratorium period.

The above financing agreements are secured by pari passu charge over plant and machinery of the Company.



## 19. DEFERRED GOVERNMENT GRANT

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Deferred grant against temporary economic refinance facility	19.1	135,159	180,291
Current portion of deferred government grant		(27,650)	(40,132)
		<u>107,509</u>	<u>140,159</u>

19.1 Deferred government grant relates to the financing obtained at below market mark-up rates i.e. difference between the fair value and actual proceed of TERF loan obtained under SBP's refinance scheme. It is being amortised over the period of ten years from the date of loan disbursement with an amount equal to the difference between the finance cost charged that would have been charged to statement of profit or loss at market rate and the interest paid as per the scheme.

## 20. RETIREMENT BENEFIT OBLIGATION

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Retirement benefit obligation	20.1	<u>1,272,354</u>	<u>1,205,342</u>

### 20.1 Retirement benefit obligation

The Projected Unit Credit method based on following significant assumptions was used for valuation of the scheme. The basis of recognition together with details as per actuarial valuation are as under:

	2025	2024
Valuation Discount rate	11.75%	14.75%
Salary increase rate (Long term)	13.00%	14.75%
Salary increase rate (Short term)	16.00%	14.75%
Mortality rate	SLIC 2001-05	SLIC 2001-05

### 20.2 Liability recognised in the statement of financial position

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Present value of retirement benefit obligation	<u>1,272,354</u>	<u>1,205,342</u>

### 20.3 Movement in liability during the year

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Balance as at July 1		1,205,342	1,008,944
Expense recognised in the statement of profit or loss	20.4	425,257	439,793
Total remeasurements gain recognised in the statement of comprehensive income	20.5	(31,937)	(2,685)
Benefits paid		(326,308)	(240,710)
Balance as at June 30		<u>1,272,354</u>	<u>1,205,342</u>

## 20.4 Expense recognised in the statement of profit or loss

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Current service cost	343,117	295,890
Interest cost	152,797	143,903
Past service cost	(70,656)	-
	<u>425,257</u>	<u>439,793</u>

## 20.5 Total remeasurements recognised in the statement of comprehensive income

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Actuarial loss / (gain) on liability arising on		
- financial assumptions	65,187	(7,835)
- demographic assumptions	(962)	-
- experience adjustments	(96,163)	5,150
	<u>(31,937)</u>	<u>(2,685)</u>

## 20.6 Sensitivity analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

		Increase / (decrease) in defined benefit obligation	
	Change in assumption	Increase in assumption	Decrease in assumption
	%	----- (Rupees in '000) -----	
Discount rate	1	(13,740)	14,037
Salary growth rate	1	<u>18,899</u>	<u>(18,763)</u>

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit method at reporting date, which is the same as that applied in calculating the defined benefit obligation liability recognised in the statement of financial position.

## 20.7 The gratuity scheme exposes the Company to the following risks:

**Longevity risk:** The risk arises when the actual lifetime of retirees is longer than expectation. This risk is measured at the plan level over the entire retiree population.

**Salary increase risk:** The most common type of retirement benefit is one where the benefit is linked with final salary. The risk arises when the actual salaries are higher than expectation and impacts the liability accordingly.

**Withdrawal risk:** The risk of actual withdrawals varying with the actuarial assumptions can impose a risk to the benefit obligation. The movement of the liability can go either way.

## 20.8 The weighted average duration of defined benefit obligation as at June 30, 2025 is 33.78 years (2024: 34.13 years).

20.9 Expected maturity analysis of undiscounted retirement benefit plans

	Note	2025 ----- (Rupees in '000)	2024 -----
Undiscounted payments			
Year 1		372,795	367,072
More than 1 year		1,085,972	1,062,802

21. DEFERRED TAX LIABILITIES

Balance as at June 30	21.1	743,934	944,968
-----------------------	------	---------	---------

21.1 Deferred tax liability comprises of taxable / (deductible) temporary differences in respect of following:

	Note	2025 ----- (Rupees in '000)	2024 -----
Deferred credits / (debits) arising due to:			
- Accelerated tax depreciation on property, plant and equipment		1,137,940	1,103,896
- Provision against retirement benefit obligation		(234,700)	(205,981)
- Provision against long term advance		-	(3,734)
- Provision against stores, spares and loose tools		(6,949)	(6,949)
- Provision against doubtful other receivables		(4,301)	(4,301)
- Gain arising from changes in fair value of livestock		209,377	283,278
- Tax asset on unused tax credit and losses		(1,392,154)	(1,197,782)
- Share of profit from associates		1,034,721	976,541
		743,934	944,968

21.2 Movement In Deferred tax

Opening Balance		944,968	1,415,003
Reversal for the year		(213,523)	(473,635)
Charge on OCI		12,489	3,600
Closing balance		743,934	944,968

22. TRADE AND OTHER PAYABLES

Creditors		2,192,322	1,764,088
Foreign bills payable		1,787,864	2,196,303
Advance from customers	22.1	250,383	191,540
Accrued liabilities		8,142,538	6,235,100
Withholding income tax		26,182	26,070
Sales tax payable		176,252	139,161
Workers' welfare fund		188,278	138,481
Workers' profit participation fund	22.2	34,185	-
Others		141,732	135,737
		12,939,736	10,826,480

22.1 During the year the performance obligation underlying the opening contract liability (advance from customers) of Rs.191.540 million were satisfied in full. Accordingly the said liability was recorded as revenue during the year.

22.2 Workers' profit participation fund

	Note	2025 ----- (Rupees in '000)	2024 -----
Balance as at July 01		-	251,698
Provision made during the year		127,986	-
Interest on funds utilised in business	30	-	5,811
Payments made during the year	29	(93,801)	(257,509)
Balance as at June 30		34,185	-

23. SHORT TERM BORROWINGS

Banking companies - secured

Running finance under mark-up arrangements	23.1	10,238,217	1,416,681
Import Loan	23.2	3,771,449	5,500,669
Money Market	23.3	7,837,541	9,150,000
Export refinance	23.4	4,840,882	3,454,945
		26,688,089	19,522,295

23.1 Facilities for running finance, import finance, export finance and export refinance are available from various commercial banks upto Rs. 77.3 billion (2024: Rs. Rs. 52.781 billion). For running finance facility, the rates of mark-up range between KIBOR + 0.05% to KIBOR + 1.00% per annum (2024: KIBOR + 0.05% to KIBOR + 1.00% per annum). These are secured against hypothecation of stock, receivables and plant and machinery.

23.2 The rate of mark-up on Foreign currency import finance is 5% to 8% (2024: 7% to 13%).

23.3 The approved limit of Money Market Loan under sub-limit of the facilities mentioned in note 23.1 from various commercial banks at -5% to 0.20% (2024: KIBOR + 0.00% to KIBOR + 0.22% per annum). These are secured against hypothecation of stock, charge on receivables and plant and machinery.

23.4 The rate of mark-up on export refinance is SBP Base Rate + 0.50% to SBP Base Rate + 1.00% (2024: SBP Base Rate 0.50% to SBP Base Rate + 1.00%)

24. CONTINGENCIES AND COMMITMENTS

24.1 Contingencies

24.1.1 Outstanding guarantees given on behalf of the Company by commercial banks in normal course of business amounting to Rs. 4.64 billion (2024: Rs. 3.86 billion).

24.1.2 In prior years, Sui Northern Gas Pipeline Limited (SNGPL) charged the Company with an amount of Rs. 168 million on account of under billing of gas. The Company lodged a complaint with the Appellate Authority (the Authority) against SNGPL and on January 21, 2010, the Authority partly admitted the plea of the Company and allowed partial relief of Rs. 53.89 million. The Company has paid Rs.113.63 million in prior years. Subsequent to the decision of the Authority, both the Company (to claim additional relief) and SNGPL (against the relief provided) have filed appeals with higher authorities against the decision. During the year the OGRA shows inability to decide the case and mentioned that gas utility court has the jurisdiction to decide the matter in light of the judgement of the Supreme Court of Pakistan. The Company is planning to file the case at gas utility court. Management is of the view that no further liability will arise as it is expected that the final outcome of this case will be in its favour.

24.1.3 Previously, the Company had filed a suit before the Sindh High Court, challenging the applicability of Gas Infrastructure Development Cess (GIDC) Act, 2011 which was eventually decided upon by the Supreme Court of Pakistan declaring GIDC Act 2011 as invalid that being a fee-imposing enactment, it could not be introduced through Money Bill as a tax.

Thereafter the GIDC Ordinance 2014 was introduced to circumvent the decision of SC. However, in May 2015, the Government passed the GIDC Act 2015.

The Company challenged the GIDC Act, 2015 and filed writ petition in the Peshawar High Court (PHC) challenging the vires and legality of the levy and demand of GIDC including its retrospective application. On May 31, 2017, PHC dismissed the said petition, however, the Company obtained interim relief against the payment of GIDC imposed through monthly bills from PHC on the ground that GIDC is not leviable as the Company has not added GIDC impact in its price and has not collected from its customer. Further, the Company filed Civil Petition for Leave to Appeal (CPLA) in SC, against the adverse judgment of PHC. On August 13, 2020, the SC upheld the legality of GIDC Act, 2015.

Further, the Apex Court in its judgement validated the GIDC Act 2015 which contains Section 8 in particular. Whilst examining Section 8 (2) (1st proviso), the legislature has explicitly stated that the cess shall not be collected from industries where it has not been collected by the Gas companies in terms of GIDC Act 2011 and the GIDC Ordinance 2014. Further, while comparing two categories i.e. industrial and domestic consumers, the Hon’ble Court has specifically stated that GIDC shall be applicable only on those companies which have passed the burden on to its consumers/clients (Clause 37). Management maintains that since the Company has not passed on the burden to its consumers/clients, it is not liable to pay GID Cess, by whatever name charged. Accordingly, the Company filed the review petition in the Supreme Court of Pakistan against the above judgement of SC.

The SC in its judgment dated November 03, 2020, while dismissing all review petitions filed against its earlier judgement dated August 13, 2020, clearly stated that as the SC held the Act to be intra-vires therefore all the sections are to be applied and that the question pertaining to the applicability of Section 8(2) and its proviso has not been agitated and its relief lies elsewhere and that the companies claiming any relief under GIDC Act, 2015 may approach the right forum. Meanwhile, the Company’s writ petition which was pending before the PHC with the plea that the Company did not pass on the GIDC burden to their end consumers and seeking relief under Section 8 (2) of the GIDC Act, 2015, was referred by PHC to OGRA, being the relevant authority, on which OGRA subsequently showed its inability to decide the matter. Accordingly, the Company filed a fresh writ petition before the PHC challenging Section 8(2) of GIDC Act, 2015, which PHC dismissed on June 15, 2022 with the plea of non-maintainability with the directions to approach the right forum. The Company’s case is now pending at Trial Court Peshawar. The management maintains that since the Company has not passed on the burden to its consumers / clients, it is not liable to pay GIDC, by whatever name charged as it clearly falls within the ambit of the exemption in line with Section 8(2) of the GIDC Act, 2015.

24.1.4 National Accountability Bureau (NAB) had filed a reference before the Accountability Court - Peshawar on February 2, 2016 where the NAB has alleged that the Company has illegally sold the electricity to Peshawar Electric Supply Corporation (PESCO) at higher rates as compared to purchase price of electricity being supplied to the Company from PESCO. In this regard, the management believes that the said allegations are false, unsubstantiated and unfounded and the case is devoid of merits as the Company sold the electricity after required approvals and at price on which all captive power plants were selling electricity to distribution companies in accordance with approved policy of Government of Pakistan. The Accountability Court in February 23, 2022 declared that the case is not maintainable on account of the amendment made in the NAB Law via National Accountability (Second Amendment Ordinance), 2021 and the Court directed NAB to initiate the inquiry along with the relevant regulatory authorities in order to determine the realization of alleged colossal financial loss to the government treasury.

Against the decision of Accountability Court, the NAB has filed the appeal before the Peshawar High Court (PHC). Simultaneously, the Company has also filed appeal in PHC against the direction of the Accountability Court where the management believes that Court cannot give any direction to initiate the inquiry against the Company, rather it only needs to decide the case. Both the cases are pending at PHC.

24.1.5 The Income Tax Return of Fazal Textile Mills Limited (FTML) (previously merged with the Company in the year 2015) for Tax year 2013 was amended under section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance) by the Additional Commissioner Income Revenue (ACIR) vide its order dated March 4, 2014 on account of certain disallowances primarily against Workers Welfare Fund (WWF). The Company filed an appeal against the amended order at Commissioner Inland Revenue (Appeals) (CIRA) and in response of that CIRA allowed some relief to the Company. The Company being dissatisfied with the order of CIRA, filed an appeal at the Appellate Tribunal Inland Revenue (ATIR) which is pending for adjudication. Thereafter, the tax department has selected the said return for Audit proceedings under sections 177 and 214C of the Ordinance. In pursuance to the aforementioned audit, the amended assessment order was further amended by the Deputy Commissioner Inland Revenue (DCIR) making an additions of Rs 1.63 million on account of certain disallowed expenses, levied WWF of Rs. 9.16 million and also restricted tax refundable to the amount of advance tax, thereby reducing it by Rs. 48.89 million. The Company had filed an appeal before CIRA against the said audit proceedings on the grounds that the assessment was prejudicially re-amended without evaluating the current status. The said appeal is pending for adjudication.

The management believes that the aforementioned matters will ultimately be decided in the favour of the Company. Accordingly, no provision is required to be made against the said amounts in these financial statements.

24.1.6 The Assistant Commissioner Inland Revenue (ACIR), Peshawar, passed an assesment order for the Tax Year 2015 dated December 13, 2016 after completion of audit proceedings, ACIR demanded tax amounting to Rs. 2,696 Million. The Company proceeded to file an appeal before the Commissioner Inland Revenue Appeals (CIRA) against the frivolous demand created by the ACIR, whereafter the CIRA gave partial relief and reduce the demanded tax to Rs. 462 million. Subsequently, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) for relief of remaining unjustified additions, where ATIR decided the case in favour of the Company on the ground that it lacks audit observation which is the mandatory requirement of the law and therefore allowed the appeal of the Company. Accordingly, the tax department has issued the appeal effect order in favour of the Company.

Currently, the department has filed the Reference application before the Peshawar High Court (PHC) against the decision of ATIR order which is still pending for adjudication.

24.1.7 The Collector of Customs has passed an order dated November 11, 2021 for recovery of the differential amount of advance tax at 4% (5%-1%) related to import of cotton during the period April 2013 to March 2014 alleging that the benefit of reduce rate of advance tax under section 148 of the Inocme Tax Ordinance (the Ordinance) shall be available only to the textile sector involve in the spinning sector onwards and demanded tax of Rs. 71.58 million along with the penalty of Rs. 0.5 million. The Company previously filed appeal before the Custom Tribunal against the said order of Collector of Customs which was decided against the Company. The Company then filed an appeal against the said order of Custom Tribunal before the Sindh High Court (SHC) and the said matter is still pending. The similar nature of case had been decided in favour of the taxpayer by the SHC.

24.1.8 Apart from the legal cases disclosed in these financial statements, no other major cases are pending having impact on the Company's financial statements

24.2 Others

	2025	2024
	----- (Rupees in '000) -----	
Local bills discounted	153,351	355,261
Post-dated cheques in favour of Collector of Customs against imports	10,947,984	10,732,996

24.3 Commitments

	2025	2024
	----- (Rupees in '000) -----	
Letters of credit opened by banks for:		
Plant and machinery	734,692	1,613,656
Raw materials	4,239,761	2,712,851
Stores and spares	174,433	211,269



25. SALES - net

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
<b>Export</b>			
- Yarn		719,416	3,864,638
- Knitted fabric		12,259,698	8,297,970
- Waste		-	140,055
		<u>12,979,114</u>	<u>12,302,663</u>
Commission on direct export sales		(238,369)	(194,314)
	25.1	<u>12,740,745</u>	<u>12,108,349</u>
<b>Indirect export</b>			
- Yarn		5,305,147	25,785,923
- Waste		-	2,389,669
		<u>5,305,147</u>	<u>25,785,923</u>
<b>Local</b>			
- Yarn		54,743,284	36,270,935
- Knitted fabric		51,054	49,561
- Waste		3,533,546	1,029,020
- Dyeing Services		3,724,475	1,434,789
- CMT		1,025,948	74,392
- Raw Material		9,208	1,027,727
		<u>68,392,662</u>	<u>68,062,016</u>
Commission on local / Indirect export sales		(136,952)	(266,984)
Sales tax		(10,496,749)	(7,950,495)
		<u>57,758,961</u>	<u>59,844,537</u>
Sale of milk		543,564	771,096
Sales tax		(63,284)	-
		<u>70,979,986</u>	<u>72,723,982</u>

25.1 Included herein exchange gain of Rs. 81.079 million (2024: exchange gain of Rs. 29.869 million) on account of foreign debtors.

26. COST OF SALES

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Opening stock - finished goods		4,318,972	2,903,915
Cost of goods manufactured	26.1	67,800,311	69,121,595
Closing stock - finished goods	11	(7,465,351)	(4,318,972)
		<u>64,653,932</u>	<u>67,706,538</u>
<b>26.1 Cost of goods manufactured</b>			
Raw material consumed	26.1.1	42,438,809	50,291,236
Fuel and power	26.1.2	10,835,683	8,600,796
Salaries, wages and benefits	26.1.3	4,994,521	3,960,483
Stores, spares and loose tools		3,855,172	2,231,471
Depreciation	5.1.1	2,113,313	1,867,034
Packing material		1,980,712	1,576,736
Dyeing, stitching and knitting charges		1,326,365	1,109,789
Insurance		167,072	163,861
Mixing charges		60,228	79,915
Vehicle Running and Maintenance		67,863	71,115
Doubling charges		21,068	16,525
Entertainment		21,111	15,485
Repairs and maintenance		13,505	14,582
Fee and subscriptions		18,556	14,025
Travelling and conveyance		8,448	9,380
Communication		5,039	4,574
Rent, rates and taxes		4,800	4,252
Legal and professional		2,514	3,563
Printing and stationery		286	230
Other manufacturing expenses		51,533	32,767
		<u>67,986,598</u>	<u>70,067,819</u>

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Work-in-process			
Opening stock		1,932,370	986,146
Closing stock	11	(2,118,657)	(1,932,370)
		<u>(186,287)</u>	<u>(946,224)</u>
Cost of goods manufactured		<u>67,800,311</u>	<u>69,121,595</u>

26.1.1 Raw material consumed

Opening stock		13,031,887	19,518,018
Purchases - net		46,035,778	43,805,105
Closing stock	11	(16,628,856)	(13,031,887)
		<u>42,438,809</u>	<u>50,291,236</u>

26.1.2 This includes depreciation expense of Rs. 350.423 million (2024: Rs. 247.121 million).

26.1.3 Salaries, wages and benefits include Rs.315.4 million (2024: Rs. 330.279 million) in respect of retirement benefit obligation.

27. DISTRIBUTION COST

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Logistic and related charges		630,985	662,705
Salaries, wages and benefits	27.1	105,636	98,295
Loading and others		65,138	45,908
Travelling and conveyance		32,826	26,307
Bank charges on export documents		37,250	23,217
Fee and subscriptions		4,177	20,634
Vehicles running and maintenance		5,859	7,884
Insurance		418	4,200
Communication		4,552	2,950
Printing and stationery		800	869
Repairs and maintenance		-	202
Entertainment		-	4
Others		-	1,173
		<u>887,641</u>	<u>894,348</u>

27.1 Salaries, wages and benefits include Rs. 23.164 million (2024: Rs. 26.82 million) in respect of retirement benefit obligation.

## 28. ADMINISTRATIVE EXPENSES

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Salaries, wages and benefits	28.1	409,303	357,855
Depreciation	5.1.1	32,739	39,884
Vehicles running and maintenance		33,488	33,836
Electricity		22,222	22,109
Insurance		12,604	14,778
Communication		11,756	10,886
Travelling and conveyance		4,490	9,007
Fee and subscriptions		15,402	11,551
Legal and professional		7,226	6,300
Printing and stationery		6,434	6,107
IT related services		6,375	5,903
Entertainment		6,436	4,695
Secretarial expenses		2,096	2,696
Repairs and maintenance		6,296	2,336
Auditors' remuneration	28.2	2,530	2,300
Rent, rates and taxes		163	524
Advertisement		-	95
Books and periodicals		65	48
Others		5,684	7,692
		<u>585,309</u>	<u>538,602</u>

28.1 Salaries, wages and benefits include Rs. 68.735 million (2024: Rs.64.19 million) in respect of retirement benefit obligation.

## 28.2 Auditors' remuneration

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Statutory audit, CCG & other certification fees		2,300	2,070
Half yearly review		230	230
		<u>2,530</u>	<u>2,300</u>

## 29. FINANCE COST

Mark-up / interest on:			
Long term finance		207,134	1,335,332
Short term borrowings		2,201,521	2,769,872
Workers' profit participation fund	22.2	-	5,811
		<u>2,408,655</u>	<u>4,111,015</u>
Bank and other financial charges		115,076	142,546
		<u>2,523,731</u>	<u>4,253,561</u>
Borrowing cost capitalised		-	(279,341)
		<u>2,523,731</u>	<u>3,974,220</u>

## 30. OTHER OPERATING EXPENSES

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Workers' profit participation fund	22.2	127,986	-
Workers' welfare fund		49,797	-
Loss on disposal of property, plant and equipment - net		18,225	-
Loss on sale of biological assets		96,086	94,974
Fixed asset written off		-	4,408
Exchange loss on foreign currency transactions - net		140,021	147
Others		180	1,117
		<u>432,295</u>	<u>100,646</u>

## 31. OTHER INCOME

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
<b>Income from financial asset</b>		
Profit on deposit accounts	69,133	70,653
Realised gain on short term investments	196,073	850
Interest on subordinated loan	3,406	5,520
	<u>268,612</u>	<u>77,023</u>
<b>Income from non-financial asset</b>		
Scrap sales	118,751	129,231
Insurance claim	11,001	6,970
Reversal of impairment provision	4,722	22,222
Gain arising from changes in fair value of livestock	81,771	193,378
Gain on disposal of property, plant and equipment - net	-	21,180
	<u>216,245</u>	<u>372,981</u>
	<u>484,857</u>	<u>450,004</u>

## 32. LEVIES AND TAXATION

Levies and taxes	<u>1,207,307</u>	<u>594,356</u>
<b>32.1 Final taxes</b>		
- export sales	-	508,014
- dividend income	-	132,133
	<u>-</u>	<u>640,147</u>

This represents final taxes paid on export sales and dividend income as per section 154 and section 5 of the Income Tax Ordinance, 2001 respectively, representing levy in line with the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
<b>32.2 Revenue tax</b>	<u>194,372</u>	<u>432,324</u>

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

## 32.3 Income tax-net

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Current		
- for the year	1,239,068	-
- prior year	(12,609)	(4,480)
	<u>1,226,459</u>	<u>(4,480)</u>
Deferred		
	(213,524)	(473,635)
	<u>1,012,935</u>	<u>(478,115)</u>

## 32.4 Relationship between taxes, levies and accounting profit

	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Profit before Levies and taxation	<u>3,599,211</u>	<u>1,388,904</u>
Tax at applicable rate of 29% (2024: 29%)	1,043,771	402,782
Tax effect of permanent differences	52	71
Tax impact of rate difference on deferred tax	(43,666)	68,923
Effect of prior year tax	(12,609)	(4,480)
Tax effect of final tax regime	(186,651)	(45,626)
Super Tax	374,303	188,615
Others	32,107	(15,929)
	<u>1,207,307</u>	<u>594,356</u>

32.5 Management has a practice of recording tax expense based on the generally accepted interpretation of tax laws and accordingly sufficient provision in respect of taxation has been provided in these financial statements.

33. EARNINGS PER SHARE - Basic and Diluted

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

	2025	2024
Profit for the year (Rupees in '000)	2,391,904	794,548
Number of ordinary shares	28,029,583	28,029,583
Earnings per share (Rupees)	85.33	28.35

34. CASH GENERATED FROM OPERATIONS

	Note	2025 ----- (Rupees in '000) -----	2024 -----
Profit before taxation		3,599,211	1,388,904
Adjustments for:			
Depreciation	5.1.1	2,496,475	2,154,039
Loss / (gain) on disposal of property, plant and equipment	30	18,225	(21,180)
Fixed assets written off		-	4,408
Gain arising from changes in fair value of livestock	31	(81,771)	(193,378)
Loss on sale of animals	30	96,086	94,974
Finance cost	29	2,523,731	3,974,220
Share of profit from associates	9	(1,217,276)	(1,429,272)
Realised gain on Short term investment	31	(196,073)	-
Profit on deposits	31	(69,133)	(71,503)
Reversal of impairment	31	(4,722)	(22,222)
Provision for retirement benefit obligation	20.4	425,257	439,793
Working capital changes	34.1	(5,552,867)	3,996,220
		(1,562,068)	8,926,099
Cash generated from operations		2,037,143	10,315,003

34.1 Working capital changes

(Increase) / decrease in current assets

Stores, spares and loose tools	(691,682)	(142,418)
Stock-in-trade	(6,929,635)	4,124,850
Trade debts	106,756	(2,090,671)
Loans and advances	(138,476)	550,023
Trade deposits and short term prepayments	(9,148)	(46,981)
Other receivables	(3,938)	397,987
	(7,666,123)	2,792,790

Increase / (decrease) in current liabilities

Trade and other payables	2,113,256	1,203,430
Working capital changes	(5,552,867)	3,996,220

35. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in respect of remuneration and other benefits paid to Chief Executive and Executives of the Company were as follows:

	2025 ----- Chief Executive      Executives ----- (Rupees in '000) -----		2024 ----- Chief Executive      Executives -----	
Remuneration	30,000	152,258	30,000	147,444
Bonus	2,500	11,931	2,473	11,674
Other benefits	2,500	10,309	2,500	11,960
	35,000	174,498	34,973	171,078
	(Numbers) -----			
Persons	1	18	1	19

35.1 The Company also provides vehicles for use to Chief Executive and Executives as per Company policy.

35.2 No remuneration has been paid to Directors of the Company except for meeting fee of Rs.2.12 million (2024: Rs. 3.25 million).

36. PRODUCTION CAPACITY

	2025	2024
Spinning Mill		
Spindles installed (Number)	386,516	382,212
Shifts worked per day (Number)	3	3
Days worked (Number)	365	366
Shifts worked (Number)	1,095	1,098
Spindles worked (Number)	401,194,680	396,772,176
Installed capacity after conversion into 20's (Kgs)	172,936,313	171,479,125
Actual production after conversion into 20's (Kgs)	163,930,501	162,123,440
Actual production (Kgs)	87,279,852	85,097,356
Knitting machines installed (Number)	12	12
Installed capacity (Kgs)	1,485,000	1,485,000

It is difficult to describe precisely the production capacity in the textile industry since it fluctuates widely depending on various factors such as count of yarn spun, spindles speed, twist per inch, raw material used, etc.

The knitting capacity has not been used during the year because the Company outsourced its knitting production in order to achieve lower cost of production.

Actual production varies based on market demand.

37. NUMBER OF EMPLOYEES

	2025 ----- Factory      Others      Total ----- (Number) -----			2024 ----- Factory      Others      Total -----		
- At June 30	4,109	146	4,255	3,867	146	4,013
- Average during the year	4,115	145	4,260	3,949	151	4,100

38. RELATED PARTY TRANSACTIONS

Transactions between the Company and the related parties are carried out as per agreed terms duly approved by board of directors. Transactions with related parties, other than remuneration and benefits to key management personnel under the term of their employment as disclosed in note 35 are as follows:



Name of Related Party	Basis of Relationship	share-holding %	Nature of Transaction	2025	2024
				(Rupees in '000)	(Rupees in '000)
Y.B. Holdings (Private) Limited	Holding Company	-	Reimbursement of expenses to the Company Dividend paid	3,499 -	3,631 -
Lucky Core Industries Limited	Associate	7.21%	Purchase of fiber Purchase of silage Purchase of soda Purchase of Berga Fat Purchase of Frozen Semen Purchase of Dyes & Chemicals Dividend received	2,212,429 - - 4,329 642 38,261 445,876	4,078,881 34,526 4,815 19,410 - - 399,292
Yunus Energy Limited	Associate	19.98%	Reimbursement of expenses to the Company Dividend received	327 611,365	240 183,411
Lucky Cement Limited	Associated Company	-	Purchase of cement Reimbursement of expenses from the Company	37,363 2,958	98,679 1,819
Lucky Knits (Private) Limited	Associated Company	-	Yarn sold Dyeing Services Purchase of goods and services Purchase of Store Reimbursement of expenses to the Company	4,083,127 2,218,889 637,177 210 892	3,704,098 1,075,603 408,715 - 463
Yunus Textile Mills Limited	Associated Company	-	Sale of Comber Noil Purchase of Machinery Sale of Raw Material Yarn sold Purchase of Raw Material	183,506 - 770 650,938 4,623	93,150 6,000 - 670,470 26,247
			Reimbursement of expenses to Company	909	
Lucky Textile Mills Limited	Associated Company	-	Yarn sold Sale of fabric Sale of Comber Noil Processing charges Reimbursement of expenses to the Company Reimbursement of expenses from the Company Sale of Raw Material CMT charges Purchase of goods and services	468,247 43,266 844,345 - 28,437 - 66 869,447 5,878	4,451,617 49,538 901,974 11,806 17,484 - 703,527 63,044 -
Lucky Energy (Private) Limited	Associated Company	-	Purchase of electricity / steam Reimbursement of expenses to the Company Reimbursement of expenses from the Company	4,327,048 2,171 -	3,587,002 1,807 3,849
Feroze 1888 Mills Limited	Associated Company	-	Purchase of Packing Material	-	379
Tricom Solar Power (Private) Limited	Associated Company	-	Interest income on subordinated loan	2,683	4,468
Yunus Wind Power Limited	Associated Company	-	Interest income on subordinated loan	723	1,058
Lucky Motor Corporation Limited	Associated Company	-	Purchase of mobile phones	1,450	-
Y.B. Engineering Limited	Associated Company	-	Engineering Services Reimbursement of expenses to the Company	- -	9,997 600
Lucky Landmark (Pvt) Limited	Associated Company"	-	Sale of vehicle	2,825	-
Lucky Investments Limited	Associated Company	-	Reimbursement of Expenses to the Company	38	-
National bank of Pakistan	Associated Company	-	Markup payment Loan repayment	2,609 21,200	- -

38.1 Associate / Associated Companies comprise of related parties due to common directorship.

### 39. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

#### 39.1 Financial instruments by category

	2025	2024
	(Rupees in '000)	(Rupees in '000)
<b>Financial assets at amortised cost</b>		
Loans to employees	11,899	28,087
Long term deposits	72,668	64,586
Trade debts	4,956,001	5,062,757
Loans and advances	63,097	67,418
Other receivables	142,486	121,940
Cash and bank balances	83,256	1,401,011
	<b>5,329,407</b>	<b>6,745,799</b>
<b>Financial liabilities at amortised cost</b>		
Long term finance	4,367,587	6,567,258
Trade and other payables	12,264,456	10,331,228
Unclaimed dividend	32,273	32,380
Accrued mark-up	540,843	622,525
Short term borrowings	26,688,089	19,522,295
	<b>43,893,248</b>	<b>37,075,686</b>

#### 39.2 Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. The responsibility includes developing and monitoring the Company's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarised as follows:

##### 39.2.1 Credit risk and concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company does not have any significant exposure to customers from any single country or single customer.

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

	2025	2024
	(Rupees in '000)	(Rupees in '000)
Loan to employees	11,899	28,087
Long term deposits	72,668	64,586
Trade debts	4,956,001	5,062,757
Loans and advances	63,097	67,418
Other receivables	142,486	121,940
Bank balances	73,780	1,394,928
	<b>5,319,931</b>	<b>6,739,716</b>

The trade debts are due from foreign and local customers for export and local sales respectively. Management assesses the credit quality of local and foreign customers, taking into account their financial position, past experience and other factors. For bank balances, financial institutions with strong credit ratings are accepted. Credit risk on bank balances is limited as these are placed with banks having good credit ratings. Loans to employees are secured against their gratuity balances.

The Company always measures the loss allowance for trade debts at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on local trade debts are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Company has recognised a loss allowance of Rs. 0.09 million (2024: Rs. 0.09 million) against all local trade debts . Other trade debts are not past due as of balance sheet date.

39.2.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The following are the contractual maturities of financial liabilities excluding the impact of netting agreements:

June 30, 2025	Within 1 year	2 - 5 years	More than 5 years	Total
	(Rupees in '000)			
Financial liabilities				
Long term finance	757,039	2,850,381	760,167	4,367,587
Trade and other payables	12,264,456	-	-	12,264,456
Unclaimed dividend	32,273	-	-	32,273
Accrued mark-up	540,843	-	-	540,843
Short term borrowings	26,688,089	-	-	26,688,089
	40,282,700	2,850,381	760,167	43,893,248

June 30, 2024	Within 1 year	2 - 5 years	More than 5 years	Total
	(Rupees in '000)			
Financial liabilities				
Long term finance	720,045	4,152,350	1,694,863	6,567,258
Trade and other payables	10,331,228	-	-	10,331,228
Unclaimed dividend	32,380	-	-	32,380
Accrued mark-up	622,525	-	-	622,525
Short term borrowings	19,522,295	-	-	19,522,295
	31,228,473	4,152,350	1,694,863	37,075,686

The Company’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining sufficient cash and bank balances and availability of financing through banking arrangements, which includes short term borrowings and discounting of foreign receivables. Total unavailed facility balances as at June 30, 2025 are as reported in note 23.1 to these financial statements.

39.2.3 Market risk

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

Price risk

Price risk is 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 instruments traded in the market. As at June 30, 2025 the Company is not exposed to price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate risk arises from long and short term borrowings from financial institutions. At the reporting date the interest rate risk profile of the Company’s interest-bearing financial instruments is:

	2025	2024
	(Rupees in '000)	
Variable rate instruments		
Financial liabilities		
- KIBOR / SBP base rate	31,190,835	26,269,844

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 the statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in KIBOR / SBP base rate, financial liabilities at the reporting date would have increased / (decreased) equity and profit or loss by Rs. 311.91 million (2024: Rs. 262.7 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as in previous year.

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 where receivables and payables exist due to transactions entered in foreign currencies. The Company is exposed to foreign currency risk on sales, purchases and borrowings, which, are entered in a currency other than Pak Rupees. As at reporting date, the financial assets and liabilities exposed to currency risk are as follows:

	2025	2024	2025	2024
	(USD)		(Rupees in '000)	
Trade debts	3,888,444	6,543,778	1,102,763	1,837,318
Foreign currency bank balances	67,428	46,304	19,156	12,909
Foreign bills payable	(6,293,443)	(7,879,272)	(1,787,864)	(2,196,303)
Import loan	(13,273,306)	(19,730,905)	(3,771,449)	(5,500,669)

The following significant exchange rates applied during the year:

	Average rates		Reporting date rates	
	2025	2024	2025	2024
US Dollars to PKR	279.50	283.8	284.10 / 283.6	278.80 / 278.30

As at June 30, 2025, if the Pakistani Rupee had weakened / strengthened by 10% against the US Dollars with all variables held constant, profit or loss for the year would have been lower / higher by Rs. 443.74 million (2024: Rs. 584.67 million). This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as in previous year.

40. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

The carrying values of all financial assets and liabilities reflected in these financial statements approximate their fair values.

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1**  
fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2**  
fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3**  
fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2025, the Company has no financial instruments that falls into any of the above category except for biological assets which are classified in level 2 above.

There were no transfers between Level 1 and 2 in the year.

41. CAPITAL RISK MANAGEMENT

The objective of the Company when managing capital, i.e., its shareholders' equity is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares. During the year, the Company's strategy was to maintain leveraged gearing. The gearing ratio as at 30 June 2025 was as follows:

	2025	2024
	(Rupees in '000)	
Total Borrowings	31,190,835	26,269,844
Cash and bank balances	(83,256)	(1,401,011)
Net Debt	31,107,579	24,868,833
Total Equity	23,910,906	21,498,298
Total Capital	55,018,485	46,367,131
	57%	54%
Gearing Ratio		

42. OPERATING SEGMENTS

Basis of segmentation

A business segment is a group of assets and operations engaged in providing products that are subject to risks and returns that are different from those of other business segments. Management has determined the operating segments based on the information that is presented to the Board of Directors of the Company for allocation of resources and assessment of performance. Based on internal management reporting structure and products produced and sold, the Company is organised into the following two operating segments:

- Spinning segment: manufacturing and sale of yarn;
- Knitting segment: manufacturing and sale of knitted bedding products; and
- Unallocated segments includes production and sale of milk and Dyeing Services

Management monitors the operating results of the above-mentioned segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in table below, is measured differently from the statement of profit or loss in these financial statements. Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. All non current assets of the Company as at June 30, 2025 are located in Pakistan.

Liabilities are incurred for the Company as a whole and are not segment-wise reported to the Board of Directors. All the unallocated (including dairy segment) results and assets are reported to the Board of Directors at entity level. The following are the reportable segments as per IFRS 8 'Operating Segments', the operating results information and asset information regarding operating segments for the respective years as at reporting date are as follows:

42.1	2025				2024			
	Spinning	Knitted bedding products	Unallocated	Total	Spinning	Knitted bedding products	Unallocated	Total
	(Rupees in '000)							
Segment Revenues	55,033,875	12,309,496	3,636,615	70,979,986	62,424,721	8,312,242	1,987,019	72,723,982
Export	710,412	12,030,333	-	12,740,745	3,982,135	8,126,214	-	12,108,349
Indirect export	4,488,598	-	-	4,488,598	26,292,406	-	-	26,292,406
Local	49,834,865	279,163	3,636,615	53,750,643	32,150,180	186,028	1,987,019	34,323,227
Profit Before Tax	2,142,837	946,485	509,889	3,599,211	552,549	352,418	483,937	1,388,904
Finance Cost	1,452,665	11,310	1,059,755	2,523,730	2,839,942	284,785	849,493	3,974,220
Depreciation	1,774,750	61,324	660,401	2,496,475	1,623,548	39,202	491,289	2,154,039
Segment Assets								
Property, plant and equipment	20,431,520	667,679	6,520,734	27,619,933	17,698,183	622,543	6,242,884	24,563,610
Other non-current assets	79,087	-	7,078,012	7,157,099	-	-	7,191,383	7,191,383
Current assets	31,044,411	4,057,273	1,239,770	36,341,454	24,840,578	4,414,448	821,794	30,076,820
Other non-current Liabilities	4,896,064	179,644	686,287	5,761,995	6,899,441	137,218	1,141,155	8,177,814
Current Liabilities	27,842,069	3,504,094	10,099,422	41,445,585	20,609,299	3,739,592	7,806,811	32,155,702

42.2 Reconciliations of reportable segment net turnover, cost of sales, assets and liabilities

42.2.1 Net Turnover	2025	2024
	(Rupees in '000)	
Total net turnover for reportable segments - note 25	78,454,145	78,581,472
Elimination of inter-segment net turnover - note 25	(7,474,159)	(5,857,490)
Total net turnover	70,979,986	72,723,982
42.2.2 Cost of sales		
Total cost of sales for reportable segments - note 26	72,128,091	73,564,028
Elimination of inter-segment purchases - note 26	(7,474,159)	(5,857,490)
Total cost of sales	64,653,932	67,706,538



42.2.3 Assets

	2025	2024
	----- (Rupees in '000) -----	
Total assets for reportable segments	56,279,970	47,575,752
Other unallocated amounts	14,838,516	14,256,062
Total assets	71,118,486	61,831,814

42.2.4 Liabilities

Total liabilities for reportable segments	36,421,871	31,385,550
Unallocated liabilities	10,785,709	8,947,966
Total liabilities	47,207,580	40,333,516

43. CORRESPONDING FIGURES

Corresponding figures have been reclassified / rearranged wherever necessary for better presentation.

44. GENERAL

These financial statements has been rounded off to the nearest thousand rupees.

The Board of Directors proposed a final dividend for the year ended June 30, 2025 of Rs. Nil per share (2024: Rs. Nil per share) amounting to Rs. Nil (2024: Rs.Nil ).

These financial statements were authorised for issue on August 07, 2025 by the Board of Directors of the Company.



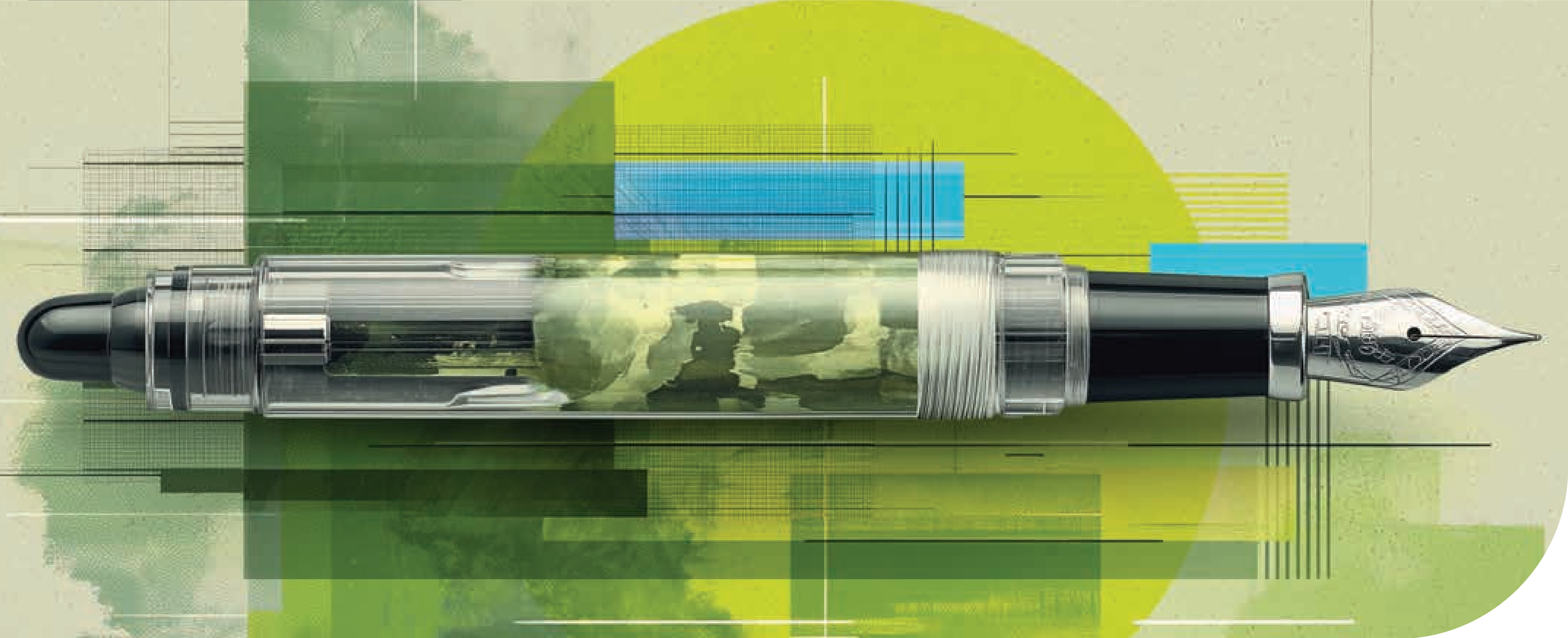
MUHAMMAD ALI TABBA  
Chairman



MUHAMMAD SOHAIL TABBA  
Chief Executive Officer



MUHAMMAD IMRAN MOTEN  
Chief Financial Officer



# Crafting The Clarity

Notice &  
Checklist

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# Pattern of Shareholding

As at June 30, 2025

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
836	1	100	29,792
784	101	500	188,243
338	501	1000	268,727
240	1001	5000	566,982
37	5001	10000	288,192
7	10001	15000	86,716
13	15001	20000	226,693
5	20001	25000	111,274
2	25001	30000	55,300
1	30001	35000	34,406
1	35001	40000	37,700
1	45001	50000	46,895
1	70001	75000	73,500
1	80001	85000	82,500
1	85001	90000	88,326
1	90001	95000	95,000
1	100001	105000	102,279
1	120001	125000	120,711
1	155001	160000	159,247
1	290001	295000	292,719
1	325001	330000	326,803
1	355001	360000	331,675
1	360001	365000	362,121
1	385001	390000	388,738
1	555001	560000	559,194
1	560001	565000	563,522
1	730001	735000	730,991
1	1055001	1060000	1,029,203
1	1280001	1285000	1,282,393
1	19495001	19500000	19,499,741
2,283			28,029,583

Shareholders' Category	Number of Shareholders	Number of Shares Held	Percentage (%)
A) Director and Spouse(s)			
Mr. Muḥammad Ali Ṭabbā	1	3,173	0.01
Mr. Muḥammad Sohail Ṭabbā	1	4,744	0.02
Mr. Jawed Yunus Ṭabbā	1	4,744	0.02
Ms. Zulekhā Ṭabbā Māskāṭiyā	1	3,673	0.01
Mr. Muḥammad Ḥassan Ṭabbā	1	500	0.00
Mr. Ibrāhim Sohail Ṭabbā	1	500	0.00
Syed Muḥammad Shabbār Zaidi	1	500	0.00
Mr. Moin M Fuddā	1	500	0.00
B) Associated Companies, undertaking and related parties			
Y. B. Holdings (Private) Limited	1	19,499,741	69.57
C) Executives	-	-	-
D) Public Sector Companies and Corporations	-	-	-
E) Banks, NBFC, Insurance, Joint Stock Companies, Pension Funds, Charitable Trusts and REIT management	38	2,678,098	9.55
F) Mutual Funds	3	250,510	0.89
G) General Public			
a - Local	2214	5,570,423	19.87
b -Foreign	17	10,742	0.04
Foreign Companies	1	562	0.00
Others	1	1,173	0.00
Total	2,283	28,029,583	100.00



# Notice of 38th Annual General Meeting

Notice is hereby given that the 38th Annual General Meeting (the “AGM”) of Gadoon Textile Mills Limited (the “Company”) will be held on Friday, September 26, 2025 at 3:30 p.m., at the registered office of the Company at 200-201, Gadoon Amazai Industrial Area, Gadoon Amazai, District Swabi, Khyber Pakhtunkhwa and through video link to transact the following business:

**ORDINARY BUSINESS:**

- 1. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2025, together with the Chairman’s Review, Directors’ and Auditor’s report thereon.

In accordance with Section 223 of the Companies Act, 2017 and pursuant to the S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements of the Company can be accessed through the following weblink and QR enabled code.



<https://gadoontextile.com/financial-reports/#annual-reports>

- 2. To appoint auditors of the Company and fix their remuneration for the year ending on June 30, 2026. The present Auditors, M/s. Yousof Adil, Chartered Accountants, retire and being eligible, have offered themselves and consented for re-appointment, and the Board of Directors has recommended their appointment.

**SPECIAL BUSINESS:**

- 3. To consider and, if deemed fit, pass the following resolutions, as special resolutions, to ratify and approve (as the case may be) related party transactions / arrangements conducted / to be potentially conducted by the Company, in terms of Sections 207 and / or 208 of the Companies Act, 2017 (to the extent applicable), with or without modification:

**RESOLVED THAT** the transactions carried out by the Company with different related parties during the year ended June 30, 2025, as disclosed in note 38 of the financial statements of the Company for the said period, be and are hereby ratified and confirmed.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to enter into arrangements and / or carry out transactions from time to time including, but not limited to, for the purchase and sale of goods, commodities and materials, including yarn, polyester, cement, cloth, power, electricity, steam, garments, textiles, vehicles, plant & machinery, other ancillary machinery and / or relevant parts, investments in mutual funds, receipt or payment of dividends or availing or rendering of services , with different related parties from time to time to the extent of Rs. 25 billion to be undertaken from time to time during the financial year ending on June 30, 2026. The members have noted that for the aforesaid arrangements and transactions some or a majority of the Directors may be interested. Notwithstanding the same, the members hereby grant an advance authorization and approval to the Board of Directors of the Company (irrespective of the composition of the Board), including under Sections 207 and / or 208 of the Companies Act, 2017 (to the extent applicable) to review and approve all related party transactions.

**FURTHER RESOLVED THAT** the related party transactions, for the period ending on June 30, 2026, shall be deemed to have been approved by the members, and shall subsequently be placed before the members in the next Annual General Meeting for ratification and confirmation.

**OTHER BUSINESS:**

- 4. To transact any other business with the permission of the Chair.

THE STATEMENT OF MATERIAL FACTS AS REQUIRED UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017, COVERING THE ABOVE-MENTIONED SPECIAL BUSINESSES IS ANNEXED WITH THE NOTICE BEING DISPATCHED TO THE MEMBERS.

By order of the Board

FUAD ZAKARIA BHURI  
Company Secretary  
Karachi: September 4, 2025

**NOTES:**

**1. CLOSURE OF SHARE TRANSFER BOOKS**

The Share Transfer Books of the Company will remain closed from Thursday, September 18, 2025 to Thursday, September 25, 2025 (both days inclusive). Transfer request received in order at our Share Registrar/Transfer agent, CDC Share Registrar Services Limited (the “CDCSRL”), CDC House, 99-B, S.M.C.H. Society, Main Shahr-e-Faisal, Karachi 74400, at the close of business on Wednesday, September 17, 2025 will be treated in time for the purpose of attending and voting at AGM.

**2. ELECTRONIC TRANSMISSION OF ANNUAL REPORT 2025 AND NOTICE OF AGM**

In compliance with section 223(6) of the Act, the Company has electronically transmitted the Annual Report 2025 through email to shareholders whose email addresses are available with the Company’s Share Registrar the CDCSRL. In those cases, where email addresses are not available with the CDCSRL, printed notices of AGM along with the weblink and QR enabled code to download the said Annual Report have been dispatched.

However, Notwithstanding the above, the Company will provide hard copies of the audited financial statements free of cost, within one (1) week, to any Member on their request in writing, at their registered address. Further, Shareholders are requested to kindly provide their valid email address (along with a copy of valid CNIC) to the CDCSRL if the Member hold shares in physical form or, to the Member’s respective Participant/Investor Account Services, if shares are held in book entry form

**3. PARTICIPATION IN THE MEETING**

- i) All shareholders of the Company shall authenticate his/her identity by showing his/her original CNIC or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors’ resolution/power of attorney with specimen signature of the representative shall be produced at the time of the meeting.

A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend, speak and vote in at the meeting.

**For Appointing Proxies**

- i) A member shall not be entitled to appoint more than one proxy. If a member appoints more than one proxy and more than one form of proxy are deposited by a member with the Company, all such forms of proxy shall be rendered invalid. Proxy must be a member of the Company.
- ii) Instrument appointing a proxy must be received at the Registered Office of the Company duly signed at least 48 hours before the time of the meeting.
- iii) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- iv) The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
- v) Attested copies for CNIC or the passport of the beneficial owners and of the proxy shall be furnished with the proxy form.

**4. PARTICIPATION IN AGM THROUGH VIDEO LINK**

Pursuant to circular 4 of 2021 issued by Securities and Exchange Commission of Pakistan (the “SECP”), shareholders who wish to participate virtually in the AGM are requested to share below information at [agm\\_2025@gadoontextile.com](mailto:agm_2025@gadoontextile.com) at least seven days prior to the date of the meeting.

Name of Shareholder	CNIC Number	Folio / CDC Account Number	Registered email Address	Cell Number

Video conference link details and login credentials shall be shared with those shareholders whose information are received through their registered e-mail address within specified time. Furthermore, the said facility shall be login from the registered email address only.

5. **NOTIFY THE CHANGES IN ADDRESSES OF SHAREHOLDERS**

The shareholders of the Company are requested to promptly notify changes in their mailing addresses (if any), to our share registrar/transfer agent.

6. **SUBMISSION OF COPIES OF CNIC (MANDATORY)**

Individual shareholders are once again reminded to submit a copy of their valid CNIC, if not provided earlier to the Company's Share Registrar. In case of non-availability of a valid CNIC in the records of the Company, the Company shall withhold the dividend unclaimed till date, under the provisions of Section 243 of the Act which will be released by the Share Registrar only upon submission of a valid copy of the CNIC.

7. **PAYMENT OF CASH DIVIDEND ELECTRONICALLY (E-DIVIDEND MECHANISM)**

In accordance with Section 242 of the Act, cash dividend can only be paid through electronic mode directly into the respective bank account designated by the entitled shareholder. Shareholders are requested to provide their complete bank details along with 24-digit International Bank Account Number (IBAN) directly to our share registrar (for physical shares) or to their respective participant/broker (for CDS shares) as the case may be for the dividends which are unclaimed till date. Shareholders are advised to ensure that title of bank account must be in the name of the shareholder. The subject Form is available at Company's website i.e. <http://gadoontextile.com/investor-information/>. The Company has already communicated through its letters addressed to the shareholders individually along-with newspapers publications requesting to provide IBAN.

8. **AVAILABILITY OF AUDITED FINANCIAL STATEMENTS ON COMPANY'S WEBSITE**

The audited financial statements of the Company for the year ended June 30, 2025 have been placed on the website of the Company <http://gadoontextile.com/investor-information/>.

9. **REQUIREMENT OF COMPANIES (POSTAL BALLOT) REGULATIONS 2018**

Pursuant to the Companies (Postal Ballot) Regulations, 2018 read with Sections 143 and 144 of the Act, members will be allowed to exercise their right to vote through postal ballot, that is voting by post or electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.

10. **UNCLAIMED DIVIDENDS AND / OR SHARES**

As per the provision of section 244 of the Act, any shares issued or dividend declared by the Company which have remained unclaimed/unpaid for a period of three years from the date on which it was due and payable are required to be deposited with the SECP for the credit of Federal Government after issuance of notices to the shareholders to file their claim. A notice in this respect was sent to shareholders dated January 31, 2018 and the final notice was published in the newspapers dated May 02, 2018.

Shareholders, whose dividends are still unclaimed and/or undelivered share certificates are available with the Company, are hereby once again requested to approach the Company on priority to claim their outstanding dividend amounts and/or undelivered share certificates.

11. **DEPOSIT OF PHYSICAL SHARES INTO CDC ACCOUNTS**

In accordance with the requirement of section 72 of the Act, every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of this Act.

In this regard, a notice was sent dated June 17, 2021 to the shareholders of the Company holding physical shares wherein detailed guidelines were provided for the shareholder to open the CDC sub-account with any of the broker or investor account directly with CDC to place their physical shares into scrip-less form. This will facilitate the shareholders to streamline their information in members' register enabling the Company to effectively communicate with the shareholders and timely disburse any entitlements.

12. The SECP, through its Circular 2 of 2018, dated February 9, 2018, has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens/coupons/lunches/takeaway packages) in any form or manner, to Shareholders at or in connection with general meetings. Under Ssection 185 of the Act, any violation of this directive is considered an offense, and companies failing to comply may face penalties

# Statement of Material Facts Under Section 134(3) of the Companies Act, 2017 Pertaining to Agendas of Special Business

**This statement sets out the material facts pertaining to the special business items to be transacted at the AGM of the Company to be held on September 26, 2025.**

**Agenda Item No. 3**

The Company routinely enters into arrangements and carries out transactions with its related parties in accordance with its policies and the applicable laws and regulations. Certain related party transactions, in which a majority of the Directors are interested, would require members' approval under Sections 207 and / or 208 (to the extent applicable) of the Companies Act, 2017, read with Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

As some / majority of the Directors of the Company may be deemed to be interested in certain arrangements / transactions with related parties, including due to their shareholding or common directorships in related entities / parties, and to promote transparency, an approval from the members was sought during the 37th AGM of the Company, where the members authorized the Board of Directors to approve such related party transactions conducted by the Company from time to time (and on a case to case basis) during the financial year ended June 30, 2025, and such transactions were deemed to be approved by the members. All the related party transactions have been disclosed in Note 38 to the financial statements for the year ended June 30, 2025. Such transactions were to be placed before the members in next AGM for their ratification / confirmation. Accordingly, these transactions are being placed before the AGM for ratification / confirmation by the members.

The Company carries out transactions and enters into arrangements with its related parties primarily on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. All transactions / arrangements entered into with related parties require the periodic review of the Board Audit Committee, which is chaired by an independent director of the Company. Upon the review and recommendation of the Board Audit Committee, such arrangements / transactions are placed before the Board of Directors for approval.

Transactions entered into with the related parties include, but are not limited to, for the purchase and sale of goods, commodities and materials, including yarn, polyester, cement, cloth, power, electricity, steam, garments, textiles, vehicles, plant & machinery, other ancillary machinery and / or relevant parts, investments in mutual funds, receipt or payment of dividends or availing or rendering of services .

The nature of relationship with these related parties has also been indicated in Note 38 to the financial statements of the Company for the year ended June 30, 2025. The Directors are interested in the resolution only to the extent of their common directorships and shareholdings (to the extent applicable) in such related parties.

Accordingly, the members are requested to ratify and confirm the transactions with related parties as disclosed in the financial statements of the Company for the year ended June 30, 2025.

Furthermore, the Company will be entering into arrangements and conducting transactions with its related parties including, but not limited to, those stipulated in the resolution, during the year ending on June 30, 2026. As some or a majority of the Directors of the Company may be deemed to be interested in certain arrangements or transactions, inter alia, due to their shareholding or common directorships in related entities, and in order to promote transparent business practices, an approval from the members is being sought to authorize the Company to conduct such related party transactions and enter into arrangements with related parties, and further to authorize and grant power to the Board of Directors to approve related party transactions to be conducted by the Company during the financial year ending on June 30, 2026 (irrespective of composition of the Board and interest of the Directors). The related party transactions as aforesaid for the year ending on June 30, 2026 shall be deemed to have been approved by the members.

The members should note that it is not possible for the Company or the Directors to accurately predict the nature of related party arrangements / transactions, or the specific related parties with whom the transactions will be carried out. The transactions that may be carried out by the Company include, but are not limited to, the purchase and sale of goods,

# BCR (Best Corporate Reporting) Checklist - 2025

commodities and materials, including yarn, polyester, cement, cloth, power, electricity, steam, garments, textiles, vehicles, plant & machinery, other ancillary machinery and / or relevant parts, or availing or rendering of services.

The related parties include, but are not limited to, the following:

- 1 Lucky Cement Limited

3 Lucky Energy (Private) Limited

5 Lucky Holdings Limited

7 Lucky Motor Corporation Limited

9 Lucky Renewables (Private) Limited

11 Lucky Wind Power Limited

13 Tricom Solar Power (Private) Limited

15 Y. B. Holdings (Private) Limited

17 Yunus Energy Limited

19 Lucky Investments Limited

21 National Bank of Pakistan
- 2 Lucky Core Industries Limited

4 Lucky Entertainment (Private) Limited

6 Lucky Knits (Private) Limited

8 Lucky Landmark (Private) Limited

10 Lucky Textile Mills Limited

12 Yunus Wind Power Limited

14 Y. B. Engineering Limited

16 Y. B. Pakistan Limited

18 Yunus Textile Mills Limited

20 Feroze1888 Mills Limited

The members should also note that, for the Special Resolutions described in the Notice of AGM, it is not possible for the Company to predict the quantum of related party transactions / arrangements to be undertaken in the period ending on June 30, 2026, however, the members are requested to authorize the Board of Directors to carry out the transactions / arrangements to the extent of Rs.25 billion to be undertaken from time to time for the period ending on June 30, 2026. The Company will present the actual figures for subsequent ratification and confirmation by the members, at the next AGM. Furthermore, the Company and the Board continuously serve to protect the interests of the shareholders of the Company and the said transactions are entered into in order to benefit the Company and its stakeholders.

Based on the aforesaid the members are requested to pass the Special Resolutions (with or without modification) as stated in the Notice.

None of the Directors of the Company have any personal interest in the aforesaid special business, except in their capacity as members and Directors of the Company.

S.No.	Statement of Clause	Page No.
01	Organizational Overview and External Environment	004
1.01	Mission, vision, code of conduct, ethical, principal and core values.	014 - 015
1.02	Profile of the company including principal business activities, markets (local and international), key brands, products and services.	007
1.03	Geographical location and address of all business units including sales units and plants.	012
1.04	The legislative and regulatory environment in which the company operates.	032
1.05	Ownership, operating structure and relationship with group companies (i.e. subsidiary, associated undertaking etc.) and number of countries in which the organization operates.	016 - 023
1.06	Name and country of origin of the holding company / subsidiary company, if such companies are a foreign company.	N/A
1.07	Disclosure of beneficial (including indirect) ownership and flow chart of group shareholding and relationship as holding company, subsidiary company or associated undertaking.	016
1.08	Organization chart indicating functional and administrative reporting, presented with legends.	024
1.09	A general review of the performance of the company, including its subsidiaries, associates, divisions etc., for the year and major improvements from last year.	026
1.10	Description of the performance of the various activities / product(s) / service(s) / segment(s) of the entity and its group entities during the period under review.	026
1.11	Position of the reporting organization within the value chain showing connection with other businesses in the upstream and downstream value chain.	028 - 029
1.12	a) Explanation of significant factors affecting the external environment including political, economic, social, technological, environmental and legal environment that is likely to be faced in the short, medium and long term and the organization’s response.  b) The effect of seasonality on business in terms of production and sales.	030 – 031  032
1.13	The legitimate needs, interests of key stakeholders and industry trends.	032 & 168
1.14	SWOT Analysis of the company.	034
1.15	Competitive landscape and market positioning (considering factors such as the threat of new competition and substitute products or services, the bargaining power of customers and suppliers, relative strengths and weaknesses of competitors and customer demand and the intensity of competitive rivalry).	033
1.16	History of major events.	036 - 037
1.17	Details of significant events occurred during the year and after the reporting period.	038 - 039



S.No.	Statement of Clause	Page No.
<b>02</b>	<b>Strategy and Resource Allocation</b>	<b>040</b>
2.01	Short, medium and long-term strategic objectives and strategies in place to achieve objectives.	042 - 043
2.02	Resource allocation plans to implement the strategy. Resource mean 'Capitals' including: a) Financial Capital; b) Human Capital; c) Manufactured Capital; d) Intellectual Capital; e) Social and Relationship Capital; and f) Natural Capital.	042 - 043
2.03	The capabilities and resources of the company that provide sustainable competitive advantage, resulting in value creation by the company.	044
2.04	Company's strategy on market development, product and service development.	044
2.05	The effects of the given factors on the company strategy and resource allocation: a) Technological Changes; b) Sustainability reporting and challenges; c) Initiatives taken by the company in promoting and enabling innovation; and d) Resource shortages (if any).	044
2.06	Key Performance Indicators (KPIs) to measure the achievement against strategic objectives including statement as to whether the indicators used will continue to be relevant in the future.	042 - 043
2.07	The linkage of strategic objectives with company's overall mission, vision and objectives.	045
2.08	Board's statement on the internal controls including IT controls of the company.	045
2.09	Board's statement on the significant plans and decisions such as corporate restructuring, business expansion, major capital expenditure or discontinuance of operations.	045
2.10	a) Information about defaults in payment of any debt with reasons and its repayment plan; b) Board strategy to overcome liquidity problems and plans to meet operational losses.	045
<b>03</b>	<b>Risks and Opportunities</b>	<b>046</b>
3.01	Key risks and opportunities (internal and external), including sustainability-related risks and opportunities, affecting availability, quality and affordability of Capitals.	050 - 052
3.02	Company's robust assessment of the principal risks and uncertainties being faced, including those that would threaten the business model, future performance and solvency or liquidity. This may include operational risk, IT risk, regulatory risk, legal risk, political risk, strategic risk, and credit risk etc.	052
3.03	Risk Management Framework covering principal risks and uncertainties facing by the company, risk methodology, risk appetite and risk reporting.	048
3.04	Specific steps being taken to mitigate or manage key risks or to create value from key opportunities by identifying the associated strategic objectives, strategies, plans, policies, targets and KPIs.	050 - 052
3.05	Disclosure of a risk of supply chain disruption due to an environmental, social or governance incident and company's strategy for monitoring and mitigating these risks (if any).	055

S.No.	Statement of Clause	Page No.
<b>04</b>	<b>Sustainability Reporting and Corporate Social Responsibility (CSR)</b>	<b>056</b>
4.01	Disclosure of the role of the Board to address the company's sustainability risks and opportunities, as required under the recent amendments of the SECP 'Listed Companies (Code of Corporate Governance) Regulations, 2019, SECP SRO 920/2024 dated June 12, 2024 for the following: a) Disclosures of company specific sustainability-related risks and opportunities (climate-related risks and opportunities) and their impact on the financial performance in the short, medium and long term and how these are managed or mitigated;  b) Disclosures about four-pillars core content (Governance, Strategy, Risk Management and Metrics and Targets), together with the specific metrics designed by the company to demonstrate the performance and progress of the company.  c) Disclosure of company's sustainability and DE&I related strategies, priorities and targets, the measures taken to promote in the company as well as performance against these targets are periodically reviewed and monitored.  d) Boards are encouraged to adopt of the SECP's ESG Disclosure Guidelines ( <a href="https://www.secp.gov.pk/document/secp-esg-disclosure-guidelines-for-listed-companies/">https://www.secp.gov.pk/document/secp-esg-disclosure-guidelines-for-listed-companies/</a> )	058  059  058  058
4.02	Highlights of the company's performance, policies, initiatives and plans in place relating to the various aspects of sustainability: <ul style="list-style-type: none"> <li>Social initiatives - financial inclusion, research and development, employment generation, community health and education, and health and safety of staff etc.;</li> <li>Environmental initiatives - climate change mitigation etc. by focusing on 3R's (Reduce, Reuse &amp; Recycle), how does the company reduce pollution, depletion and degradation of natural resources; and indirect like investment/financing in green /sustainable project.</li> <li>Technological innovation - use of advanced technology, innovative ideas leading to sustainability practices like energy-efficient processes or eco-friendly product designs;</li> <li>Information on consumption and management of materials, energy, water, emissions and waste.</li> </ul>	060  060  061  061
4.03	a) Has the board established a dedicated sustainability committee, having at least one female director, or assign additional responsibilities to an existing board committee.  b) Has the committee submitted to the board a report, at least once a year, on embedding sustainability principles into the organization's strategy and operations to increase corporate value.	062  062
4.04	Board's statement for the adoption of CSR best practices including Board's commitment to promote CSR and how the company's sustainable practices can affect the financial performance of the company.	062
4.05	Highlights of the company's performance, policies, initiatives for CSR.	064 - 069

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05	<b>Governance</b>	074
5.01	Board composition: a) Leadership structure of those charged with governance;  b) Name of independent directors indicating justification for their independence;  c) Diversity in the board i.e. competencies, requisite knowledge & skills, and experience;  d) Profile of each director including education, experience and engagement in other entities as CEO, Director CFO or Trustee etc.;  e) No. of companies in which the executive director of the reporting organization is serving as non-executive director.	076 - 084
5.02	A brief description about role of the Chairman and the CEO.	098
5.03	A statement of how the board operates, including a high-level statement of which types of decisions are to be taken by the board and which are to be delegated to management.	098
5.04	Chairman's Review Report on the overall performance of the board including: a) Effectiveness of the role played by the board in achieving the company's objectives;  b) Chairman's significant commitments, such as strategic, financial, CSR and ESG etc., and any changes thereto from last year';  c) Board statement on the company's structure, processes and outcomes of internal control system and whether board has reviewed the adequacy of the system of internal control.	094 - 095
5.05	Board statement of its commitment to establish high level of ethics and compliance in the company.	098
5.06	Annual evaluation of performance, along with a description of criteria used for the members of the board, including CEO, Chairman, and board's committees.	098
5.07	Disclosure if the board's performance evaluation is carried out by an external consultant once in every three years.	N/A
5.08	Details of formal orientation courses for directors.	099
5.09	Directors' Training Program (DTP) attended by directors, female executives, and head of departments from the institutes approved by the SECP, along with names of those who availed exemptions during the year.	099
5.10	Description of external oversight of various functions like systems audit or internal audit by an external specialist and other measures taken to enhance credibility of internal controls and systems.	099
5.11	Disclosure about related party transactions: a) Approved policy for related party transactions;  b) Details of all related party transactions, along with the basis of relationship describing common directorship and percentage of shareholding;  c) Contract or arrangement with the related party other than in the ordinary course of business on an arm's length basis, if any along with the justification for entering into such contract or arrangement;  d) Disclosure of director's interest in related party transactions;  e) In case of conflict, disclosure of how conflicts are managed and monitored by the board.	099  221 - 222

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5.12	Disclosure of Board's Policy on the following significant matters: a) Risk Management and internal control policies.  b) Disclosure of director's interest in significant contracts and arrangements.  c) Remuneration of non-executive directors including independent directors for attending board meetings and general meetings.  d) Retention of board fee by the executive director earned by him against his services as non-executive director in other companies.  e) Security clearance of foreign directors.  f) Board meetings held outside Pakistan.  g) Human resource management including: • Preparation of succession plan; • Merit based recruitment; • Performance based appraisal system; • Promotion, reward and motivation; • Training and development; • Diversity, Equity & Inclusion (DE&I) policy; and • Employee engagement /feedback.  h) Social and environmental responsibility including managing and reporting policies like procurement, waste and emissions.  i) Communication with stakeholders.  j) Dividend policy.  k) Investors' relationship and grievances.  l) Employee's health, safety and protection.  m) Whistle blowing policy  n) anti-harassment policy to safeguard the rights and well-being of employees.  o) Safety of records of the company.	100  100  100  100  100   101 101 101 101 101 102 102 - 106  107  107  107  107  108  108  108  109
5.13	Board statement of the organization's business continuity plan or disaster recovery plan.	109
5.14	Compliance with the Best Practices of Code of Corporate Governance (No marks in case of any non-compliance).	112 - 114
5.15	Disclosure about: a) Shares held by Sponsors / Directors / Executives;  b) Distribution of shareholders (Number of shares as well as category, e.g. Promoter, Directors / Executives or close family member of Directors / Executives etc.) or foreign shareholding (if any).	109 - 110
5.16	Details about Board meetings and its attendance.	109
5.17	TORs, composition and meeting attendance of the board committees including (Audit, Human Resource, Nomination and Risk management).	115 - 117

S.No.	Statement of Clause	Page No.
5.18	<p>Timely Communication:</p> <p>Date of authorization of financial statements by the board of directors: Within 40 days - 6 marks</p> <p>Within 50 days - 6 marks (in case of holding company who has listed subsidiary /subsidiaries) Within 60 days - 3 marks</p> <p>(Entities requiring approval from a Regulator before finalization of their financial statements would be provided a 20 days relaxation, on providing evidence to the Committee).</p>	228
5.19	<p>Audit Committee report should describe the work of the committee in discharging its responsibilities. The report should include:</p> <p>a) Composition of the committee with at least one member qualified as “financially literate” and all members are non-executive / Independent directors including the Chairman of the Audit Committee.</p> <p>b) Committee’s overall role in discharging its responsibilities for the significant issues related to the financial statements, and how these issues were addressed.</p> <p>c) Committee’s overall approach to risk management and internal control, and its processes, outcomes and disclosure.</p> <p>d) Role of Internal Audit in risk management and internal control, and the approach to Internal Audit to have direct access to Audit Committee and evaluation of Internal Auditor’s performance.</p> <p>e) Review of arrangements for staff and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters, and recommended instituting remedial and mitigating measures.</p> <p>f) An explanation as to how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor; and if the external auditor provides non-audit services, an explanation as to how auditor’s objectivity and independence is safeguarded.</p> <p>g) If Audit Committee recommends external auditors other than the retiring external auditors, before the lapse of three consecutive years, reasons shall be reported.</p> <p>h) The Audit Committee’s views whether the Annual Report was fair, balanced and understandable and also whether it provided the necessary information to shareholders to assess the company’s position and performance, business model and strategy.</p> <p>i) Results of the self-evaluation of the Audit Committee carried out of its own performance.</p> <p>j) Disclosure of the number of whistle-blowing incidences reported to the Audit Committee during the year.</p>	118 - 119
5.20	Presence of the chairman of the Audit Committee at the AGM to answer questions on the Audit Committee’s activities / matters that are within the scope of the Audit Committee’s responsibilities.	120
5.21	<p>Board disclosure on Company’s use of Enterprise Resource Planning (ERP) software including:</p> <p>a) How it is designed to manage and integrate the functions of core business processes / modules like finance, HR, supply chain and inventory management in a single system;</p> <p>b) Management support in the effective implementation and continuous updation;</p> <p>c) Details about user training of ERP software;</p> <p>d) How the company manages risks or control risk factors on ERP projects;</p> <p>e) How the company assesses system security, access to sensitive data and segregation of duties.</p>	120

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5.23	Information on company’s contribution to the national exchequer (in terms of payment of duties, taxes and levies) and to the economy (measured in terms of GDP contribution, new jobs creation, increase in exports, contributions to society & environment and community development etc.)	120
<b>06</b>	<b>Analysis of the Financial Information</b>	<b>122</b>
6.01	<p>Analysis of the financial and non-financial performance using both qualitative and quantitative indicators, showing linkage between:</p> <p>a) Past and current performance;</p> <p>b) Performance against targets /budget; and</p> <p>The analysis should cover significant deviations from previous year in operating results and the reasons for loss, if incurred, as well as future prospects of profits.</p>	124 - 127
6.02	<p>a) Analysis of financial ratios (Annexure I) with graphical presentation and disclosure of methods and assumptions used in compiling the indicators.</p> <p>b) Explanation of negative change in the performance as compared to last year.</p>	130 – 137 & 127
6.03	Vertical and horizontal analysis of Balance Sheet, Profit and Loss Account and summary of Cash Flow Statement for last 6 years. Weightage to be given to graphical presentation.	141 - 149
6.04	Cash Flow Statement based on Direct Method (separate Cash Flow for specific funds e.g. Zakat).	151
6.05	<p>a) Information about business segment and non-business segment; and</p> <p>b) Segmental analysis of business performance including segment revenue, segment results, profit before tax, segment assets and liabilities.</p>	152
6.06	Disclosure of market share of the company and share price sensitivity analysis.	152 - 153
6.07	<p>Statement of value added and its distribution with graphical presentation:</p> <p>a) Employees as remuneration;</p> <p>b) Government as taxes (separately direct and indirect);</p> <p>c) Shareholders as dividends;</p> <p>d) Providers of financial capital as financial charges;</p> <p>e) Society as donation; and</p> <p>f) Retained within the business.</p>	154
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6.09	CEO presentation video on the company’s business performance of the year covering the company business strategy to improve and future outlook. (Please provide relevant webpage link of the video in the company’s annual report).	153



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7.02	Explanation of any material changes in the entity's business model during the year.	032
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8.04	Disclosure about company's controls and procedures about an "early warning system" that enables the company to identify, assess, address, make timely disclosures and timely communications to the board about cybersecurity risks and incidents.	159
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8.07	Disclosure of advancement in digital transformation on how the organization has leveraged 4.0 Industrial revolution (Artificial Intelligence (AI), RPA, Data Analytics, Block Chain, Cloud Computing etc.) to improve transparency and governance, value creation and reporting.	160
8.08	Disclosure about education and training efforts of the Company to mitigate cybersecurity risks.	161
<b>09</b>	<b>Future Outlook</b>	<b>162</b>
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9.02	Status of the projects in progress and those disclosed in the forward-looking statement in the previous year and whether the performance of the company is aligned with the forward- looking statement.	164
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10.01	Stakeholder's engagement policy of the company and how the company has identified its stakeholders.	168
10.02	Stakeholders' engagement process and the frequency of such engagements during the year. Explanation on how the relationship is likely to affect the performance and value of the company, and how those relationships are managed.  These engagements may be with: a) Institutional investors;  b) Customers & suppliers;  c) Banks and other lenders;  d) Media;  e) Regulators;  f) Local committees; and  g) Analysts.	169
10.03	Steps taken by the management to encourage the minority shareholders to attend the general meetings.	170
10.04	Investors' Relations section on the corporate website with all relevant information including audited annual reports are available in the section.	170
10.05	Issues raised in the last AGM, decisions taken and their implementation status.	120
10.06	a) Steps board has taken to solicit and understand the views of stakeholders through corporate briefing sessions; and  b) Disclosure of brief summary of Corporate Analyst briefing conducted during the year.	170
10.07	Highlights about redressal of investors' complaints including number of complaints received and resolved during the year.	170
10.08	Details about corporate benefits to shareholders like value appreciation, dividend etc.	170
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<b>11</b>	<b>Striving for Excellence in Corporate Reporting</b>	<b>172</b>
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# Annexure

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13	Assessment based on Qualitative Factors	
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14.01	a) Disclosures required for Banking Company (Annexure III).  b) Disclosures required for Insurance Company (Annexure IV).  c) Disclosures required for Exploration and Production (E&P) Company (Annexure V).  d) Disclosures required for State-Owned Entities (SOEs) as per State-Owned Enterprises (Governance and Operations) Act, 2023 (Annexure VI).	N/A

# Glossary

ACCA	Association of Chartered Certified Accountants
ACIR	Additional Commissioner Inland Revenue
AI	Artificial Intelligence
AMC	Asset Management Company
AM2+	Asset Manager Rating
AOBP	Audit Oversight Board of Pakistan
APCMA	All Pakistan Cement Manufacturers Association
ATF	Aziz Tabbæ Foundation
ATIR	Appellate Tribunal Inland Revenue
AUM	Assets Under Management
B2B	Business to Business
BA	Bachelors of Arts
BCI	Better Cotton Initiative
BCP	Business Continuity Plan
BCR	Best Corporate Reporting
BIA	Business Impact Analysis
BI	Business Intelligence
BMR	Balancing, Modernization, and Replacement
BOD	Board of Directors
CAPEX	Capital Expenditure
CC	Cubic Capacity
CCG	Code of Corporate Governance
CDCSRSL	CDC Share Registrar Services Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFPP	Coal-Fired Power Plant
CIA	Chief Internal Auditor
CIO	Chief Information Officer
CIRA	Commissioner Inland Revenue Appeals
CKD	Completely Knocked Down (automotive term)
CPLA	Civil Petition for Leave to Appeal
CPP	Captive Power Producer
CSR	Corporate Social Responsibility
DC	Domain Controller
DCIR	Deputy Commissioner Inland Revenue
DE&I	Diversity, Equity, and Inclusion
DFIs	Development Financial Institutions
DLTL	Drawback of Local Taxes and Levies
DMS	Document Management System
DRC	Democratic Republic of Congo
DRP	Disaster Recovery Plan
DPS	Dividend Per Share
EBITDA	Earnings Before Interest Tax Depreciation and Amortization
EBIT	Earnings Before Interest and Taxes
ECL	Expected Credit Losses
EFS	Export Facilitation Scheme
EFF	Extended Fund Facility
EOGM	Extra Ordinary General Meeting
EPS	Earnings Per Share
ERP	Enterprise Resource Planning

ESG	Environmental, Social & Governance
ESP	Electrostatic Precipitators
ESS	Employee Self Service
ETI	Ethical Trading Initiative
ETP	Effluent Treatment Plant
EVA	Economic Value Added
EWS	Early Warning System
F&B	Food & Beverages
FBR	Federal Board of Revenue
FCF	Free Cash Flows
FEC	Family Entertainment Center
FEAS	Federation of European and Asian Stock Exchanges
FGD	Flue Gas Desulphurization
FTML	Fazal Textile Mills Limited
FTR	Final Tax Regime
FVTPL	Fair Value through Profit or Loss
FVTOCI	Fair Value Through Other Comprehensive Income
FZE	Free Zone Establishment
FZCO	Free Zone Company (legal entity type, e.g., in UAE)
GBV	Gender Based Violence
GIDC	Gas Infrastructure Development Cess
GP	Gross Profit
GRI	Global Reporting Initiatives
GTML	Gadoon Textile Mills Limited
HIA	Head of Internal Audit
HOD	Head of Department
HR	Human Resource
HR&R	Human Resource and Remuneration
HSE	Health, Safety and Environment
IAAPA	International Association of Amusement Parks and Attractions
IASB	International Accounting Standards Board
ICAEW	Institute of Chartered Accountants in England and Wales
ICAP	Institute of Chartered Accountants of Pakistan
ICMAP	Institute of Cost and Management Accountants of Pakistan
IFAC	International Federation of Accountants
IFC	International Finance Corporation
IFRIC	IFRS Interpretations Committee
IFRS	International Finance Reporting Standards
IIRF	International Integrated Reporting Framework
IMF	International Monetary Fund
IMP	Incident Management Plan
IPO	Initial Public Offering
IR	Integrated Reporting
ISAs	International Standards on Auditing
ISO	International Organization for Standardization
ISSB	International Sustainability Standards Board
IT	Information Technology
ITGCs	IT General Controls

IOD	Institute of Directors
KIBOR	Karachi Inter-Bank Offer Rate
KPI	Key Performance Indicators
KSE	Karachi Stock Exchange
KSBL	Karachi School of Business and Leadership
LAPL	Lucky Air (Private) Limited
LC	Letter of Credit
LCI	Lucky Core Industries Limited
LCL	Lucky Cement Limited
LCPL	Lucky Commodities (Private) Limited
LEL	Lucky Entertainment (Private) Limited
LEPCL	Lucky Electric Power Company Limited
LEPL	Lucky Energy (Private) Limited
LEXL	Lucky Exim (Private) Limited
LFPL	Lucky Foods (Private) Limited
LHL	Lucky Holdings Limited
LKL	Lucky Knits (Private) Limited
LLPL	Lucky Landmark (Private) Limited
LOPL	LuckyOne (Private) Limited
LTML	Lucky Textile Mills Limited
MBA	Masters of Business Administration
MENA	Middle East and North Africa
MIS	Management Information System
MTPA	Million Tons Per Annum
MVS	Murata Vortex Spinning
MW	Mega Watt
NAB	National Accountability Bureau
NBFC	Non-Banking Finance Company
NEPRA	National Electric Power Regulatory Authority
NEQS	National Environmental Quality Standards
NFEH	National Forum for Environment and Health
NFO	National Finance Olympiad
NGO	Non-Governmental Organization
NPO	Non-Profit Organization
NRV	Net Realizable Value
NRL	National Resources Limited
NTN	National Tax Number
OCR	Optical Character Recognition
OPD	Out Patient Department
PACRA	Pakistan Credit Rating Agency
PAT	Profit After Tax
PBC	Pakistan Business Council
PD	Probability of Default
PESCO	Peshawar Electric Supply Company
PHC	Peshawar High Court
PICG	Pakistan Institute of Corporate Governance
PSF	Polyester Staple Fiber
PSX	Pakistan Stock Exchange
PSTD	Pakistan Society of Training & Development
R&D	Research and Development
RDF	Refuse Derived Fuel

TWPPL	Tricom Wind Power (Private) Limited
UNDP	United Nations Development Programme
UNGC	United Nations Global Compact
VAPT	Vulnerability Assessment and Penetration Testing
VPN	Virtual Private Network of Pakistan
WACC	Weighted Average Cost of Capital
WEF	World Economic Forum
WHO	World Health Organization
WHRP	Waste Heat Recovery Plant
WTG	Wind Turbine Generators
WWF	Workers Welfare Fund
YBG	Yunus Brothers Group
YBHPL	Y.B. Holdings (Private) Limited
YBPL	Y.B. Pakistan Limited
YEL	Yunus Energy Limited
YGL	Young Global Leader
YPO	Young President Organization
YTML	Yunus Textile Mills Limited

# Form of Proxy

The Company Secretary,  
Gadoon Textile Mills Limited,  
200-201, Gadoon Amazai Industrial Estate,  
District Swabi, Khyber Pakhtunkhwa.

I / We \_\_\_\_\_ of  
(full address) \_\_\_\_\_

being a member of Gadoon Textile Mills Limited and holder of \_\_\_\_\_  
ordinary shares as per Share Register Folio No. \_\_\_\_\_  
ordinary shares as per Share Register Folio No. \_\_\_\_\_  
and Sub- Account No. \_\_\_\_\_  
hereby appoint \_\_\_\_\_  
of (full address) \_\_\_\_\_  
or failing him/her \_\_\_\_\_  
of (full address) \_\_\_\_\_

as proxy in my/our absence to attend and to vote and act for me/us and on my/our behalf at the 38th Annual General Meeting of the Company to be held on Friday, September 26, 2025 at 3:30 p.m. and at any adjournment thereof.

Signature this \_\_\_\_\_ day of \_\_\_\_\_ 2025  
Signature of members should match with the specimen signature registered with the company

Witness

1) Signature : \_\_\_\_\_  
Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
CNIC No. : \_\_\_\_\_

Signature

2) Signature : \_\_\_\_\_  
Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
CNIC No. : \_\_\_\_\_

Signature of members should match with the specimen signature registered with the company

- Note:
- 1. Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting. Proxy must be a member of the Company.
  - 2. CDC Shareholders and their proxies are each requested to attach an attested photocopy of their Computerized National Identity Card with this proxy form before submission to the Company.
  - 3. For representatives of corporate members, Board of director's resolution / power of attorney and the specimen signature of the nominee must be deposited along with the proxy form. The representative shall produce his/her original CNIC at the time of meeting.



## تشکیل نیابت داری

جناب کمپنی سیکریٹری

گدون ٹیکسٹائل ملز لمیٹڈ،

200-201 گدون امازئی انڈسٹریل اسٹیٹ،

ڈسٹرکٹ صوابی، خیبر پختونخواہ۔

میں/ہم \_\_\_\_\_ ساکن \_\_\_\_\_ بحیثیت رکن گدون ٹیکسٹائل ملز لمیٹڈ اور حامل \_\_\_\_\_ عام حصص،

برطانیق شیئر رجسٹرڈ فولیو/سی ڈی سی شراکتی آئی ڈی نمبر \_\_\_\_\_ اور ذیلی کھاتہ نمبر \_\_\_\_\_ مسمیٰ/مسماة \_\_\_\_\_

ساکن \_\_\_\_\_ فولیو/سی ڈی سی شراکتی آئی ڈی نمبر \_\_\_\_\_ اور ذیلی کھاتہ نمبر \_\_\_\_\_ یا بصورتِ

دیگر مسمیٰ/مسماة \_\_\_\_\_ ساکن \_\_\_\_\_ فولیو/سی ڈی سی شراکتی آئی ڈی نمبر \_\_\_\_\_

اور ذیلی کھاتہ نمبر \_\_\_\_\_ کو اپنی جگہ بطور نمائندہ (پراکسی) مقرر کرتا ہوں تاکہ وہ میری/ہماری طرف سے کمپنی کے (38th) 38 ویں سالانہ اجلاس عام جو کہ بتاریخ 26 ستمبر 2025

بروز جمعہ بوقت دوپہر 3:30 بجے منعقد ہو رہا ہے میں، یا، اسکے کسی ملتوی شدہ اجلاس میں ووٹ ڈالے۔

دستخط رکن \_\_\_\_\_ بروز \_\_\_\_\_ 2025

(اراکین کے دستخط، کمپنی کے پاس درج دستخطی نمونے کے مطابق ہونے چاہیے)

دستخط گواہ نمبر 1 \_\_\_\_\_ دستخط گواہ نمبر 2 \_\_\_\_\_

نام \_\_\_\_\_ نام \_\_\_\_\_

پتہ \_\_\_\_\_ پتہ \_\_\_\_\_

شناختی کارڈ نمبر \_\_\_\_\_ شناختی کارڈ نمبر \_\_\_\_\_

### نوٹ:

- تشکیل نیابت داری کی درخواست، اجلاس سے کم از کم ۴۸ گھنٹے قبل کمپنی کو موصول ہو جانی چاہیے۔ پراکسی کا کمپنی کارکن ہونا ضروری ہے۔
- سی ڈی سی شیئر ہولڈرز اور ان کے نمائندوں سے درخواست ہے کہ پراکسی فارم کے ساتھ اپنے سی این آئی سی کی مصدقہ نقول فراہم کریں۔
- بصورت کاروباری ادارے، اجلاس میں شرکت کے وقت بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ بمعد نامزد کردہ شخص کے دستخط کے نمونے ظاہر کرنا لازم ہیں۔

AFFIX  
CORRECT  
POSTAGE

The Company Secretary,  
**GADOON TEXTILE MILLS LIMITED**  
200-201, Gadoon Amazai Industrial Estate.  
Distt, Swabi, Khyber Pakhtunkhwa.

کاروباری طریقوں کو فروغ دینے کی غرض سے، اراکین سے منظوری لی جارہی ہے کمپنی کو اس طرح کے تمام معاملات اور لین دین کرنے کا مکمل اختیار ہو گا، اور مزید یہ کہ بورڈ آف ڈائریکٹرز کو 30 جون 2026 کو ختم ہونے والے مالی سال کے دوران کمپنی کی طرف سے کئے جانے والے متعلقہ پارٹی ٹرانزیکشنز کی منظوری دینے کے لیے مکمل اختیار ہو گا (قطع نظر اس بات سے کہ بورڈ کی ساخت کیا ہے اور بورڈ اور ڈائریکٹرز کا کیا مفاد کیا ہے)۔ 30 جون 2026 کو ختم ہونے والے سال کے لیے مذکورہ بالا متعلقہ پارٹیوں کے لین دین کو اراکین کے جانب سے منظور شدہ تصور کیا جائے گا۔

اراکین کو پیش نظر رکھنا چاہیے کہ کمپنی یا اس کہ ڈائریکٹرز کے لیے متعلقہ پارٹی کے معاملات / لین دین کی نوعیت، یا مخصوص متعلقہ پارٹی جن کے ساتھ لین دین کیے جائیں گے، کی درست طریقے سے پیش گوئی کرنا ممکن نہیں ہے۔ کمپنی جو معاملات اور لین دین کرے گی اس میں شامل ہیں (لیکن ان تک محدود نہیں) سامان، اشیاء، خام مال اور مواد کی خرید و فروخت، بشمول سوت، پائیسٹر، سینٹ، کپڑا، بجلی، بھاپ، گارمنٹس، ٹیکسٹائل، گاڑیاں، پلانٹ اور مشینری، دیگر ذیلی مشینری اور / یا متعلقہ پُرزے، میوچل فنڈ میں سرمایہ کاری، ڈیویڈنڈ کی وصولی یا ادائیگی، یا خدمات حاصل کرنا یا پیش کرنا۔

متعلقہ پارٹیوں میں درج ذیل شامل ہیں، لیکن ان تک محدود نہیں ہیں:

1	کلی سینٹ لمیٹڈ	2	کلی کور انڈسٹریز لمیٹڈ
3	کلی انرجی (پرائیویٹ) لمیٹڈ	4	کلی انٹرٹینمنٹ (پرائیویٹ) لمیٹڈ
5	کلی انوسٹمنٹ لمیٹڈ	6	کلی ہولڈنگز لمیٹڈ
7	کلی نیش (پرائیویٹ) لمیٹڈ	8	کلی موٹر کارپوریشن لمیٹڈ
9	کلی لینڈ مارک (پرائیویٹ) لمیٹڈ	10	کلی رینیو اہیلز (پرائیویٹ) لمیٹڈ
11	کلی ٹیکسٹائل ملز لمیٹڈ	12	کلی ونڈ پاور لمیٹڈ
13	پونس ونڈ پاور لمیٹڈ	14	ٹرائی کام سولر پاور (پرائیویٹ) لمیٹڈ
15	وائی بی انجینئرنگ لمیٹڈ	16	وائی بی ہولڈنگز (پرائیویٹ) لمیٹڈ
17	وائی بی پاکستان لمیٹڈ	18	پونس انرجی لمیٹڈ
19	یونس ٹیکسٹائل ملز لمیٹڈ	20	فیروز 1888 ملز لمیٹڈ
21	نیشنل بینک آف پاکستان		

اراکین کو یہ بھی پیش نظر رکھنا چاہیے کہ، سالانہ اجلاس عام کے نوٹس میں بیان کردہ خصوصی قراردادوں کے لیے، کمپنی کے لیے 30 جون 2026 کو ختم ہونے والی مدت میں کیے جانے والے متعلقہ پارٹیوں کے لین دین / انتظامات کی مقدار کا اندازہ لگانا ممکن نہیں ہے، تاہم، ممبران سے درخواست ہے کہ وہ بورڈ آف ڈائریکٹرز کو 30 جون 2026 کو ختم ہونے والی مدت کے لیے وقتاً فوقتاً کیے جانے والے 25 ارب روپے کے لین دین / انتظامات کو انجام دینے کا اختیار دیں۔ بعد ازاں کمپنی ایسے تمام معاملات اور لین دین کے اصل اعداد و شمار پیش کرے گی اور اگلے سالانہ اجلاس عام میں اراکین سے اس کی توثیق اور تائید کرائی جائے گی۔ مزید برآں، کمپنی اور اس کا بورڈ، کمپنی کے حصص داران کے مفادات کے تحفظ کے لیے مسلسل خدمات انجام دیتے ہیں گے اور مذکورہ تمام لین دین اور معاملات، کمپنی اور اس کے اسٹیٹ ہولڈرز کے مفاد کو مد نظر رکھتے ہوئے کیے جاتے ہیں۔

مذکورہ بالا کی بنیاد پر اراکین سے درخواست کی جاتی ہے کہ وہ نوٹس میں درج خصوصی قراردادیں پاس کریں (ترمیم کے ساتھ یا بغیر)۔

کمپنی کے ڈائریکٹرز میں سے کسی کی بھی مذکورہ خصوصی امور میں کوئی ذاتی دلچسپی یا مفاد نہیں ہے، ماسوائے اس کے کہ وہ کمپنی کے ممبران اور ڈائریکٹرز ہیں۔



ب۔ بصورت کاروباری ادارے، اجلاس میں شرکت کے وقت بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ بمعہ نامزد کردہ شخص کے دستخط کے نمونے ظاہر کرنا لازم ہیں۔ کوئی بھی رکن جو اجلاس میں شرکت اور رائے شماری کا اہل ہے، وہ اپنے متبادل کے طور پر اجلاس میں شرکت اور رائے شماری کے لئے کسی دوسرے ممبر کو اپنا نائب مقرر کر سکتا ہے۔

### 3۔ نائب کے انتخاب کیلئے

1۔ اراکین ایک سے زائد نائب نامزد کرنے کے اہل نہیں۔ ایک سے زائد نائب منتخب کئے جانے یا ایک سے زائد تفکیلی نیابت داری کی درخواستیں جمع کروائی جانے پر ایسی تمام درخواستیں مسترد کر دی جائیں گی۔ نائب کا کمپنی کارکن ہونا ضروری ہے۔

2۔ تکلیل نائب داری کی درخواست کمپنی کے رجسٹرڈ دفتر کو اجلاس منعقد ہونے سے کم از کم 48 گھنٹے قبل موصول ہو جانی چاہیے۔

3۔ نائب کے لئے ضروری ہے کے اجلاس میں شرکت کے وقت اپنی شناخت بذریعہ اصلی سی این آئی سی یا پاسپورٹ ثابت کریں۔

4۔ تفکیلی نیابت داری درخواست پر دو گواہان کے دستخط بمعہ نام، پتہ اور سی این آئی سی نمبر ہونا لازم ہے۔

5۔ تفکیلی نیابت داری کی درخواست کے ساتھ مینیفیشٹل اوزر اور نائب دونوں کی سی این آئی سی یا پاسپورٹ کی تصدیق شدہ نقول بھی لازماً جمع کروائیں۔

### 4۔ اجلاس میں شرکت بذریعہ وڈیو لنک (تعمیل برائے ایس ای سی پی کے جاری کردہ مرا سلہ نمبر4)

بحوالہ ایس ای سی پی مراسلہ نمبر 4، بذریعہ وڈیو لنک شرکت کے خواہشمند حصص داران، دیے گئے ای میل اڈریس پر درج ذیل معلومات پر اجلاس کی تاریخ سے سات یوم قبل فراہم کر دیں۔

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ممبر کا نام	قومی شناختی کارڈ نمبر	فولیو/سی ڈی سی اکاؤنٹ نمبر	رجسٹرڈ ای میل	موبائل فون نمبر	

حصص داران کے رجسٹرڈ ای – میل سے مطلوبہ معلومات متعین کردہ وقت پر کمپنی کو موصول ہونے پر وڈیو کانفرنس لنک اور لاگ ان سے متعلق تفصیلات حصص داران کے رجسٹرڈ ای– میل پر فراہم کر دی جائیں گی۔ مزید برآں، اس وڈیو لنک سے صرف بذریعہ رجسٹرڈ ای – میل سے لاگ ان کیا جاسکے گا۔

### 5۔ حصص داران کے پتے میں تبدیلی سے متعلق اطلاع

کمپنی کے حصص دارن سے گزارش ہے کہ اگر ان کے پتے میں کسی بھی قسم کی کوئی تبدیلی واقع ہوئی ہے تو اس تبدیلی سے ہمارے رجسٹرار / حصص منتقلی ایجنٹ کو فوری آگاہ کریں۔

### 6- کمپیوٹرائزڈ قومی شناختی کارڈ(سی این آئی سی) فراہم کرنا لازم ہے

حصص داران کو یاد دہانی کرائی جاتی ہے کہ اپنی کارآمد سی این آئی سی کی تصدیق شدہ نقل اگر کمپنی کے حصص رجسٹرار کے پاس جمع نہیں کرائی تو اب کروادیں۔ کسی بھی حصص دار کے سی این آئی سی کی نقل کمپنی کے ریکارڈ میں موجود نہ ہونے کی صورت میں کمپنی ان کے منافع منقسمہ کو کمپنیز ایکٹ، 2017(ایکٹ) کی شق 243 کے تحت روکنے پر مجبور ہو گی جسے بعد ازاں سی این آئی سی کی فراہمی کے بعد جاری کیا جائے گا۔

### 7۔ بذریعہ الیکٹرانک ذرائع منافع منقسمہ کی ادائیگی (ای- ڈیویڈنڈ میکنزم)

ایکٹ کے سیکشن 242 کے تحت نقد منافع منقسمہ حصص دار کی جانب سے مختص کئے گئے بینک اکاؤنٹ میں براہ راست بذریعہ الیکٹرانک ذرائع سے ہی ادا کیے جائیں گے۔ تمام حصص داران کو ہدایت کی جاتی ہے کہ وہ جلد از جلد اپنے انٹرنیشنل بینک اکاؤنٹ نمبر (آئی بی اے این)، کانغزی(فزیکل) حصص کی صورت میں حصص رجسٹرار کو اور سی ڈی سی حصص داران اپنے متعلقہ بروکر/شراکت دار کو فراہم کریں۔ بینک اکاؤنٹ کا ٹرانسل حصص دار کے نام پر ہونا ضروری ہے۔ معلومات کی فراہمی کے لئے فارم کمپنی کی ویب سائٹ کے انویسٹر انفارمیشن سیکشن پر مہیا کر دیئے گئے ہیں۔ کمپنی کے جانب سے اس سلسلے میں تمام حصص داران کو پہلے ہی بذریعہ خطوط فرداً فرداً اور اخبارات میں اشاعت کے ذریعے مطلع کیا جا چکا ہے۔

### 8۔ کمپنی کی ویب سائٹ پر آڈٹ شدہ مالیاتی دستاویزات کی دستیابی

کمپنی کی آڈٹ شدہ مالیاتی دستاویزات برائے مالی سال30جون2025 کمپنی کی ویب سائٹ http://gadoontextile.com/investor-information پر فراہم کردی گئی ہیں۔

درجہ بالا سے قطع نظر، کسی بھی ممبر کی درخواست پر کمپنی ایسے ممبر کے رجسٹرڈ پتے پر طبع شدہ مالیاتی دستاویزات ایک ہفتے میں بلا کسی قیت فراہم کرے گی۔

### 9۔ ووٹنگ بذریعہ پوسٹل بیلٹ بمطابق (کمپنیز پوسٹل بیلٹ ریگولیشنز)، 2018

کمپنیز(پوسٹل بیلٹ ریگولیشنز): 2018 کے تحت کسی ایسے ایجنڈا آٹم جو ایکٹ کی شق 143 اور 144 سے متعلق ہوں، کے ضمن میں حاضر حصص داران، نائب یا بذریعہ وڈیو کانفرنس شریک ہیں، اپنا حق رائے دہی بذریعہ پوسٹ یا کسی الیکٹرانک ذرائع سے، ریگولیشنز میں درج طریقہ کار کے مطابق استعمال کر سکتے ہیں۔

### 10۔ غیر دعویٰ شدہ منافع منقسمہ

ایکٹ کے سیکشن 244 کے تحت کمپنی کی جانب سے جاری کردہ کوئی بھی حصص یا اعلان کردہ منافع منقسمہ جو ان کے جاری کئے جانے اور قابل ادائیگی کی تاریخ سے تین سال کی مدت تک غیر تقسیم شدہ/ غیر دعویٰ شدہ رہے ہیں، ان کہ لئے حصص داران کو کلیم کے نوٹس جاری کرنے کے بعد، وفاقی حکومت/ کمیشن(ایس ای سی پی) کی تحویل میں جمع کرا دیا جائے۔ اس ضمن میں کمپنی کے حصص داران کو نوٹس بتاریخ جنوری 31، 2018ارسال کئے گئے اور حتیٰ نوٹس بتاریخ مئی 2، 2018 کو اخبارات میں شائع کیا جا چکا ہے۔ حصص داران سے درخواست ہے کہ اپنے غیر تقسیم شدہ/ غیر دعویٰ شدہ حصص/ منافع منقسمہ کے کلیم کو ہر وقت داخل کرنے کے امر کو یقینی بنائیں اور جلد از جلد کمپنی سے رابطہ کریں۔

### 11۔ سی ڈی سی اکاؤنٹ میں کاغذی (فزیکل) حصص جمع کرانا

ایکٹ کے سیکشن 244 کے تحت کمپنی اس بات کی پابند ہے کہ کمیشن کی جانب سے مخصوص کردہ طریقہ کار اور مطیع شدہ تاریخ اور ایسی مدت جو کہ ایکٹ کے آغاز سے چار سال سے زیادہ نہ ہو، اپنے تمام کاغذی( فزیکل) حصص کو بک- انٹری کے ساتھ تبدیل کرے۔ اس ضمن میں کمپنی کی جانب سے ایسے تمام فزیکل حصص کے مالکان کو نوٹس بتاریخ 17 جولائی 2021ارسال کئے گئے جس میں بذریعہ بروکر ذیلی اکاؤنٹ کھلوانے یا براہ راست سی ڈی سی اکاؤنٹ کھلوانے سے متعلق ہدایات تفصیل سے درج ہیں۔ اس امر سے حصص داران کی معلومات کمپنی کے حصص رجسٹر میں بھی دستیاب ہوں گی جس سے نہ صرف کمپنی حصص داران سے بروقت رابطہ بلکہ منافع منقسمہ کی ادائیگی بھی بروقت کر سکے گی۔

ایکٹ کے سیکشن 119 اور کمپنیز) جزل پروویژن اینڈ فارمز( ریگولیشنز، 2018 کے تحت تمام کاغذی حصص رکھنے والے حصص داران کو تاکید کی جاتی ہے کہ قانون کی عدم تعمیل اور مستقبل میں کسی بھی قسم کی زحمت سے بچنے کے لئے اپنی متعلقہ ضروری معلومات جیسا کہ سی این آئی سی نمبر، پتہ، ای میل، موبائل یا ٹیلی فون رابطہ نمبر، آئی بی اے این وغیرہ فوری طور پر ہمارے حصص رجسٹرار کو درج ذیل پتے پر فراہم کریں:

سی ڈی سی شیئر رجسٹرار سروس لمیٹڈ، سی ڈی سی ہاؤس 99-B، ایس ایم سی ایچ سوسائٹی، مین شاہراہ فیصل کراچی 74400۔ ٹول فری نمبر0800-23275، ای میل: info@cdcsrsl.com | ویب سائٹ:www.cdcsrsl.com

### 12۔ اجلاس عام میں تحائف کی ممانعت:

ایس ای سی پی نے اپنے سرکلر نمبر2، مورخہ9 فروری2018 کے ذریعے، کمپنیوں کو سختی سے منع کیا ہے کہ جزل میٹنگز میں، شیئر ہولڈرز کو تحائف یا اس کے بدلے میں (ٹوکن/ کوپن/ لٹچ/ ایک وے پیجنز) یا کسی بھی شکل یا انداز میں مراعات فراہم نہ کی جائیں۔ ایکٹ کے سیکشن کے تحت، اس ہدایت کی کسی بھی خلاف ورزی کو جرم سمجھا جاتا ہے، اور تعمیل کرنے میں ناکام ہونے والی کمپنیوں کو جرمانے کا سامنا کرنا پڑ سکتا ہے۔

### بیان زیر تحت سیکشن 134(3) بابت " امورِ خصوصی"

### اور زیر تحت سیکشن 208 بابت ایکٹ

یہ بیان 26 ستمبر 2025 کو ہونے والے کمپنی کے سالانہ اجلاس عام میں لین دین کیے جانے والے

خصوصی امور سے متعلق مادی حقائق کا تعین کرتا ہے۔

کمپنی روز مرہ کی بنیاد پر اور اپنی پالیسیوں، قابل اطلاق قوانین اور ضوابط کے مطابق متعلقہ فریقوں کے ساتھ لین دین اور معاملات کرتی رہتی ہے۔ کچھ متعلقہ پارٹی ٹرانزیکشنز، جن میں ڈائریکٹرز کی اکثریت کا مفاد وابستہ ہو سکتا ہے، کے لیے ایکٹ کے سیکشن 207 اور / یا 208 (قابل اطلاق حد تک) اور لسٹڈ کمپنیوں کے قواعد (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی شق 15 کے تحت ممبران کی منظوری درکار ہوگی۔

جیسا کہ کمپنی کے کچھ / اکثریت ڈائریکٹرز کا متعلقہ فریقوں کے ساتھ کچھ انتظامات / لین دین میں مفاد تصور کیا جاسکتا ہے، بشمول ان کی شیئر ہولڈنگ یا متعلقہ اداروں / پارٹیوں میں مشترکہ ڈائریکٹر شپ کی وجہ سے، اور مزید شفافیت کو فروغ دینے کے لیے، کمپنی کے 37ویں سالانہ اجلاس عام کے دوران اراکین سے اس بات کی منظوری لی گئی کے بورڈ آف ڈائریکٹرز کو 30 جون 2025 کو ختم ہونے والے مالی سال کے دوران کمپنی کی طرف سے وقتاً فوقتاً (اور کیس ٹو کیس کی بنیاد پر) اس طرح کے متعلقہ پارٹی ٹرانزیکشنز کو منظور کرنے کا اختیار دیدیا گیااور اس طرح کے لین دین کو اراکین کی طرف سے منظور شدہ سمجھا جائے گا۔ نوٹ 38 میں 30جون2025 کو ختم ہونے والے مالیاتی گوشواروں میں تمام متعلقہ فریق کے لین دین کی معلومات فراہم کی گئی ہیں۔ ممبران سے اس بات کی بھی منظوری لی گئی اس طرح کے لین دین کو ان کی توثیق جمع تائید کے لیے اگلے سالانہ اجلاس عام میں ممبران کے سامنے رکھا جائے گا۔ اسی مناسبت سے، ان لین دین کو اراکین کی توثیق/ تائید کے لیے اجلاس میں ممبران کے سامنے رکھا جا رہا ہے۔

کمپنی روز مرہ کی بنیاد پر کاروبار کے معمول میں اپنی متعلقہ پارٹیوں کے ساتھ جو بھی لین دین، انتظامات اور معاملات کرتی ہے، ایسے تمام لین دین باقاعدہ سے منظور شدہ پالیسی کے مطابق اور ’آرمز لینتھ‘ بنیاد پر کرتی ہے۔ متعلقہ فریقوں کے ساتھ کیے گئے تمام لین دین / انتظامات کے لیے بورڈ آڈٹ کمیٹی کے وقتاً فوقتاً جائزہ لینے کی ضرورت ہوتی ہے، جس کی صدارت کمپنی کے ایک خود مختار ڈائریکٹر کرتے ہیں۔ بورڈ آڈٹ کمیٹی کے جائزے اور سفارش پر، اس طرح کے معاملات / لین دین کو بورڈ آف ڈائریکٹرز کے سامنے منظوری کے لیے رکھا جاتا ہے۔ متعلق پارٹیوں کے ساتھ کیے گئے لین دین میں شامل ہیں لیکن ان تک محدود نہیں، سامان، اشیاء، خام مال اور مواد کی خرید و فروخت، بشمول سوت، پائلیسٹر، سیمنٹ، کپڑا، بجلی، بھاپ، گارمنٹس، ٹیکسٹائل، گاڑیاں، پلانٹ مشینری، دیگر ذیلی مشینری اور/ یا متعلقہ پُرزے، یا خدمات حاصل کرنا یا پیش کرنا۔

30جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کے مالیاتی گوشواروں کے نوٹ 38 میں ان متعلقہ پارٹیوں کے ساتھ معاملات اور لین دین کی نوعیت کی نشاندہی کی گئی ہے۔ ڈائریکٹرز اس طرح کی متعلقہ پارٹیوں میں صرف اپنی مشترکہ ڈائریکٹر شپ اور شیئر ہولڈنگز (قابل اطلاق) کی حد تک قرارداد میں دلچسپی رکھتے ہیں۔

اس کے مطابق، اراکین سے درخواست کی جاتی ہے کہ وہ متعلقہ پارٹیوں کے ساتھ لین دین کی توثیق اور تائید کریں جیسا کہ 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کے مالیاتی گوشواروں میں درج کیا گیا ہے۔

مزید برآں، کمپنی 30 جون 2026 کو ختم ہونے والے سال کے دوران اپنی متعلقہ پارٹیوں کے ساتھ معاملات اور لین دین کرے گی جو کہ قرارداد میں بیان کی گئی ہیں (بشمول، لیکن ان تک محدود نہیں)۔ ایسی متعلقہ پارٹیوں میں ڈائریکٹرز کی حصص داری یا مشترکہ ڈائریکٹر شپ کی وجہ سے، بعض معاملات یا لین دین میں ان کا مفاد وابستہ تصور کیا جاسکتا ہے جس کے باعث، شفاف



## ڈائریکٹرز کی تربیت

موجودہ آڈیٹرز میسرز یوسف عادل، چارٹرڈ اکاؤنٹنٹس مالی سال اختتامیہ 30جون2025 کے سلسلے میں سالانہ آڈٹ مکمل کر چکے ہیں اور اس آڈٹ کے نتیجے میں ان کی جانب سے کلین رپورٹ پیش کی گئی ہے۔ موجودہ آڈیٹرز رواں مالی سال کے عام سالانہ اجلاس کے ساتھ ہی ریٹائر ہو جائیں گے اور اپنی اہلیت کی بنیاد پر ان کی جانب سے ایک مرتبہ پھر اپنی خدمات پیش کی گئی ہیں۔ آڈٹ کمیٹی کی جانب سے تجویز کئے جانے کے بعد، بورڈ کی جانب سے بھی تجویز دی گئی ہے کہ موجودہ آڈیٹروں کو ہی کمیٹی کے اگلے مالی سال30جون2026 کیلئے ایک مرتبہ پھر تعینات کر لیا جائے۔

## مستقبل کی پیش بینی

وطن عزیز پاکستان کا اقتصادی نقطہ نظر سازگار میکرو اکنامک حالات کے باعث پر امید ہے۔ عالمی ریٹنگ ایجنسی S&P نے مالیاتی خسارے کو کم کرنے کے لیے ملک کی کوششوں میں بڑھتے ہوئے اعتماد اور میکرو اکنامک استحکام کی بحالی میں اہم پیش رفت اور مستقبل کے منظرنامہ کو مستحکم تسلیم کرتے ہوئے، پاکستان کی خود مختار کریڈٹ ریٹنگ کو CCC+ سے B- کے ساتھ اپ گریڈ کر دیا ہے ۔

تاہم، پائیدار ترقی اس عزم سے مشروط ہے کہ ساختی کمزوریوں کے لئے غیر متزلزل اصلاحات جاری رکھی جائیں۔ اگرچہ افراط زر میں تیزی سے کمی ایک مثبت اشارہ ہے، لیکن یہ مقامی طلب میں کمی کی طرف بھی اشارہ کرتا ہے جو کہ مانیٹری پالیسی میں ایڈجسٹمنٹ کو لازمی قرار دیتا ہے تاکہ طلب کی بنیاد پر نمو کو تیز کیا جاسکے۔ مزید برآں، زرعی شعبے کی ناقص کارکردگی اور بڑے پیمانے پر مینوفیکچرنگ کی مسلسل جدوجہد درینہ ساختی کمزوریوں، مالیاتی نظم و ضبط، مستقل پالیسی پر عمل درآمد، اور جامع اور پائیدار ترقی کو یقینی بنانے کے لیے حکومت کی طرف سے براہ راست اور بالواسطہ ٹیکس لگانے میں اصلاحات کی اہمیت کو واضح کرتی ہے۔

ایک حالیہ پیش رفت میں، امریکہ اور پاکستان کے ساتھ تجارتی مذاکرات میں ایک معاہدہ طے پایا جس کے نتیجے میں پاکستانی برآمدات پر محصولات کو 29 فیصد سے کم کر کے 19 فیصد کر دیا گیا ہے۔ اسے پاکستان کے لیے ایک سازگار نتیجہ کے طور پر دیکھا جاسکتا ہے، خاص طور پر جب اس کے علاقائی حریفوں پر عائد کیے گئے زیادہ ٹیرف کے مقابلے میں۔ پاکستان کا ٹیکسٹائل سیکٹر ممکنہ طور پر امریکی مارکیٹ میں اپنی پوزیشن کی تصدیق کر کے مسابقتی برتری حاصل کر سکتا ہے۔

ایک حوصلہ افزا پیش رفت حکومت کی طرف سے ایکسپورٹ فیسیلیٹیشن اسکیم (EFS) میں عدم مساوات کا ازالہ ہے، خاص طور پر سوت اور کپڑے کی درآمد کے لیے زیرو ریٹنگ سے متعلق، جو مقامی سوت کتنائی کی صنعت کی مسابقت کو بری طرح سے نقصان پہنچاتی ہے۔ سوت کی درآمد پر زیرو ریٹنگ کے خاتمے سے مقامی سوت کتنائی کی صنعت کے لیے برابری کی سطح پر مسابقت کا ماحول بحال ہو گا۔ تاہم، ملک کی سوت کتنائی کی صنعت کو بنیادی طور پر مینیشیو پاور پلانٹس کے لیے گیس کی قیمتوں میں مسلسل اضافے، مقامی کپاس کی پیداوار میں اتار چڑھاؤ اور علاقائی مقابل صنعتوں کی جانب سے شدید مسابقت کی وجہ سے چیلنجز کا سامنا کرنا پڑے گا۔ برآمدات برہنی ترقی کے مواقع سے مکمل فائدہ اٹھانے کے لیے ان چیلنجوں سے نمٹنا بہت ضروری ہے۔

کمپنی ایک فعال نقطہ نظر کو برقرار رکھنے، بہتر آپریشنل کارکردگی کے ذریعے ترقی کو آگے بڑھانے، کام کرنے والے سرمائے کا مؤثر طریقے سے انتظام کرنے، صلاحیت کے زیادہ سے زیادہ استعمال اور قابل تجدید توانائی کے انضمام کو بڑھانے کے لیے ہر عزم ہے۔ یہ پروڈکٹ مکس کو بھی ایڈجسٹ کرے گا اور لاگت کے ڈھانچے کو بہتر کرے گا تاکہ مارکیٹ کی تبدیلی کے ساتھ ہم آہنگ ہو سکے اور اسٹیک ہولڈرز کے لیے اہم ویلیو ایڈیشن پیدا کرنے اور منافع کو محفوظ رکھنے کے لیے خود کو پوزیشن میں لے سکے۔

## منافع منقسمہ کی پالیسی

توانائی کی لاگت کے خالص منافع پر اثرات، کاروباری سرمائے (ورکنگ کیپٹل)کی ضرورت، ویلیو ایڈڈ سیکٹر میں جاری کمپنی کے توسیعی منصوبے اور کمپنی کی نقد سیال پزیری کو مد نظر رکھتے ہوئے کمپنی کے بورڈ آف ڈائریکٹرز نے اس سال منافع منقسمہ نہ دینے کی تجویز دی ہے۔

## مابعد واقعات

رواں مالی سال کے اختتام سے رپورٹ ہذا کی تیاری کے درمیان تک ایسے کوئی اہم واقعات پیش نہیں آئے اور نہ ہی کمپنی پر ایسی کوئی ذمہ داریاں ہیں جن کے اثرات کمپنی کی مالیاتی پوزیشن پر مرتب ہوں۔

## اظہار تشکر

ڈائریکٹرز کی جانب سے کمپنی کے تمام ملازمین، عملے اور منتظمین کی کارکردگی کو خراج تحسین پیش کرتے ہوئے اسے قلم بند کیا جاتا ہے۔

## برائے و منجانب بورڈ



چیف ایگزیکٹو آفیسر



چیئرمین /ڈائریکٹر

بمقام کراچی:مؤرخہ7 اگست2025

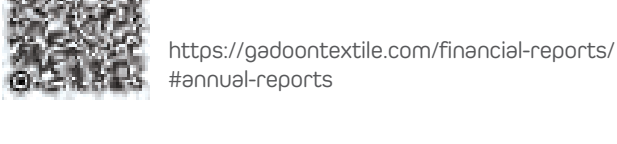
# 38ویں سالانہ اجلاس عام کی اطلاع

بذریعہ ہذا مطلع کیا جاتا ہے کہ گدون ٹیکسٹائل ملز لمیٹڈ (کمپنی)کا 38واں سالانہ اجلاس عام برائے ممبران بروز جمعہ مؤرخہ 26 ستمبر 2025بوقت دوپہر 3:30بجے بمقام کمپنی کے رجسٹرڈ دفتر 201-200 گدون لازنی انڈسٹریئل اسٹیٹ ،گدون لازنی ڈسٹرکٹ صوبائی ، خیبر پختون خواہ میں اوربذریعہ ویڈیولنک منعقد کیا جا رہا ہے جس میں درج ذیل امور زیر بحث لائے جائیں گے:

## عمومی امور

1۔ مورخہ 30جون 2025 کو ختم ہونے والے مالی سال کی آڈٹ شدہ مالیاتی دستاویزات برائے کمپنی بمعہ نظر ثانی رپورٹ از چیئرمین، آڈیٹرز و ڈائریکٹرز اور ان سے متعلق رپورٹس کی وصولی، غور و خوض اور منظوری۔

کمپنیز ایکٹ 2017(ایکٹ)کی شق223اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے جاری کردہ ایس آر آ 389(I)/ 2023 مؤرخہ 21مارچ 2023 کے تحت، کمپنی کے مالیاتی گوشوارے بابت مالی سال اختتامیہ 30جون 2025کو کمپنی کی ویب سائٹ پر اپ لوڈ کر دیا گیا ہے جسے درج ذیل لنک اور QR سے ڈاؤن لوڈ کر کے حاصل کیا جاسکتا ہے:



2۔ مالی سال 30جون 2026کیلئے آڈیٹروں کا انتخاب کرنا اور انکے مشاہرے کا تعین کرنا۔موجودہ آڈیٹرز میسرز یوسف عادل،چارٹرڈ اکاؤنٹنٹس نے ریٹائر اور اہل ہونے کی بنیاد پر خود کو دوبارہ تقرری کے لئے پیش کی ہے اور بورڈ آف ڈائریکٹرز نے ان کی تقرری کی سفارش کی ہے۔

## خصوصی امور

3۔ غور و خوض کرنا، اور اگر مناسب ہو تو مندرجہ ذیل قراردادوں کو بطور خصوصی قرارداد(ترمیم یا بلا ترمیم) منظور کرنا کے کمپنی کی جانب سے کمپنیز ایکٹ، 2017کی شق 207اور 208(قابل اطلاق حد تک) کے تحت متعلقہ پارٹیوں کے ساتھ لین دین اور معاملات جو کئے جانچے ہوں یا ممکنہ طور پر کئے جانے ہوں، کی توثیق اور منظوری(معاملے کی مناسبت سے):

” قرار دیا جاتا ہے کہ کمپنی کی جانب سے مختلف متعلقہ پارٹیوں کے ساتھ 30جون 2025کو ختم ہونے والے مالی سال کے دوران کئے جانے والے لین دین، جیسا کہ مذکورہ مدت کی کمپنی کی مالیاتی دستاویزات کے نوٹ نمبر 38میں درج ہیں، کی بذریعہ ہذا توثیق اور تصدیق کی جاتی ہے۔

مزید برآں قرار دیا جاتا ہے کہ کمپنی کو مختلف متعلقہ پارٹیوں کے ساتھ مالی سال 2025-26 کے دوران گاہے بگاہے Rs.25,000,000,000 (مبلغ پچیس ارب روپے) کی حد تک کے معاملات اور لین دین کرنے کا بذریعہ ہذا مجاز بنایا جاتا ہے جن میں شامل ہیں مگر انہی تک محدود نہیں، ایشیا، سلمان اور مواد کی خرید و فروخت بشمول سوت، پالیشر، سیمنٹ، کپڑا، توانائی، بھاپ، ٹیکسٹائلز مشینری اور دیگر ذیلی مشینری اور متعلقہ فاضل پرزہ جات، میوچل فنڈ میں سرمایہ کاری، ڈیویڈنڈ کی وصولی یا ادائیگی، خدمات کی فراہمی اور وصولی۔ اراکین نے نوٹ کیا کہ مذکورہ بالا معاملات اور لین دین میں چند یا زیادہ تر ڈائریکٹرز کا مفاد وابستہ ہو سکتا ہے۔ باوجود اس کے، اراکین کی جانب سے کمپنی کے بورڈ آف ڈائریکٹرز کو، بشمول کمپنیز ایکٹ، 2017کی شق 207اور 208(قابل اطلاق حد تک) کے تحت پیشگی اختیار اور منظوری دی جاتی ہے (قطع نظر اس سے کہ بورڈ کی ساخت کیا ہے) کے بورڈ آف ڈائریکٹرز تمام متعلقہ پارٹیوں سے لین دین کا جائزہ لیں اور اسے منظور کریں۔

مزید برآں قرار دیا جاتا ہے، 30جون، 2026 کو ختم ہونے والے مالی سال کی مدت کے دوران متعلقہ پارٹیوں کے ساتھ کئے گئے تمام معاملات اور لین دین کو اراکین کی جانب سے منظور شدہ تصور کیا جائے گا اور بعد ازاں ایسے تمام لین دین اور معاملات اگلے سالانہ اجلاس عام میں اراکین کے سامنے توثیق اور تائید کے لئے رکھے جائیں گے۔ “

## دیگر امور

4۔ چیئرمین کی اجازت سے کسی بھی دیگر امور کو زیر کاروائی لانا۔

بیان برائے اہم حقائق زیر تحت سیکشن(3) 134بابت درجہ بالا کاروبار و امور، اس نوٹس کے ساتھ منسلک ہے۔

بحکم بورڈ

نواد ذکر یا پھوری

کمپنی سیکریٹری

بمقام کراچی: 5 ستمبر 2025

## نوٹس

## 1. حصص منتقلی کھاتوں کی بندش

کمپنی کے حصص منتقلی کھاتے بروز جمعہ 19 ستمبر 2025 سے بروز جمعہ 26 ستمبر 2025 تک بند رہیں گے (بشمول دونوں ایام)۔ ہمارے رجسٹرار / منتقلی لیجنٹ میسرز سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ (سی ڈی سی ایس آر ایس ایل)، سی ڈی سی ہاؤس B-99، ایس ایم سی ایچ سوسائٹی، مین شاہراہ فیصل کراچی 74400 کو کاروبار کے آخری دن بروز جمعرات 18 ستمبر 2025 تک موصول ہونے والی درخواستوں کو سالانہ اجلاس عام میں شرکت کیلئے بروقت تصور کیا جائے گا۔

## 2. سالانہ رپورٹ کی بذریعہ الیکٹرانک/ ای میل ترسیل

ایکٹ کے سیکشن (6) 223 کے تحت، کمپنی نے سالانہ رپورٹ کو بذریعہ الیکٹرانک طور پر ای میل کے ذریعے ان شیئرز ہولڈرز تک ارسال کر دیا ہے جن کے ای میل پتے کمپنی کے شیئرز رجسٹرار کے پاس دستیاب ہیں،، جن شیئرز ہولڈرز کے ای میل ایڈریس، شیئرز رجسٹرار کے پاس دستیاب نہیں ہیں، انھیں پرنٹ شدہ میننگ کانوٹس بمعہ سالانہ رپورٹ کو ڈاؤن لوڈ کرنے کے لیے QR ویب لنک کوڈ، ان کے رجسٹرڈ پتوں پر ارسال کر دیا گیا ہے۔

تاہم، مذکورہ بالا کے باوجود، کمپنی کسی بھی رکن کو ان کی درخواست پر، ان کے رجسٹرڈ ایڈریس پر، ایسی درخواست موصول ہونے کے ایک ہفتے کے اندر، آڈٹ شدہ مالیاتی بیانات کی ہارڈ کاپیاں مفت فراہم کرے گی۔ مزید، شیئرز ہولڈرز سے گزارش ہے کہ اگر وہ اگر ممبرز فزیکل فارم میں شیئرز رکھتے ہے تو برائے مہربانی اپنا درست ای میل ایڈریس، قومی شناختی کارڈ کی کاپی کے ساتھ شیئرز رجسٹرار کو فراہم کریں اور یک انٹری فارم میں شیئرز رکھنے والے ممبر زاپنے متعلقہ شرکت کنندہ / سرمایہ کار اکاؤنٹ سروسز کو فراہم کریں۔

## 2. اجلاس میں شرکت

ا۔ تمام حصص داران کو یہ حق حاصل ہو گا کہ وہ اپنی شناخت بذریعہ اصلی کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) ے اپنا سپورٹ ثابت کرنے کے بعد کمپنی کے عام اجلاس میں شرکت کریں۔



کسی بھی غیر انتظامی ڈائریکٹر کو کوئی مشاہرہ ادا نہیں کیا گیا ماسوائے اجلاسوں میں شرکت کی فیس کے جو 2.125 ملین روپے بنتی ہے(2024 میں یہ فیس 3.25 ملین روپے تھی)۔

### اہم رسک اور غیر یقینی صورتحال

ہر کاروبار کو کئی قسم کے خطرات اور غیر یقینی صورتحال کا سامنا رہتا ہے، اگر ان مسائل سے مناسب انداز سے نہ نمٹا جائے تو یہ کمپنی کیلئے سنجیدہ مسائل اور نقصانات کا باعث بن سکتے ہیں۔ کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کو لاحق ممکنہ اندرونی اور بیرونی خطرات کی باقاعدہ نگرانی کی جاتی ہے اور ان کا گہرائی کے ساتھ تجزیہ بھی کیا جاتا ہے۔ ذیل میں ایسے چند خطرات کا ذکر کیا جا رہا ہے جن سے کمپنی کو سابقہ رہتا ہے

- کپاس پر بہت زیادہ انحصار اسے غیر متوقع موسمی حالات کا شکار بناتا ہے جس کی وجہ سے قلت پیدا ہو سکتی ہے اور کپاس کی ہمگی درآمدات کی ضرورت پڑ سکتی ہے۔

- روٹی اور دیگر خام مال کی قیمتوں میں اتار چڑھاؤ منافع کے مارجن کو متاثر کرتا ہے اور طویل مدتی منصوبہ بندی کو مشکل بنا دیتا ہے۔

- مقامی فروخت کی وصولیوں پر عدم ادائیگی کا خطرہ ۔

- جغرافیائی سیاسی تناؤ کی وجہ سے برآمدی فروخت پر دباؤ اور عالمی کساد بازاری کے اثرات کی وجہ سے مانگ میں کمی، ٹیکسٹائل مصنوعات کی مانگ میں کمی کا باعث بنتی ہے۔

- عالمی اور علاقائی سطحوں پر بڑھتی ہوئی مسابقت کے ساتھ ساتھ عالمی شپنگ سپلائی میں رکاوٹوں کے اثرات۔

- خام مال کی درآمد پر کسٹم / اینٹی ڈپنگ ڈیوٹی کا نفاذ، اسے مزید مہنگا بناتا ہے۔

- لاگت تبادلہ کا بڑھتا ہوا رجحان، فیول / گیس کی بڑھتی ہوئی قیمتوں کی وجہ سے توانائی کی بڑھتی قیمت اور افراط زر کے دیگر اثرات؛

- بلند پالیسی ریٹ شرح(KIBOR) نتیجتاً تمویلی لاگت میں اضافہ اور لیکویڈیٹی مینجمنٹ کے مسائل ٹیکسٹائل صنعت کے لیے اہم مالیاتی چیلنجز کا باعث بنتے ہیں۔

- غیر یقینی ٹیکس کے اقدامات، یعنی، برآمد کنندگان کے لیے فائل ٹیکس رتیجیم سے نارمل ٹیکس رتیجیم میں منتقل ہونا، کارپوریٹ ڈیری فارمز پر سیلز ٹیکس کا نفاذ، سپر ٹیکس کا تسلسل، ریفرنڈ کے طویل معاملات اور انتظامی پیچیدگیاں وغیرہ سرمائے کی گردش میں رکاوٹ بنتے ہیں۔

- غیر واضح اور بار بار تبدیل ہونے والی حکومتی پالیسیاں، بشمول ٹیکس کے اقدامات اور درآمدی پابندیاں، ایک غیر متوقع کاروباری ماحول پیدا کرتی ہیں۔

- ریگولیٹری تقاضوں میں اضافہ، خاص طور پر حفاظتی اقدامات اور ماحولیاتی، سماجی گورننس سے متعلق مقامی اور بین الاقوامی قوانین، معیارات اور ضوابط کی عدم تعمیل کے خطرات۔

- تحقیق اور ترقی، آڈمیشن، اسے آئی اور جدید فیبرک پروسیسنگ ٹیکنالوجیز میں ناکافی سرمایہ کاری جدت اور مسابقت میں رکاوٹ ہے۔

- زیادہ ٹیرف کا ممکنہ نفاذ برآمدی حجم پر منفی اثر ڈال سکتا ہے۔

### کاروبار کی نوعیت میں تبدیلی

زیر نظر مالی سال کے دوران کمپنی سے متعلق بنیادی کاروباری افعال میں کوئی قابل ذکر تبدیلی واقع نہیں ہوئی ہے۔

### ترتیب حصص داری

ترتیب حصص داری بتاریخ 30جون 2025 اور دیگر اضافی معلومات کو آپ کی کمپنی کی سالانہ رپورٹ کا حصہ بنا دیا گیا ہے۔
مشکلہ کمپنیاں اور پبلک سیکٹر کمپنیاں69.57 فیصد، بینک / انشورنس کمپنیاں / میوچل فنڈز10.45 فیصد، ڈائریکٹرز0.07 فیصد اور انفرادی طور افراد 19.92 فیصد حصص کے مالک ہیں۔

### قرضوں کی ادائیگیاں

آپ کی کمپنی میں ایک مؤثر حکمت عملی برائے ترسیل نقد رقوم موجود ہے جس کے تحت وصول اور خرچ کی جانے والی نقد رقوم کی باقاعدگی کے ساتھ کڑی نگرانی کی جاتی ہے۔ اس جامع حکمت عملی کی وجہ سے آپ کی کمپنی اپنے واجبات کی ادائیگی میں ہمیشہ مستعد ثابت ہوئی ہے اور امید ہے کہ اس سلسلے میں کسی بھی چیلنج سے نبرد آزما ہونے کیلئے آپ کی کمپنی ہمہ وقت تیار ہے۔
مذکورہ بالا نظام کے تحت آپ کی کمپنی کی ہمیشہ یہ کوشش رہی ہے کہ تمویلی لاگت ایک معقول حد سے آگے نہ بڑھ پائے، اس مقصد کے حصول کیلئے ذرائع تمویل میں ایک مناسب امتزاج اور مالیات کے مؤثر انتظام کو ترجیح دی جاتی ہے۔

کمپنی کی یہ روایت رہی ہے کہ اپنے ذمے واجب الادا واجبات کو بروقت ادا کیا جائے اور اسی مناسبت سے کمپنی کی تاریخ بشمول سال رواں میں کبھی ایسا نہیں ہوا کہ کمپنی کو اپنی ادائیگیوں کے سلسلے میں تاہندہ قرار دیا گیا ہو۔

### مؤثر اندرونی مالیاتی کنٹرول

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے ایک مؤثر اندرونی مالیاتی نظام مرتب کیا گیا ہے۔ اس نظام کے تحت تمام کاروباری امور کو مستعد اور مؤثر انداز سے چلایا جاتا ہے اور اس بات کو ممکن بنایا جاتا ہے کہ کسی بھی قسم کی بدعنوانی، فریب اور غلطیوں کی نشاندہی کی جاسکے اور ان کا تدارک بھی کیا جائے، کمپنی کے اثاثوں کی حفاظت کو ممکن بنایا جائے، تمام قواعد و ضوابط کی پاسداری کو ممکن بنایا جائے، محاسبی کے تمام کھاتے ہر لحاظ سے مکمل اور صحیح ہوں اور بروقت ایسی مالیاتی دستاویزات تیار کی جائیں جو معاملات کی حقیقی عکاس ہوں۔ اندرونی مالیاتی نظام پر وقتاً فوقتاً نظر ثانی کی جاتی ہے تا کہ اس بات کو ممکن بنایا جاسکے کہ نظام مؤثر انداز سے کام کرنے کے ساتھ ساتھ نٹ نٹ نئے قوانین و ضوابط کی روشنی میں وقت کے تقاضوں پر بھی پورا اثر رہا ہے۔

### سسٹینیبلٹی( پائیداری )سے متعلق خطرات

کمپنی نے ہماری بنیادی کاروباری حکمت عملی میں پائیداری کو فعال حصہ بنایا ہے۔ کاروباری خدشات کا مسلسل جائزہ، اسٹیک ہولڈر کے ساتھ بھرپور تعلق، عملے کی

صلاحیتوں کی ترقی اور پائیدار ٹیکنالوجیز میں سرمایہ کاری ،ان خدشات سے متعلق ہمارے رد عمل کے اہم ستون ہیں۔ ہم عالمی پائیداری کے رجحانات کی بھی نگرانی کرتے ہیں تاکہ یہ یقینی بنایا جاسکے کہ ہم بہترین طریقوں اور صنعت کے معیارات کے ساتھ ہم آہنگ رہیں۔

پائیداری سے متعلق خطرات میں ماحولیاتی، سماجی، اور نظم و نسق کے عوامل، سپلائی چین کی کمزوریاں، ریگولیٹری تقاضوں کی تعمیل کے خطرات، کمپنی کی سناکھ سے متعلق خطرات، اور تکنیکی اور وسائل کی منتقلی کے خطرات شامل ہیں۔ مینجمنٹ نے واضح اور قابل پیمائش ماحولیاتی، سماجی اور نظم و نسق کے اہداف مقرر کیے ہیں جو دیرپا اہداف حاصل کرنے اور ایک مثبت سمای اثر پیدا کرنے کے کمپنی کے اسٹریٹجک مقصد سے ہم آہنگ ہیں۔

کمپنی نے سرمایہ کاری کا رخ جدید ترین اور ماحول دوست ٹیکنالوجیز کی طرف منتقل کیا ہے جو ذمہ دارانہ کھپت اور پیداوار کے اصولوں کو مجسم کرتی ہے۔ اگرچہ اس طرح کے پائیدار اقدامات مختصر مدت کے منافع یا مارجن کو چیلنج کر سکتے ہیں، کمپنی کا خیال ہے کہ طویل مدت میں، یہ کسٹمر کے حصول اور برقرار رکھنے اور مسابقتی برتری کے ذریعے کاروباری قدر میں اضافہ کرے گا۔ مزید برآں، بورڈ کو سہ ماہی ماحولیاتی، سماجی، اور گورننس رپورٹنگ کے ذریعے شفافیت کو برقرار رکھا جاتا ہے، اس بات کو یقینی بناتے ہوئے کہ اسٹیک ہولڈرز کو مطلع کیا جاتا ہے اور ان معاملات سے باخبر رہیں۔

### سسٹینیبلٹی( پائیداری )سے متعلق خطرات

کمپنی میں، ہم ایک متنوع، مساوی، اور جامع کام کی جگہ کو فروغ دینے کے لیے پرعزم ہیں جہاں ہر فرد کی قدر، عزت، اور ترقی کے لیے بااختیار ہو۔ متنوع افرادی قوت اور کمیونٹیز کے ساتھ، کمپنی تنوع، مساوات اور شمولیت کے لیے ایک وکیل کے طور پر کھڑی ہے۔ تنوع، مساوات اور شمولیت کو فروغ دینا کمپنی کے لیے ایک اہم ترجیح ہے اور یہ اس کے پائیدار اور اخلاقی کاروباری طریقوں کے لیے لازمی ہے۔ واضح اور قابل پیمائش اہداف کے ساتھ ایک جامع تنوع، مساوات اور شمولیت کی حکمت عملی، جس میں صنفی اور نسلی تنوع میں اضافہ اور ہر سطح پر شمولیت کو ہدف بنایا جا رہا ہے۔ کمپنی بھرتی کے جامع طریقوں کو نافذ کرتی ہے، جیسے کہ متنوع جاب بورڈز، بلائسنڈ ہائرنگ کے عمل، اور متنوع انٹرویو پینلز کا استعمال۔ متعدد تنوع، مساوات، اور شمولیت کے تربیتی سیشن تمام ملازمین کے لیے فراہم کیے جاتے ہیں، جن میں لاشعوری تعصب، ثقافتی قابلیت، اور جامع قیادت جیسے موضوعات کا احاطہ کیا جاتا ہے۔

### کارپوریٹ معاشرتی ذمہ داری (سی ایس آر)

کمپنی پاکستان میں ٹیکسٹائل انڈسٹری کے ایک انتہائی سماجی طور پر ذمہ دار آجر کے طور پر کام کرنے کے اپنے جائز فرض کو تسلیم کرتی ہے۔ ہم نے صحت، تعلیم اور کمیونٹیز کے شعبے میں بہت سے فلاحی کاموں کے لیے بھرپور طریقے سے کام کیا ہے۔ مزید برآں، کمپنی نہ صرف کارپوریٹ سماجی ذمہ داری کی سرگرمیوں میں تندی سے حصہ لیتی ہے بلکہ اپنے ملازمین کی حوصلہ افزائی بھی کرتی ہے کہ وہ اپنا وقت معاشرے کی بہتری اور بہبود کے لیے وقف کریں۔ اس سلسلے میں، اس عرصے کے دوران مختلف سرگرمیوں کی منصوبہ بندی اور عمل درآمد کیا گیا۔

- ہر ابھرا پاکستان کے نام سے گروپ کمپنیوں کے تعاون سے فیکٹری کے احاطے میں درخت لگانے کی ایک پہل کا انعقاد کیا گیا۔ اس سبز اقدام نے آب و ہوا کی تبدیلی سے نمٹنے، ہوا کے معیار کو بہتر بنانے اور کام کی جگہ کے اندر اور باہر ایک زیادہ پائیدار اور ماحول دوست ماحول بنانے کے لیے ہماری لگن کو ظاہر کیا۔

- پیئرز فاؤنڈیشن پاکستان کے تعاون سے، کمپنی نے اپنی ڈیجیٹل لیب کو لیس کرنے میں مدد کے لیے ڈیسک ٹاپ کمپیوٹرز عطیہ کیے ہیں۔ اس اقدام کا مقصد طلباء کو جدید ٹیکنالوجی تک رسائی کے ذریعے بااختیار بنانا، انہیں ڈیجیٹل طور پر چلنے والی دنیا میں سیکھنے، بڑھنے اور ترقی کرنے کے قابل بنانا ہے۔

- ہیپٹانائٹس کے عالمی دن کو منانے کے لیے، کمپنی نے اپنے ہیڈ آفس کے ملازمین کے لیے ایک مفت اسکریننگ کیپ کا اہتمام کیا۔ صحت کا یہ فعال اقدام ابتدائی پتہ لگانے اور آگاہی پر مرکوز ہے، جس سے ہمارے اس یقین کو تقویت ملتی ہے کہ ملازمین کی فلاح و بہبود تنظیمی طاقت کی کلید ہے۔

- کمپنی نے بصارت سے محروم افراد کے لیے جامع تعلیم کو فروغ دینے کے لیے پاکستان ایسوسی ایشن آف دی بلائنڈ کے ساتھ تعاون کیا۔ اس اقدام نے سیکھنے کے مساوی مواقع فراہم کیے اور کمیونٹی کے اندر ناہینا طلباء کے لیے مسلسل ترقی کو تقویت دی۔

- ہماری ہیلتھ کیئر سپورٹ کی کوششوں کے ایک حصے کے طور پر، کمپنی نے مرشد ہسپتال اور ہیلتھ کیئر سنٹر کو اعلیٰ معیار کے ہسپتال کے لیسر عطیہ کیے ہیں۔ اس شراکت نے مریضوں کے آرام میں اضافہ کیا اور دیکھ بھال کے بہتر معیارات کی حمایت کی۔

- رمضان کے مقدس مہینے کے دوران، کمپنی نے سوشل ویلفیئر اینڈ ٹرسٹ (IoBM سوسائٹی) کے تعاون سے فہمیدہ سینئر کیئر ہوم میں افطار ڈرائیو کا اہتمام کیا۔ پہل ہمدردی، مشترکہ انسانیت، اور ہماری کمیونٹی میں بزرگوں کو واپس دینے کی عکاسی کرتی ہے۔

- ہمارے ماحولیاتی عزم کو مزید مضبوط کرتے ہوئے، کمپنی نے درخت لگانے کی مہم کے لیے کراچی یونیورسٹی بزنس اسکول (KUBS) کے ساتھ تعاون کیا۔ مقصد نوجوانوں کو پائیدار کوششوں میں شامل کرنا اور ماحولیاتی تحفظ کی اہمیت پر زور دینا تھا۔

- آلودگی سے نمٹنے اور ساحلی خوبصورتی کو برقرار رکھنے کے لیے، کمپنی نے ساحل سمندر کی صفائی کی مہم کے لیے ٹریشٹ کے ساتھ ہاتھ ملایا۔ اس اقدام نے ماحولیاتی ذمہ داری اور صاف ستھرا عوامی مقامات بنانے میں ٹیم کی شمولیت کی حوصلہ افزائی کی۔

- ملازمین کی فلاح و بہبود کے لیے ہماری جاری وابستگی کے تحت، کمپنی نے ڈیپٹیس اور تھیلیسیمیا سے متعلق آگاہی پر مرکوز ہیلتھ اسکریننگ کیپ کا انعقاد کیا، اس کوشش کا مقصد دائمی بیماریوں کے بارے میں بیداری پیدا اور جلد تشخیص اور احتیاطی نگہداشت کو فروغ دینا تھا۔

- بلڈ ڈونر کے عالمی دن پر، کمپنی نے کاشف اقبال تھیلیسیمیا کیئر سینٹر کے ساتھ مل کر فیکٹری کے احاطے میں خون کے عطیہ کیپ کا انعقاد کیا۔ ملازمین نے پرجوش شرکت کا مظاہرہ کیا، جس سے تھیلیسیمیا کے شکار بچوں کی مدد میں ایک طاقتور اجتماعی اثر پڑا۔

### بورڈ آف ڈائریکٹرز کا انتخاب:

کمپنی کے بورڈ آف ڈائریکٹرز کا انتخاب منورحہ 18 مارچ 2025 کو عمل میں لایا گیا جس میں درجہ ذیل ڈائریکٹرز کا انتخاب تین سال کی مدت کے لئے کیا گیا:

تفصیلات	تعداد	نام
ا) خود مختار ڈائریکٹرز	02	جناب سید محمد شہز زیدی جناب معین ایم فدا
ب) دیگر غیر انتظامی ڈائریکٹرز	04	جناب محمد علی عنبہ جناب جاوید یونس عنبہ جناب محمد حسن عنبہ جناب ابراہیم سہیل عنبہ
ج) خواتین غیر انتظامی ڈائریکٹرز	01	محترمہ ڈلیمنہ عنبہ مسکاتیہ
د) انتظامی ڈائریکٹر	01	جناب محمد سہیل عنبہ

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے ریٹائر ہونے والے ڈائریکٹر جناب عمران یونس کو، کمپنی کے لئے ان کی انمول خدمات کا اعتراف کرتے ہوئے تہہ دل سے خراج تحسین پیش کیا جاتا ہے۔

### بورڈ کی کمیٹیاں:

ذیل میں بورڈ آڈٹ اور انسانی وسائل اور ادائیگی کی کمیٹیوں کے اراکین کی تفصیلات پیش کی جا رہی ہیں:

### آڈٹ کمیٹی:

نام	عہدہ
جناب سید محمد شہز زیدی	چیئرمین
جناب معین ایم فدا	رکن
جناب محمد علی عنبہ	رکن
جناب جاوید یونس عنبہ	رکن
جناب ابراہیم سہیل عنبہ	رکن

### انسانی وسائل و ادائیگیوں کی کمیٹی:

نام	عہدہ
جناب معین ایم فدا	چیئرمین
جناب جاوید یونس عنبہ	رکن
محترمہ ڈلیمنہ عنبہ مسکاتیہ	رکن
جناب ابراہیم سہیل عنبہ	رکن

### بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں اراکین کی حاضری:

نمبر شمار	ڈائریکٹرز	عہدہ	بورڈ آف ڈائریکٹرز	حاضری آڈٹ کمیٹی	انسانی وسائل و ادائیگیوں کی کمیٹی
1	جناب محمد علی عنبہ	چیئرمین	5 / 4	4 / 3	N / M
2	جناب محمد سہیل عنبہ	چیف ایگزیکیو ٹیو	5 / 5	*4 / 4	* 1 / 1
3	جناب عمران یونس	سکدوش	5 / 3	N/M	N / M
4	جناب جاوید یونس عنبہ	غیر انتظامی ڈائریکٹر	5 / 5	4 / 4	1 / 1
5	محترمہ ڈلیمنہ عنبہ مسکاتیہ	غیر انتظامی ڈائریکٹر	5 / 2	N/M	1 / 0
6	جناب محمد حسن عنبہ	غیر انتظامی ڈائریکٹر	5 / 5	N/M	N / M
7	جناب ابراہیم سہیل عنبہ	غیر انتظامی ڈائریکٹر	5 / 2	*4 / 4	N / M
8	جناب سید محمد شہز زیدی	خود مختار ڈائریکٹر	5 / 4	4 / 4	N / M
9	جناب معین ایم فدا	خود مختار ڈائریکٹر	5 / 5	4 / 4	1 / 1

\* جناب محمد سہیل بٹ نے آڈٹ اور انسانی وسائل و ادائیگیوں کی کمیٹیوں کے تمام اجلاسوں میں شرکت کی جن کیلئے انھیں مدعو کیا گیا تھا۔

\* جناب ابراہیم سہیل بٹ منورحہ 18 مارچ 2025 کو منعقد ہونے والے انتخابات میں منتخب ہوئے۔

\* جناب عمران یونس منورحہ 18 مارچ 2025 کو اپنی مدت مکمل ہونے پر سکدوش ہو گئے۔

N/M: رکن نہیں ہیں

N/A: اطلاق نہیں ہوتا

جواراکین بورڈ اور اس کی کمیٹیوں کے اجلاس میں شرکت نہ کر سکے انھیں اس سلسلے میں رخصت دی گئی تھی۔

### غیر انتظامی ڈائریکٹرز کے مشاہرے سے متعلق پالیسی

کمپنی کے آرٹیکلز کی رو سے بورڈ آف ڈائریکٹرز،ڈائریکٹرزکے مشاہرے متعین کرنے کا مجاز ہے۔ اس سلسلے میں بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے غیر انتظامی اورخود مختار ڈائریکٹرز کے مشاہرے سے متعلق ایک جامع پالیسی مرتب کی گئی ہے۔ پالیسی کے مطابق:

- ڈائریکٹرز کے مشاہرے کا تعین کرتے وقت مارکیٹ میں مروجہ تنخواہوں کے ساتھ ساتھ امیدواروں کے تجربے اور مہارتوں کو بھی ملحوظ خاطر رکھا جائے گا۔

- کمپنی کی جانب سے خود مختار ڈائریکٹرز کو مشاہرے کی ادائیگی بطور تنخواہ نہیں کی جائے گی بلکہ بورڈ یا اس کی کسی کمیٹی کے اجلاس میں شرکت کے عوض انہیں فیس ادا کی جائے گی۔

- بورڈ یا بورڈ کی کمیٹیوں کے اجلاس میں شرکت کیلئے ڈائریکٹرز کو ادا کی جانے والی فیس کا تعین وقت کی مناسبت سے بورڈ آف ڈائریکٹرز کی منظوری کے ساتھ کیا جائے گا۔

- انسانی وسائل و ادائیگیوں کی کمیٹی،ڈائریکٹرز کی بورڈ یا بورڈ کی کمیٹیوں کے اجلاس میں شرکت کے مشاہرے کا تعین اور اس سے متعلق سفارشات پیش کرے گی جو کے وقتاً فوقتاًبورڈ کی منظوری سے مشروط ہو گا۔خود مختار ڈائریکٹرزکا مشاہرہ،ان کی بورڈ یا بورڈ کی کمیٹیوں کے اجلاس میں حقیقی حاضری سے منسلک ہو گا۔

- ڈائریکٹرز کو کمپنی کے بورڈ آف ڈائریکٹرز، بورڈ کی کمیٹیوں کے اجلاسوں یا کمپنی کے سالانہ اجلاس عام میں شرکت کیلئے کئے جانے والے سفری، قیام اور دیگر اخراجات کی ادائیگی کی جائے گی۔

- کوئی بھی ڈائریکٹر اگر کوئی ایسی خدمات سر انجام دے جو کہ بورڈ کی رائے میں قانوناً ڈائریکٹرز کی ذمہ داری نہیں ہے تو اس صورت میں ایسے ڈائریکٹر کو اضافی مشاہرہ بھی ادا کیا جا سکتا ہے۔

#### ڈائریکٹرز کے مشاہرے سے متعلق تفصیلات

کمپنی کا ایک ہی انتظامی ڈائریکٹر ہے جو کہ کمپنی کا چیف ایگزیکیو بھی ہے۔ذیل میں دوران سال چیف ایگزیکیو ٹیو کو ادا کئے گئے مشاہرے سے متعلق تفصیلات درج کی جا رہی ہیں:

2024	2025	
----- روپے ہزاروں میں -----		
30,000	30,000	مشاہرہ
2,473	2,500	بونس
2,500	2,500	دیگر فوائد
34,973	35,000	

رواں مالی سال کے دوران سوت کی فروخت میں گزشتہ مالی سال کی اسی مدت کے مقابلے میں 11.84 فیصد کمی ہوئی جس کے عوامل مذکورہ بالا بیان کیے جا چکے ہیں، تاہم اس کی کو بُنی ہوئی چادروں کے شعبے کی اضافی فروخت نے پورا کیا، جس کے نتیجے میں مجموعی طور پر مارجن میں اضافہ ہوا۔

لاگت تبادلہ میں اضافے، خاص طور پر توانائی کی لاگت میں اضافے کے باوجود، کمپنی نے موثر خریداری، مصنوعات کے بہتر امتزاج، آپریشنل افادیت اور قابل تجدید توانائی کے بڑھتے ہوئے استعمال کے ذریعے مجموعی مارجن کو بہتر کیا۔

لاگت برائے ترسیل مال میں کمی آئی جس کی وجہ مقامی مارکیٹ میں سوت کی فروخت میں آنے والی کمی ہے۔ جبکہ انتظامی اخراجات میں اضافے کی وجہ افراط زر کے اثرات ہیں۔

تعمولی لاگت جو کہ گزشتہ مالی سال کی اسی مدت 3,974.22 ملین روپے تھی، رواں مالی سال میں 36.50 فیصد سے کم ہو کر 2,523.73 روپے ہو گئی۔ اس کی میں متعدد عوامل کارفرما رہے جیسا کہ شرح سود میں کمی (گزشتہ سال کی اسی مدت میں 20.5 فیصد - 22 فیصد کے مقابلے میں 20.5 فیصد - 11 فیصد)، کمپنی کی جانب سے کاروباری سرمائے کا بہتر انتظام اور ساتھ ساتھ مقامی اور غیر ملکی کرنسی میں قرضوں کے متوازن امتزاج جیسے معقول اقدامات شامل ہیں۔ اسکے باوجود، مالیاتی لاگت بلند سطح پر رہی جس کی وجہ سوت کٹائی کے شعبے میں عمومی طور پر کاروباری سرمائے (ورکنگ کیپٹل) کی ضروریات کا زیادہ ہونا اور کمپنی کی طرف سے پچھلے اور موجودہ سالوں میں کی گئی اہم سرمایہ کاری کے لیے کم لاگت والے متبادل قرضوں کی عدم دستیابی ہے۔

شریک کمپنیوں سے حاصل شدہ آمدن میں 14.83 فیصد کی کمی آئی جو اس مالی سال میں گر کر 1,217.27 روپے رہی۔

مذکورہ بالا عوامل کے نتیجے میں، کمپنی کا بعد از ٹیکس منافع 201.4 فیصد سے بڑھ کر 2,391.90 روپے ہو گیا۔

### مختلف شعبوں میں کاروباری کارکردگی کا جائزہ

آپ کی کمپنی میں کاروباری افعال کو بنیادی طور پر دو شعبوں میں منقسم کیا گیا ہے:

سوت کٹائی کا شعبہ: سوت سازی اور فروخت

بنائی کا شعبہ: کپڑے کی بنائی اور ٹی ہوئی چادروں کی فروخت

غیر مختص شعبہ جات بشمول دودھ کی پیداوار و فروخت اور کپڑے کی رنگائی اور پروسیسنگ

#### کمپنی کے مختلف شعبوں کی کارکردگی کا ذیل میں جائزہ پیش کیا جا رہا ہے:

سوت کٹائی	بنائی	سوت کٹائی	بنائی	
2025		2024		
روپے ہزاروں میں				
55,033,875	12,309,496	62,424,721	8,312,242	آمدن
2,142,837	946,485	552,550	352,418	منافع قبل از ٹیکس

زیر نظر مالی سال کے دوران، سوت کے شعبے کی فروخت میں اگرچہ کمی دیکھی گئی۔ تاہم، بنی ہوئی چادروں کی مصنوعات نے بہتر کارکردگی کا مظاہرہ کیا جو کہ مجموعی فروختگی کو بڑھانے میں معاون ثابت ہوا۔

### اہم ترین طویل المدت سرمایہ کاری کی نوعیت

رواں مالی سال کے دوران، کمپنی نے اپنی شریک کمپنیوں، ٹرائی کوم سولر پاور (پرائیویٹ) لمیٹڈ اور یونس ونڈ پاور لمیٹڈ میں مزید کوئی سرمایہ کاری نہیں کی۔

اس سے قبل، کمپنی اپنے حصص داران سے مورخہ 13 اپریل، 2018 کو ٹرائی کوم سولر پاور (پرائیویٹ) لمیٹڈ اور یونس ونڈ پاور لمیٹڈ میں سرمایہ کاری کی منظوری حاصل کر چکی تھی۔ سابقہ منظوری کے ابتدائی 12 ماہ کے بعد ان منظوریوں کی معیاد کے اختتام پر، کمپنی نے بتاریخ 20 مارچ، 2019 کو منعقدہ غیر معمولی اجلاس عام میں حصص داران سے سرمایہ کاری کی مدت میں توسیع کی منظوری حاصل کی جو کہ 4 سال کا عرصہ یا پروجیکٹ کے کمرشل آپریشن کے حصول تک ہے (جو بھی بعد میں وقوع پذیر ہو)۔

### بورڈ آف ڈائریکٹرز کی ترتیب

لسٹڈ کمپنیوں کے قواعد (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2019 کے تحت کمپنی کی جانب سے بورڈ میں خود مختار اور غیر انتظامی ڈائریکٹرز کی نمائندگی کو یقینی بنایا گیا ہے۔ اس کے علاوہ بورڈ میں صنفی متنوع نمائندگی کو بھی یقینی بنایا گیا ہے۔

جس کی تفصیل درج ذیل پر مشتمل ہے۔

بتاریخ 30 جون 2025 کمپنی کے بورڈ آف ڈائریکٹرز میں ممبران کی کل تعداد آٹھ ہے بشمول چیف ایگزیکیوٹو جو کہ بحیثیت Deemed ڈائریکٹر اپنے فرائض سر انجام دے رہے ہیں۔

ڈائریکٹرز کی کل تعداد	
الف)        مرد	07
ب)        خواتین	01

### بورڈ آف ڈائریکٹرز کی ترتیب

تفصیلات	تعداد	نام
ا) خود مختار ڈائریکٹرز	02	جناب سید محمد شہر زیدی جناب معین ایم فدا
ب) انتظامی ڈائریکٹر	01	جناب محمد سہیل عنبہ
ج) دیگر غیر انتظامی ڈائریکٹرز	04	جناب محمد علی عنبہ جناب جاوید یونس عنبہ جناب محمد حسن عنبہ جناب ابراہیم سہیل عنبہ
د) خواتین غیر انتظامی ڈائریکٹرز	01	محترمہ ذہینہ عنبہ مسکاتیہ



# ڈائریکٹر ز رپورٹ برائے ممبران

## عزیز ممبران

آپ کی کمپنی کے ڈائریکٹرز انتہائی مسرت کے ساتھ 30 جون 2025 کو ختم ہونے والے مالی سال سے متعلق مالیاتی نتائج آپ کی خدمت میں پیش کر رہے ہیں۔

## جائزہ

آپ کی کمپنی بنیادی طور پر سوتی دھاگے اور بننے ہوئے کپڑے کی مصنوعات کی تیاری و فروخت، رنگائی کے ساتھ دودھ کی پیداوار اور فروخت کے کاروبار سے منسلک ہے۔ اپنے صارفین کو سہولیات فراہم کرنے اور لاگت کے اثرات کو کم از کم سطح پر رکھنے کی غرض سے کمپنی کی جانب سے ایک حکمت عملی کے تحت اپنی صنعت سازی کے عمل کو شمالی اور جنوبی جغرافیائی محل و قوع میں منقسم کر رکھا ہے۔

زیر جائزہ سال کے دوران ٹیکسٹائل کی صنعت بالخصوص سوت کٹائی کے شعبے کو متعدد چیلنجز درپیش رہے۔ آپ کی کمپنی کی کل فروختگی قدرے دباؤ میں رہی اور گزشتہ مالی سال کی اسی مدت کے 72.72 ارب روپے کے مقابلے میں گھٹ کر 70.97 ارب روپے رہ گئی۔ اس کمی میں سب سے اہم عنصر ڈیوٹی فری درآمدی سوت کی دستیابی تھی، جس کی وجہ سے مقامی طلب میں کمی واقع ہوئی۔ مزید برآں، توانائی کی قیمتوں میں تیزی سے اضافے نے اسپننگ آپریشنز کی مسابقت کو بری طرح متاثر کیا۔ اس کے باوجود، کمپنی کامیابی سے ان چیلنجوں سے نبرد آزما ہوئی اور ساتھ ہی ساتھ سود کی گرتی ہوئی شرحوں کے باعث، گزشتہ مالی سال کی اسی مدت میں 794.54 ملین روپے کے مقابلے میں 2,391 ملین روپے کا متاثر کن خالص منافع درج کرنے میں کامیاب رہی۔

## معاشی منظر نامہ

عالمی معیشت نے درپیش مستقل چیلنجوں کے باوجود معتدل ترقی ریکارڈ کی۔ جب کہ افراط زر میں بتدریج کمی آئی اور مرکزی بینکوں نے شرح سود میں محتاط ردوبدل کیا۔ تاہم عالمی سطح پر تجارت سست روی کا شکار رہی جس کی بنیادی وجہ امریکی تجارتی پالیسیوں کے مسلسل ارتقا کی وجہ سے رسد و ترسیل کے نظام (سپلائی چین) کی تشکیل نو ہونا اور اس کے ساتھ طلب میں کمی واقع ہونا شامل ہے۔ علاقائی تنازعات اور عالمی طلب میں اتار چڑھاؤ کی وجہ سے تیل کی قیمتیں غیر مستحکم رہیں۔ جغرافیائی سیاسی تناؤ کی وجہ سے رسد و ترسیل کے نظام بھی مسلسل دباؤ کا شکار رہا ہے جس کے باعث نہ صرف اجناس کے بہاؤ میں خلل آیا بلکہ عالمی منڈیوں میں غیر یقینی صورتحال کی کیفیت رہی۔

وطن عزیز پاکستان کے لیے، مالی سال 2024-25 بہت نمایاں مگر نازک معاشی استحکام کا دور رہا۔ ملک نے اہم معاشی نتائج حاصل کیے جن میں افراط زر میں تیزی سے کمی،

زرمبادلہ کے مضبوط ذخائر، مستحکم شرح مبادلہ اور رواں کھاتوں کے توازن میں خاطر خواہ مثبت تبدیلی، جن میں 2.1 ارب امریکی ڈالر کا اضافہ درج کیا گیا۔ کثیر جہتی اور دو طرفہ شراکت داروں کی جانب سے اہم ترین مالی امداد کے علاوہ، مالیاتی نظم و ضبط اور اصلاحات کے لیے حکومت کے عزم نے ان نتائج کو آگے بڑھانے میں اہم کردار ادا کیا۔

رواں مالی سال کے دوران درآمدی بل 6.58 فیصد اضافے کے ساتھ 58.386 ارب امریکی ڈالر تک پہنچ گئے جو گزشتہ مالی سال کی اسی مدت میں 54.779 ارب امریکی ڈالر تھے۔ دوسری جانب، ملک کی برآمدات 4.45 فیصد کے معتدل اضافے سے 32.040 ارب امریکی ڈالر رہیں جو گزشتہ مالی سال کی اسی مدت میں 30.675 ارب امریکی ڈالر تھیں۔ تاہم، سمندر پار پاکستانیوں کی جانب سے ترسیلات زر میں 26.6 فیصد کا پیش قیمت اضافہ ہوا، جو پچھلے مالی سال کی اسی مدت میں 30.30 ارب امریکی ڈالر کے مقابلے میں بڑھ کر 38.30 ارب امریکی ڈالر تک جا پہنچی، جس نے رواں کھاتوں کے 2.1 ارب امریکی ڈالر کے سرپلس میں خاطر خواہ حصہ ڈالا۔

افراط زر کی شرح میں توقع سے زیادہ کمی کے پیش نظر، بینک دولت پاکستان نے پالیسی ریٹ کو مجموعی طور پر 850 بیس پوائنٹس سے کم کرتے ہوئے 19.5 فیصد سے 11 فیصد کر دیا، جس سے صنعتوں پر مالی دباؤ میں واضح کمی آئی اور کاروباری اعتماد بحال ہوا۔ حالیہ مانیٹری پالیسی کمیٹی کے اجلاس میں، بینک دولت پاکستان نے توانائی کی بلند قیمتوں کی وجہ سے افراط زر میں اضافے کے خدشات کو مد نظر رکھتے ہوئے پالیسی ریٹ کو 11 فیصد پر برقرار رکھنے کا فیصلہ کیا۔

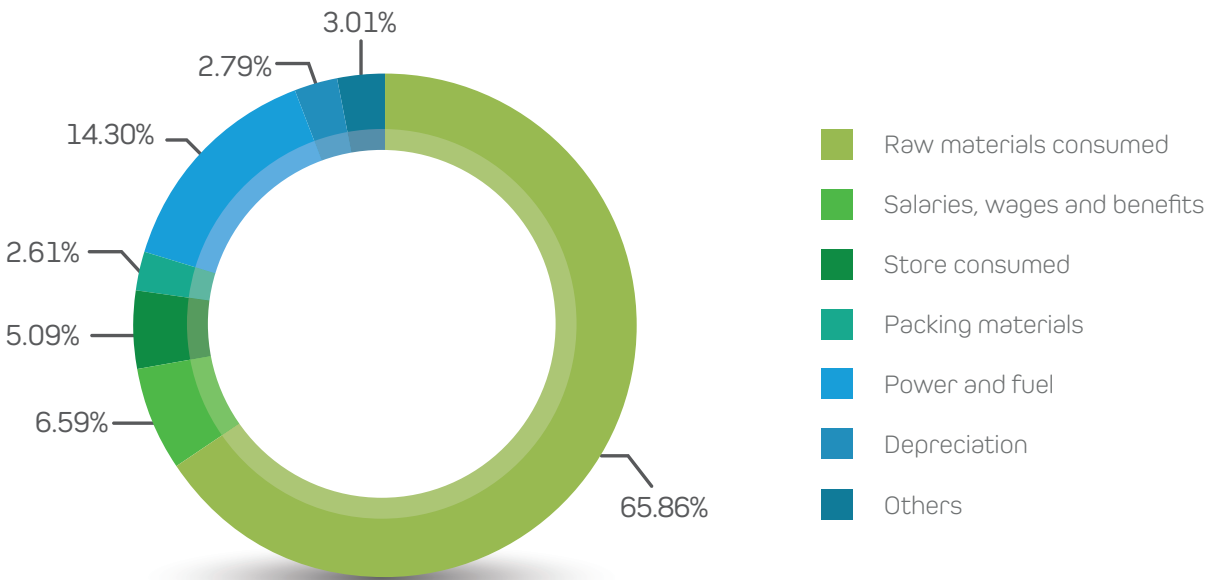
مالی سال 24-25 میں، موسمیاتی تبدیلی کے تباہ کن اثرات کی وجہ سے کپاس کی فصل کو شدید کمی کا سامنا کرنا پڑا۔ منفی رجحان کا یہ سلسلہ مالی سال 25-26 میں بھی جاری رہا اور پاکستان کاٹن جزر المیوسی ایشن کی 3 اگست 2025 کی رپورٹ کے مطابق جنگل فیکٹریوں میں کپاس کی 593,821 گانٹھیں موصول ہوئی جو کہ گزشتہ مالی سال کی اسی مدت میں 844,257 گانٹھوں کے مقابلے میں 29.66 فیصد نمایاں کم ہے۔ کپاس کی پیداوار میں اس قدر کمی ملک کی ٹیکسٹائل صنعت کے لئے شدید تشویش کا باعث ہے، جو کہ پاکستان کی معیشت کا اہم ستون اور کل برآمدی آمدنی کا تقریباً 55 فیصد ہے۔ مزید برآں، اس کمی کی وجہ سے درآمدی کپاس پر انحصار بھی بڑھے گا، جس سے زرمبادلہ کے ذخائر پر اضافی دباؤ بھی بڑھے گا۔

## مالیاتی کارکردگی

زیر نظر مالی سال اختتامیہ 30 جون 2025 سے متعلق کمپنی کے اہم مالیاتی نتائج کا موازنہ ذیل میں پیش خدمت ہے:

خلاصہ برائے نفع و نقصان	June 30, 2025	June 30, 2024	ثابت/ (منفی) فیصد
فروختگی (صاف)	70,979,986	72,723,982	(2.40)
خام منافع	6,326,054	5,017,444	26.08
لاگت برائے ترسیل مال	887,641	894,348	0.75
لاگت برائے انتظامی امور	585,309	538,602	(8.67)
دیگر اخراجات برائے کاروباری افعال	432,295	100,646	(329.52)
تجویلی لاگت	2,523,731	3,974,220	36.50
دیگر آمدن	1,702,133	1,879,276	(9.43)
منافع قبل از ٹیکس	3,599,211	1,388,904	159.14
منافع بعد از ٹیکس	2,391,904	794,548	201.04
آمدن فی حصص (روپے)	85.33	28.35	

لاگت برائے پیداوار کا تجزیہ ذیل میں پیش کیا جا رہا ہے



پیداواری لاگت کا اہم حصہ خام مال پر مشتمل ہے، جو کہ 65.86 فیصد (2024:74.67 فیصد) ہے۔ دریں اثنا، بجلی کی قیمتیں بڑھ کر 14.30 فیصد (2024:11.44 فیصد) ہو گئی ہیں، کمپنی اس چیلنج سے نہ صرف بخوبی آگاہ ہے بلکہ فعال طور پر اس سے نمٹنے کے لئے کوشاں ہے۔



















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