



RUBY TEXTILE MILLS LIMITED



2025

Annual Report



VISION/MISSION STATEMENT

To transform the company into a modern and dynamic Textile products manufacturing company and to provide quality products to customers and explore new markets to promote/expand sales of the Company through Good Governance and foster a sound and dynamic team, so as to achieve optimum profitability for the Company for sustainable and equitable growth and prosperity of the Company, its employees and shareholders.

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BOARD OF DIRECTORS	MR. NOOR ELAHI - CHIEF EXECUTIVE MRS. PARVEEN ELAHI - CHAIR PERSON
CHIEF FINANCIAL OFFICER	Directors: MRS. NAHEED JAVED MR. IMTIAZ AHAMD MR. HAMID MANZOOR MR. AMJAD SHAHID MR. MANSOOB AHMED KHAN MR. ADREES AZAM
COMPANY SECRETARY	MR. ADREES AZAM
AUDIT COMMITTEE	MR. MANSOOB AHMED KHAN - CHAIRMAN MRS. NAHEED JAVED - MEMBER MR. IMTIAZ AHAMD - MEMBER
HUMAN RESOURCE & REMUNERATION COMMITTEE	MR. MANSOOB AHMED KHAN - CHAIRMAN MR. IMTIAZ AHMAD - MEMBER MR. AMJAD SHAHID - MEMBER
BANKERS	M/S. MEEZAN BANK LIMITED M/S. BANK AL-HABIB LIMITED M/S. HABIB METROPOLITAN BANK LTD M/S. NATIONAL BANK OF PAKISTAN M/S. SILK BANK LTD M/S. FAYSAL BANK LIMITED M/S. MUSLIM COMMERCIAL BANK LTD M/S. HABIB BANK LTD M/S. BANK ALFALAH LTD
AUDITORS	M/S. Sarwars Chartered Accountants, Office # 12-14, 2nd Floor, Lahore Centre, 77-D, Main Boulevard, Gulberg-III, Lahore email: sarwarsca@sarwarsca.com Tel: 35782920-22, Fax: 35773825
INTERNAL AUDITOR	MR. TAHIR ALI
LEGAL ADVISOR	M/S. MOHSIN & WAHEED LAW ASSOCIATES Office # S-3, 2nd Floor, West End Plaza, 72-The Mall Road, Lahore.
HEAD OFFICE	35-Industrial Area, Gulberg -III, Lahore - 54660, Pakistan Phone: (+92-42) 3571-4601, 3576-1243-4 Fax: (+92-42) 3571-1400, 3576-1222 Email: info@rubytexile.com.pk
REGISTERED OFFICE	35-Industrial Area, Gulberg -III, Lahore - 54660, Pakistan Phone: (+92-42) 3571-4601, 3576-1243-4 Fax: (+92-42) 3571-1400, 3576-1222 Email: info@rubytexile.com.pk
MILLS	Raiwind-Manga Road, Raiwind, District Kasur. -55050. Pakistan. Phone: (+92-42) 3539-1031, 3539-2651-2 Fax: (+92-42) 3539-1032 Email: wasim@rubytexile.com.pk
SHARE REGISTRAR	M/S. CORPLINK (PRIVATE) LIMITED 1-K, (Commercial) Wings Arcade, Model Town, Lahore. 54700 Phone: (+92-42) 35916714, 35839182 Fax: (+92-42) 3586-9037 Email: corplink786@gmail.com/shares@corplink.com.pk



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 45th Annual General Meeting (AGM) of the shareholders of Ruby Textile Mills Limited (the "Company") will be held at 03:00 P.M on Friday, the October 24, 2025, at office 35-Industrial Area, Gulberg III, Lahore to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting held on October 25, 2024.
2. To consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2025, together with the Directors' and Auditors' reports thereon.
3. To appoint auditors for the year ending June 30, 2026, and to fix their remuneration.

OTHER BUSINESS:

4. To transact any other business with the permission of the Chair.

LAHORE

Dated: October 03, 2025

BY ORDER OF THE BOARD
(Adrees Azam)
Company Secretary



NOTES:

CLOSURE OF SHARE TRANSFER BOOKS:

The share transfer books of the Company shall remain closed from October 17, 2025 to October 24, 2025 (both days inclusive). Transfers received in order at Company's registrar, M/S Corplink (Private) Limited, Wings Arcade, 1-K Commercial, Model Town, Lahore up to close of business on October 18, 2025, will be considered in time for the purpose of determining above entitlement to the transferees for payment of final dividend and to attend the AGM.

PARTICIPATION IN MEETING:

A member eligible to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies to be effective duly signed, filled and witnessed must be deposited at the Registered Office of the Company, along with the attested copies of valid CNIC or Passport, not less than 48 hours before the time of the meeting during working hours. Attendance in the meeting shall be on production of original CNIC or passport. CDC account holders will further have to follow the guidelines as laid down in Circular No. 1 on dated: January 26, 2000, issued by the SECP.

MANDATORY SUBMISSION OF CNIC/NTN NUMBER & IBAN ON ELECTRONIC DIVIDEND:

All Shareholders are once again reminded to submit a copy of their valid CNIC, NTN and IBAN if not provided earlier to the Company's Share Registrar. Shareholders who holds shares in scrip less form on Central Depository Company of Pakistan Ltd. (CDC) are requested to update their IBAN details directly to the CDC participant (brokers)/CDC Investor Account Services

PLACEMENT OF FINANCIAL STATEMENTS ON WEBSITE:

The audited financial statements of the Company for the year ended June 30, 2025, have been placed on the website of the Company.

VIDEO CONFERENCE FACILITY:

Pursuant to Section 134(1)(b) of the Act, if Company receives consent from shareholders holding aggregate 10% or more shareholding residing at a geographical location to participate in the meeting through video conference at least seven days prior to the date of the meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility, please provide the following information and submit to the registered office of the Company.

Pursuant to Circular No 4 dated February 15, 2021, Circular No. 6 dated March 3, 2021 and clarification issued dated December 15, 2021, Shareholders can also avail video conference facility. Those who intent to attend through video link can join the meeting through given link:

<https://us05web.zoom.us/j/84023068166?pwd=H9FncrXaic0Rxn6H52ZyXyw0GX9TAZ.1>

TRANSFER OF SHARES INTO THE BOOK – ENTRY – FORM (CDC):

Pursuant to the provisions of Section 72 of the Companies Act, 2017 (The Act), all shareholders having their physical shares are requested to convert into book – entry – form (CDC).

CHANGE OF ADDRESS:

Shareholders are requested to notify the change of their address, if any, to Share Registrar M/S Corplink (Pvt.) Ltd., Wings Arcade 1-K Commercial, Model Town, Lahore. Tel# 042-35839182, 35916714-19.



CHAIRPERSON'S REVIEW REPORT

I am pleased to present the annual report and audited financial statements of the Company for the year ended 30 June, 2025 to our valued shareholders.

Over the year's higher input costs due to increased rates affected operational viability and gross margins of the industry. Due to unfavorable business environment the base of conventional industry has weakened in general as was evident from consistent plunge of Pakistan's share of textile in global market.

Pursuant to requirement of the Listed Companies (Code of Corporate Governance) Regulations, 2019, mechanism has been put in place for annual evaluation of the performance of the Board of Directors (the "Board") of Ruby Textile Mills Limited (the "Company"). The main objective of this exercise is to internally evaluate the performance of the Board and its Committees in order to facilitate the Management and to play an effective role as a coordinated team for the success of the Company. Strategic goals for the Management have been earmarked for the coming year and the Board's effectiveness is measured in the context of achievement of such objectives. Accordingly, the Board has completed its annual self-evaluation for the year 2025 and I am pleased to report that the overall performance benchmarked on the basis of criteria set for the year 2025, remained satisfactory. Such assessment was based on standards set by the Board in line with best corporate governance practices.

COMPOSITION OF THE BOARD:

The composition of the Board depicts reasonable balance of executive and non-executive Directors including independent Directors and as a Group, possesses the requisite skills, core competencies and industry knowledge to lead the Company. All Board members have exercised their individual business judgment and are involved in important Board decisions.

VISION & MISSION STATEMENTS:

The Board members are aware of the high level of ethical and professional standards laid down in our Vision & Mission Statements which are adopted by the Company and fully support the same in attaining the objectives dilated therein.

STRATEGIC DECISION MAKING:

Overall corporate strategy and objectives have been set in line with the strategic vision of the Board from which the annual business plan is derived, as well as, projected plans for the next five years have been set by the Management, covering all functional and operational areas by utilization of available resources, modernization and expansion of production facilities to ensure continued growth in the bottom line which should hopefully result in improved results.

DILIGENCE:

The Board reviews the quality and appropriateness of financial statements of the Company, reporting and transparency of disclosures, Company's accounting policies, corporate objective plans, budgets and other reports. The meetings of the Board are held at required frequencies and agenda along with working papers are circulated in sufficient time prior to Board and Committee meetings.

ADEQUATE GOVERNANCE:

The Board has framed the Code of Conduct which defines requisite behavior and has been disseminated throughout the Company, along with supporting policies and procedures. Adequate controls and robust.

PRESENTATIONS:

During the course of discussion and approvals of financial statements, comprehensive presentations are placed before the Board based on incisive, critical and strategic analysis of all functional areas relating to core business of the Company. Benchmarking compared with the industry's peer group are carried out. This practice provides ample opportunity for objective analysis of the Company's goals and evaluation of its own financial performance with the peer group. The Board provides appropriate directions and oversight emanated on the basis of thorough and detailed discussions.

For and on behalf of the Board of Directors


MRS. PARVEEN ELLAHI
(CHAIRPERSON)



چیئر پرسن کی جائزہ رپورٹ

مجھے 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ رپورٹ اور نظر ثانی شدہ مالیاتی گوشوارے اپنے قابل قدر شیئر ہولڈرز کے زبردستی کرتے ہوئے خوشی محسوس ہو رہی ہے۔

زیادہ شرحوں کی وجہ سے سال بھر میں زیادہ پیداواری اخراجات نے صنعت کی آپریشنل وابستگی اور مجموعی مارجن کو متاثر کیا۔ غیر موزوں کاروباری ماحول کی وجہ سے روایتی صنعت کی بنیاد عمومی طور پر کمزور پڑ گئی ہے جیسا کہ عالمی منڈی میں ٹیکسٹائل کے پاکستانی حصہ میں مسلسل کمی سے ظاہر ہے۔

لے کیونیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تقاضوں کے مطابق، روٹی ٹیکسٹائل ملز لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز ("بورڈ") کی کارکردگی کی سالانہ جانچ کے لیے ایک طریقہ کار وضع کیا گیا ہے۔ اس مشق کا بنیادی مقصد بورڈ اور اس کی کمیٹیوں کی کارکردگی کا داخلی جائزہ لینا ہے تاکہ انتظامیہ کو سہولت فراہم کی جاسکے اور کمپنی کی کامیابی کے لیے ایک مربوط ٹیم کے طور پر موثر کردار ادا کیا جاسکے۔ آئندہ سال میں انتظامیہ کے لیے اسٹرٹیجک اہداف مختص کیے گئے ہیں اور بورڈ کی تاخیر کی ایسے مقاصد کے حصول کے تناظر میں پیمائش کی جاتی ہے۔ اسی مناسبت سے، بورڈ نے سال 2025 کے لیے اپنی سالانہ خود تشخیص مکمل کی ہے اور مجھے یہ بتاتے ہوئے خوشی ہو رہی ہے کہ سال 2025 کے لیے مقررہ معیار کی بنیاد پر مجموعی کارکردگی کا معیار تسلی بخش رہا۔ اس طرح کی تشخیص کارپوریٹ گورننس کے بہترین طریقوں کے مطابق بورڈ کی طرف سے مقرر کردہ معیارات پر مبنی تھی۔

بورڈ کی تشکیل:

بورڈ کی تشکیل آزاد ڈائریکٹرز سمیت ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے معقول توازن کو ظاہر کرتی ہے اور ایک گروپ کی حیثیت سے کمپنی کی قیادت کرنے کے لیے مطلوبہ مہارتیں، بنیادی اہلیتیں اور صنعت کا علم رکھتے ہیں۔ بورڈ کے تمام ممبران نے اپنے انفرادی کاروباری تجربے کا استعمال کیا اور بورڈ کے اہم فیصلوں میں شامل ہوئے ہیں۔

وژن اور مشن کے بیانات:

بورڈ کے اراکین ہمارے وژن اور مشن کے بیانات میں درج اعلیٰ درجے کے اخلاقی اور پیشہ ورانہ معیارات سے واقف ہیں جنہیں کمپنی نے اختیار کیا ہے اور اس میں بیان کردہ مقاصد کو حاصل کرنے میں ان کی مکمل حمایت کرتے ہیں۔

اسٹرٹیجک فیصلہ سازی:

مجموعی طور پر کارپوریٹ حکمت عملی اور مقاصد بورڈ کے اسٹرٹیجک وژن کے مطابق ترتیب دیے گئے ہیں جس سے سالانہ کاروباری منصوبہ اخذ کیا جاتا ہے، ساتھ ہی، انتظامیہ کی طرف سے اگلے پانچ سالوں کے لیے متوقع منصوبے مرتب کیے گئے ہیں، جس میں دستیاب وسائل کے استعمال، جدید کاری اور پیداواری سہولیات کی توسیع کے ذریعے تمام فنکشنل اور آپریشنل شعبوں کا احاطہ کیا گیا ہے تاکہ نچلے درجے میں مسلسل نمونہ یقینی بنایا جاسکے جس کے باعث نتائج میں بہتری کی امید ہو۔

مستعدی:

بورڈ کمپنی کے مالی گوشواروں کے معیار اور مناسبت، انکشافات کی رپورٹنگ اور شفافیت، کمپنی کی اکاؤنٹنگ پالیسیوں، کارپوریٹ منصوبوں، بجٹ اور دیگر رپورٹس کا جائزہ لیتا ہے۔ بورڈ کے اجلاس مطلوبہ تعداد پر منعقد کئے جاتے ہیں اور بورڈ اور کمیٹی کے اجلاسوں سے کافی وقت پہلے ورکنگ پیپرز کے ساتھ ایجنڈا جاری کیا جاتا ہے۔

موزوں گورننس:

بورڈ نے ایک ضابطہ اخلاق وضع کیا ہے جو مطلوبہ رویہ کی وضاحت کرتا ہے اور اسے معاون پالیسیوں اور طریقہ کار، مناسب کنٹرول اور مضبوطی کے ساتھ پوری کمپنی میں پھیلا دیا گیا ہے۔

پیشکشیں:

مالی گوشواروں کی ڈسکشن اور منظوری کے دوران، کمپنی کے بنیادی کاروبار سے متعلق تمام فنکشنل شعبوں کے سخت، تنقیدی اور اسٹرٹیجک تجزیہ کی بنیاد پر بورڈ کے سامنے جامع پیشکشیں رکھی جاتی ہیں۔ صنعت کے ہم مرتبہ گروپ کے ساتھ مقابلے میں بیچ مارکنگ کی جاتی ہے۔ یہ پریکٹس کمپنی کے اہداف کے معروضی تجزیہ اور ہم مرتبہ گروپ کے ساتھ اس کی اپنی کارکردگی کا جائزہ لینے کا کافی موقع فراہم کرتی ہے۔ بورڈ مکمل اور تفصیلی بات چیت کی بنیاد پر مناسب ہدایات اور نگرانی فراہم کرتا ہے۔

Parveen Elati

منجانب بورڈ آف ڈائریکٹرز

محترمہ پروین الہی

(چیئر پرسن)

لاہور 03 اکتوبر 2025ء



DIRECTOR'S REPORT

In Compliance with Section 227 of the Companies Act, 2017, The Directors are pleased to present the performance review together with Annual Report along with Audited Financial Statements and Auditors' Report thereon for the year ended June 30, 2025. Figures for the previous year ended June 30, 2024 are included for comparison.

Principal Activities of the Company

The Company is engaged in the business of manufacturing and sale of yarn.

Performance of the Company

	2025 Rupees	2024 Rupees
Turnover - net	-	-
Cost of sales	-	-
Gross loss	-	-
Administrative and general expenses	(57,247,060)	(64,109,176)
Other income/ (Expenses)	25,350,555	13,028,906
Loss before finance cost	(31,896,505)	(51,080,270)
Finance cost	(1,533,625)	(3,066,048)
Loss before taxation	(33,430,130)	(54,146,318)
Taxation	8,468,324	8,901,373
Loss after taxation for the year	(24,961,806)	(45,244,944)
Earnings per share - basic and diluted	(0.48)	(0.87)

The Company's operations remained closed during the year like previous year. Financial constraints and closure of business units result in unsatisfactory financial performance of the Company and loss after tax reach to Rs. 24.962 million (2024: Rs. 45.245 million).

The overall results of the company remain adverse as the mainly due to non-operational activities during the year which was the main hurdle for raising finance from the banks. As the settlement/ restructuring with the bank will have positive effect as the regularization will pave the way for the raising working capital limit from the banks in foreseeable future because without the finance, it is not possible to have economical viable productivity plan implementation. The management is confident that it will make all efforts to start its production in next financial year by seeking financial supports from the bank with continuous support from the sponsors.

Global Market Conditions and Future Prospects

Due to devaluation of Pakistan Rupee, increase in imported raw materials and machinery cost witnessed decline in overall exports of country. Due to stiff competition and high cost of production, the exports remain undervalued both in term of quantity and value. The post Covid-19 environment, Pakistan's textile industry got an opportunity to have better export orders but at the same time, the higher input cost especially high power cost is adversely affecting to explore the opportunity available as compared with other regional players.

To counter this challenging economic situation, Pakistani textile sector shall have to be cost effective niche marketing, product and customer development as the essential tools to remain competitive domestically and internationally. The efforts on marketing side especially focused on international brands and technical textiles, will ensure increased revenue and better margin. On the cost side, better supply-chain management for raw materials and innovation in production processes shall remain pivotal parts of the strategy. The management is confident that the company shall be able to improve its operational performance and going forward.

The management of the company is working on alternate approach either the Unit-II shall be made operative on lease basis and unit-I shall be operated by the company itself and in this way the company shall be able to revive the operational facility at optimum level and also looking forward to arrange funds from their own sources to meet the working capital requirement. The management is confident and hopeful that the efforts for arrangement discussed will be finalized in next foreseeable future and then, the operation of the mill shall be run on optimum production capacity level.

The management of the company is determined to turn the unit as viable, operative and profitable unit by improving cost effective measures and cost saving efforts in future.

Composition of the Board

The Board of Directors as at June 30, 2025, consists of:

Total number of directors:

- a) Male 05
- b) Female 02

**Composition including the following:**

a)	Independent Directors	02
b)	Non-Executive Directors	03
c)	Executive Director	02

The name of the Director's as at June 30, 2025 are as follows:

(1)	Mr. Noor Elahi	Chief Executive
(2)	Mrs. Perveen Elahi	Chairperson
(3)	Mrs. Naheed Javed	Director
(4)	Mr. Imtiaz Ahmad	Director
(5)	Mr. Hamid Manzoor	Director
(6)	Mr. Amjad Shahid	Director
(7)	Mr. Mansoob Ahmed Khan	Director

The Board has formed two sub committees namely Audit Committee and Human Resource & Remuneration Committee. The composition of both these committees is disclosed as follows:

Audit Committee

Mr. Mansoob Ahmed Khan	Chairman (Independent)
Mrs. Naheed Javed	Member
Mr. Hamid Manzoor	Member

Human Recourse and Remuneration Committee

Mr. Mansoob Ahmed Khan	Chairman (Independent)
Mr. Imtiaz Ahmad	Member
Mr. Hamid Manzoor	Member

Corporate and Financial Reporting Framework

The Company's Management is fully cognizant of its responsibility as recognized by the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulations, 2019 issued by the Securities and Exchange Commission of Pakistan (SECP) and the Rule Book of Pakistan Stock Exchange (PSX). The following comments are acknowledgement of company's commitment to high standards of Corporate Governance and Continuous Improvement:

1. The financial statements prepared by the management of the company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
2. Proper books of accounts of the company have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Accounting/Financial Reporting Standards, as applicable in Pakistan have been followed in preparation of financial statements and any departure from there have been adequately disclosed.
5. The system of internal control is sound and has been effectively implemented and monitored.
6. There is no significant doubt upon the company's ability to continue as a going concern.
7. There has been no material departure from the best practices of Code of Corporate Governance, as detailed in Listing Regulations.
8. Outstanding taxes and levies are given in the Notes to the Financial Statements.
9. Statement of compliance with Code of Corporate Governance and Financial Highlights for the last six years is annexed.



During the year, four Board of Directors Meetings, four Audit Committee Meetings and one Human Resource and Remuneration Committee Meetings were held. The attendance of the Directors is as follows:

Name of Director	Number of meeting attended		
	Board of Directors	Audit Committee	Human Resource and Remuneration Committee
Mr. Noor Elahi	4		
Mrs. Parveen Elahi	4		
Mrs. Naheed Javed	4	4	
Mr. Mansoob Ahmed Khan	4	4	1
Mr. Imtiaz Ahmad	4	4	1
Mr. Hamid Manzoor	4		1
Mr. Amjad Shahid	4		

Appointment of Statutory Auditors

The present auditors M/S Sarwars, Chartered Accountants, have completed their tenure for the year (FY 2024-25) and will be retiring at the conclusion of forthcoming Annual General Meeting (AGM). Being eligible, they have offered themselves for reappointment. The Audit Committee has recommended their re-appointment as auditors of the company for the year (FY 2025-26).

Corporate Social Responsibility

Ruby Textile Mills Ltd. is committed to achieving tangible, sustainable fulfillment of its corporate social responsibility.

Diversity, Equity and Inclusion (DEI)

We believe that promoting diversity, equity, and inclusion (DE&I) is a key priority for the Company and is integral for driving innovation, improving decision-making, and enhancing the overall performance of the Company. The company promotes diverse and inclusive Board and management composition provides equal opportunities to all employees, irrespective of their culture, race, gender, caste, and religion and promotes a work environment free from discrimination, harassment and intimidations of any nature.

Material Changes and Commitments

No adverse material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this balance sheet relates and the date of the Director's Report.

Significant features of remuneration policy of non-executive directors

Non-executive directors including the independent director are entitled only for fee for attending the meetings.

Board Evaluation

During the year, the Board and its sub committees have undertaken a formal process of evaluation of their performance. The overall performance of the Board and its sub-committees measured on the defined parameters for the year was satisfactory.

Related Party Transactions

All transactions with related parties were approved by the Board, and details of all such transactions were placed before Audit committee. During the year, the company carried out transactions with its related parties. Details of these transactions are disclosed in note 32 to financial statements.

Pattern of share holding

Pattern of Shareholding as at June 30, 2025, which is required to be disclosed under the reporting framework, is annexed to this report.

**Auditors' Report Qualification**

The auditors have qualified their report as under:

Auditors' have given adverse audit report in respect of going concern issue that company may not be considered as going concern and therefore, the preparation of the financial statement on the basis of going concern basis is inappropriate. The company's overall assets exceed the financial liability by Rs.913 million and the company is able to meet its financial commitment in normal course of business. The company is working on a comprehensive plan of revival by arranging working capital needed as well as the considering the lease or operation on conversion option basis to make the unit operative, and the full utilization of the production capacity along with the improvement of product quality will be ensured.

Internal Financial Controls

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

Principal Risk and Uncertainty

Businesses face numerous risk and uncertainties which if not properly addressed might cause serious loss to the company. The Board of Directors of the company has carried out vigilant and thorough of both internal and external risks that the company might face. Following are some risks which the company is facing.

- Technological advancement making it more challenging for the company to compete on the national and international level.
- Non-renewal of financial facilities.

Personnel and Working Environment

Company is well aware of the importance of team of skilled worker and staff. Therefore, in-house programs designed for this purpose are regularly undertaken. At the same time, other important areas like health, safety and better working environment are also being looked after very well.

Health, Safety, & Environment

The Company maintains working conditions which are safe and without risk to the health of all employees and public at large. Our focus remains on improving all aspects of safety specially, with regards to the safety, production, delivery, storage and handling of materials. Your Company always ensures environment preservation and adopts all possible means for environment protection. The company strictly complies with the standards of the safety rules and regulations. It also follows environmental friendly policies.

Acknowledgments

The Directors are grateful to the Company's members, financial institutions and customers for their co-operation and support. They also appreciate hard work and dedication of all the employees working at the various divisions.

For and on behalf of the Board

Mr. Imtiaz Ahmad
Director

Mr. Noor Elahi
Chief Executive Officer

Dated: October 03, 2025
Lahore



بورڈ کی تعینات

سال کے دوران بورڈ اور اس کی ذیلی کمیٹیوں نے اپنی کارکردگی کا جائزہ لینے کا باضابطہ عمل شروع کیا ہے۔ بورڈ اور اس کی ذیلی کمیٹیوں کی مجموعی کارکردگی کو سال کے لئے متعین کردہ پیرامیٹرز پر پیمائش کیا گیا جو تسلی بخش رہی۔

متعلقہ پارٹی ٹرانزیکشنز

متعلقہ فریقوں کے ساتھ تمام لین دین کو بورڈ کی طرف سے منظور کیا گیا تھا، اور اس طرح کے تمام لین دین کی تفصیلات آڈٹ کمیٹی کے سامنے رکھی گئیں۔ سال کے دوران، کمپنی نے اپنے متعلقہ فریقوں کے ساتھ لین دین کیا۔ ان لین دین کی تفصیلات مالیاتی حسابات کے نوٹ 32 میں بیان کی گئی ہیں۔

نمونہ حصص داری

30 جون، 2025 کو شیئر ہولڈنگ کا پیٹرن، جسے رپورٹنگ فریم ورک کے تحت ظاہر کرنا ضروری ہے، رپورٹ ہذا کے ساتھ منسلک ہے۔

آڈیٹرز کی رپورٹ کی کوالیفیکیشن

آڈیٹرز نے حسب ذیل کے مطابق اپنی رپورٹ کی توثیق کی ہے:

آڈیٹرز نے توثیق کے معاملے کے حوالے سے منفی آڈٹ رپورٹ دی ہے کہ کمپنی کو گونگ توثیق کے طور پر نہیں سمجھا جاسکتا ہے اور ہو سکتا ہے کہ گونگ توثیق کی بنیاد پر مالی گوشوارہ کی تیاری نامناسب ہو۔ کمپنی کے مجموعی اثاثے مالی ذمہ داری 913 ملین روپے سے زیادہ ہیں اور کمپنی معمول کے کاروبار میں اپنے مالی وعدوں کو پورا کرنے کے قابل ہے۔ کمپنی بحالی کے ایک جامع منصوبے پر کام کر رہی ہے جس میں یونٹ کو آپریٹو بنانے کے لیے تبادلوں کے آپشن کی بنیاد پر لیز یا آپریشن پر غور اور درکار روکنگ کیپٹل کا بندوبست کیا جائے گا، اور پروڈکٹ کے معیار میں بہتری کے ساتھ ساتھ پیداواری صلاحیت کا مکمل استعمال یقینی بنایا جائے گا۔

داخلی مالیاتی کنٹرولز

ڈائریکٹر داخلی مالیاتی کنٹرول کے حوالے سے اپنی مالی ذمہ داریوں سے بخوبی آگاہ ہیں۔ مینجمنٹ اور آڈیٹرز (دونوں اندرونی اور بیرونی) کے ساتھ گفت و شنید کے ذریعے، وہ توثیق کرتے ہیں کہ کمپنی کی طرف سے موزوں کنٹرول نافذ کیا گیا ہے۔

بنیادی خطرہ اور غیر یقینی

کاروباری اداروں کو متعدد خطرات اور غیر یقینی صورتحال کا سامنا کرنا پڑتا ہے جس کو اگر مناسب طریقے سے حل نہ کیا گیا تو کمپنی کو شدید نقصان پہنچ سکتا ہے۔ کمپنی کے بورڈ آف ڈائریکٹرز نے اندرونی اور بیرونی دونوں خطرات جن کا کمپنی کو سامنا کرنا پڑ سکتا ہے سے چوکس اور مکمل طور پر حل کیا ہے۔ کمپنی کو درپیش چند خطرات مندرجہ ذیل ہیں۔

تکنیکی ترقی کمپنی کے لیے قومی اور بین الاقوامی سطح پر مسابقت کو زیادہ مشکل بنا رہی ہے۔

مالی سہولیات کی تجدید نہ ہونا۔

پرسنل اور ورکنگ ماحول

آپ کی کمپنی ہر مندرجہ کارکن اور عملے کی ٹیم کی اہمیت سے بخوبی واقف ہے۔ لہذا، اس مقصد کے لیے ان باؤس پروگرام یا قاعدگی سے منعقد کیے جاتے ہیں۔ ساتھ ہی ساتھ، دیگر اہم شعبوں مثلاً صحت، حفاظت اور بہتر کام کے ماحول کی بھی بہت اچھی طرح سے دیکھ بھال کی جا رہی ہے۔

صحت، حفاظت، اور ماحول

کمپنی کام کے ایسے حالات کو برقرار رکھتی ہے جو محفوظ اور بڑے پیمانے پر تمام ملازمین اور عوام کی صحت کے لئے خطرے سے خالی ہیں۔ خاص طور پر حفاظت، پیداوار، ترسیل، اسٹوریج اور مواد کی ہینڈلنگ کے حوالے سے ہماری توجہ تحفظ کے تمام پہلوؤں کو بہتر بنانے پر مرکوز ہے آپ کی کمپنی ہمیشہ ماحول کے تحفظ کو یقینی بناتی ہے اور ماحولیاتی تحفظ کے لئے تمام ممکنہ ذرائع کو بروئے کار لاتی ہے۔ کمپنی حفاظتی قواعد و ضوابط کے معیارات کی سختی سے تعمیل کرتی ہے۔ یہ ماحول دوست پالیسیوں پر بھی عمل پیرا رہتی ہے۔

اظہار تشکر

ڈائریکٹرز کمپنی کے ممبران، مالیاتی اداروں اور صارفین کے تعاون اور حمایت کے لئے ان کے مشکور ہیں۔ وہ مختلف ڈویژنوں میں کام کرنے والے تمام ملازمین کی محنت اور لگن کو بھی سراہتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

انتیاز احمد
ڈائریکٹر

نور الٰہی
(چیف ایگزیکٹو)

لاہور

10 اکتوبر 2025ء



کارپوریٹ گورننس کا ضابطہ اخلاق

کمپنی کی انتظامیہ کمیٹی، ایکٹ، 2017، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کی جانب سے جاری کردہ سیکینیٹرز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 اور پاکستان اسٹاک ایکسچینج (پی ایس ایکس) کی رول بک کے تحت تسلیم شدہ اپنی ذمہ داریوں سے بخوبی آگاہ ہے۔ مندرجہ ذیل تھمرے کارپوریٹ گورننس اور مسلسل بہتری کے اعلیٰ معیار کے لئے کمپنی کے عزم کا اعتراف ہیں:

- 10 کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکٹیوٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- 20 کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- 30 مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- 40 مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی اکاؤنٹنگ معیارات / بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے۔
- 50 اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- 60 کمپنی کے روائے دواں دواں رہنے کی صلاحیت بارے کوئی نمایاں شکوک و شبہات نہیں ہیں۔
- 70 فہرستی قواعد میں تفصیلی کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں کیا گیا۔
- 80 بقایا ٹیکسوں اور لیویز کے بارے میں معلومات مالی گوشواروں کے نوٹس میں دی گئی ہیں۔
- 90 کوڈ آف کارپوریٹ گورننس کی تعمیل کا بیان اور گزشتہ چھ سالوں کی مالی جھلکیاں لف ہیں۔

زیر جائزہ سال کے دوران، بورڈ آف ڈائریکٹرز کے چار اجلاس، آڈٹ کمیٹی کے چار اجلاس اور ہیومن ریسورس اینڈ ریٹرنیشن کمیٹی کا ایک اجلاس منعقد ہوا۔ ڈائریکٹرز کی حاضری مندرجہ ذیل ہے:

تعداد حاضری اجلاس		نام ڈائریکٹرز	
ہیومن ریسورس اینڈ ریٹرنیشن کمیٹی	آڈٹ کمیٹی	بورڈ آف ڈائریکٹرز	
		4	جناب نور الہی
		4	محترمہ پروین الہی
	4	4	محترمہ تابد جاوید
1	4	4	جناب منسوب احمد خان
1	4	4	جناب امتیاز احمد
1		4	جناب حامد منظور
		4	جناب امجد شاہد

قانونی آڈیٹرز کی تقرری

موجودہ آڈیٹرز میسرز سرورز، چارٹرڈ اکاؤنٹنٹس نے سال (مالی سال 2024-25) کی اپنی مدت مکمل کر لی ہے اور آئندہ سالانہ اجلاس عام (AGM) کے اختتام پر ریٹائر ہو جائیں گے۔ اہل ہونے کے سبب، انہوں نے خود کو دوبارہ تقرری کے لئے پیش کیا ہے۔ آڈٹ کمیٹی نے سال (مالی سال 2025-26) کے لئے کمپنی کے آڈیٹرز کے طور پر ان کی دوبارہ تقرری کی سفارش کی ہے۔

کارپوریٹ سماجی ذمہ داری

روہی ٹیکسٹائل ملز لمیٹڈ اپنی کارپوریٹ سماجی ذمہ داری کی ٹھوس، پائیدار تکمیل کے حصول کے لئے پُر عزم ہے۔

تنوع، مساوات اور شمولیت (DEI)

ہم سمجھتے ہیں کہ تنوع، مساوات اور شمولیت (DE&I) کو فروغ دینا کمپنی کے لیے ایک اہم ترجیح ہے اور جدت طرازی، فیصلہ سازی کو بہتر بنانے، اور کمپنی کی مجموعی کارکردگی کو بڑھانے کے لیے لازمی ہے۔ کمپنی متنوع اور جامع بورڈ کو فروغ دیتی ہے اور نظم و نسق تمام ملازمین کو ان کی ثقافت، نسل، جنس، ذات اور مذہب سے قطع نظر یکساں مواقع فراہم کرتا ہے اور کسی بھی نوعیت کے امتیازی سلوک، ایذا رسانی اور دھمکیوں سے پاک کام کے ماحول کو فروغ دیتا ہے۔

مالی تبدیلیاں اور وعدے

مالی سال کے اختتام پر جس سے یہ بیلنس شیٹ متعلقہ ہے اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی منفی تبدیلیاں اور وعدے نہیں کئے گئے ہیں۔

نان ایگزیکٹو ڈائریکٹرز کی معاوضہ پالیسی کی اہم خصوصیات

غیر جانبدار ڈائریکٹرسیت غیر ایگزیکٹو ڈائریکٹرز فقط اجلاسوں میں شرکت کی فیس کے مستحق ہیں۔



کمپنی کی انتظامیہ متبادل نقطہ نظر پر بھی کام کر رہی ہے یا تو یونٹ-II کو لیز کی بنیاد پر آپریٹ کیا جائے گا اور یونٹ-I کو کمپنی خود چلانے کی اور اس طرح کمپنی زیادہ سے زیادہ سطح پر آپریشنل سہولت کو بحال کر سکے گی اور ورکنگ کمپنیل کی ضرورت کو پورا کرنے کے لیے اپنے ذرائع سے فنڈز کا بندوبست کرنے کے منتظر ہیں۔ انتظامیہ پُر اعتماد اور پُر امید ہے کہ زیر بحث انتظامات کی کوششوں کو اگلے مستقبل قریب میں حتمی شکل دی جائے گی اور پھر مل کا آپریشن بہترین پیداواری صلاحیت کی سطح پر چلایا جائے گا۔

کمپنی کی انتظامیہ مستقبل میں لاگت کے مؤثر اقدامات اور لاگت بچانے کی کوششوں کو بہتر بنا کر یونٹ کو قابل عمل، آپریٹو اور منافع بخش یونٹ میں تبدیل کرنے کے لیے پُر عزم ہے۔

بورڈ کی تشکیل

30 جون 2025 کے مطابق بورڈ آف ڈائریکٹرز کی تشکیل مندرجہ ذیل ہے:

ڈائریکٹرز کی کل تعداد

5	(a) - مرد
2	(b) - خاتون

تشکیل:

02	i - غیر جانبدار ڈائریکٹرز
03	ii - نان ایگزیکٹو ڈائریکٹرز
02	iii - ایگزیکٹو ڈائریکٹرز

30 جون 2025 کے مطابق ڈائریکٹرز کے نام درج ذیل ہیں:

چیف ایگزیکٹو	(1) جناب نور الہی
چیئر پرسن	(2) محترمہ پروین الہی
ڈائریکٹر	(3) محترمہ ناہید جاوید
ڈائریکٹر	(4) جناب امتیاز احمد
ڈائریکٹر	(5) جناب حامد منظور
ڈائریکٹر	(6) جناب احمد شاہد
ڈائریکٹر	(7) جناب منسوب احمد خان

بورڈ نے آڈٹ کمیٹی اور ہیومن ریسورس اینڈ ریمزیشن کمیٹی نامی دو ذیلی کمیٹیاں تشکیل دی ہیں۔ ان دونوں کمیٹیوں کی تشکیل کی وضاحت اس طرح کی گئی ہے۔

آڈٹ کمیٹی

جناب منسوب احمد خان - چیئر مین (غیر جانبدار)
محترمہ ناہید جاوید - ممبر
جناب حامد منظور - ممبر

ہیومن ریسورس اینڈ ریمزیشن کمیٹی

جناب منسوب احمد خان - چیئر مین (غیر جانبدار)
جناب امتیاز احمد - ممبر
جناب حامد منظور - ممبر



ڈائریکٹرز رپورٹ

کمپنیز ایکٹ، 2017 کی دفعہ 227 کی تعمیل میں، ڈائریکٹرز 30 جون 2025 کو ختم ہونے والے سال کے لئے سالانہ رپورٹ کے ہمراہ کمپنی کے نظر ثانی شدہ مالی گوشوارے اور ان پر آڈیٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ 30 جون 2024 کو ختم ہونے والے گزشتہ سال کے اعداد و شمار موازنہ کے لئے شامل کئے گئے ہیں۔

کمپنی کی بنیادی سرگرمیاں
کمپنی دھاگہ کی مینوفیکچرنگ اور فروخت کے کاروبار میں مشغول ہے۔

کمپنی کی کارکردگی
سال کے لئے کمپنی کی آپریشنل کارکردگی کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:-

2024 روپے	2025 روپے	
-	-	ٹرن اوور - خالص
-	-	فروخت کی لاگت
-	-	مجموعی (نقصان)
(64,109,176)	(57,247,060)	تقسیم اور عام اخراجات
13,028,906	25,350,555	دیگر آمدنی / (اخراجات)
(51,080,270)	(31,896,505)	مالی لاگت سے قبل خسارہ
(3,066,048)	(1,533,625)	مالیاتی اخراجات
(54,146,318)	(33,430,130)	ٹیکس سے پہلے نقصان
8,901,373	8,468,324	ٹیکس کی فراہمی
(45,244,944)	(24,961,806)	ٹیکس کے بعد نقصان
(0.87)	(0.48)	فی شیئر آمدنی - بنیادی اور معتدل

گزشتہ سال کی طرح اس سال کے دوران بھی کمپنی کے آپریشن بند رہے ہیں۔ کمپنی کو درپیش مالی رکاوٹوں اور کاروباری پونٹوں کے بند ہونے کی وجہ سے، رواں سال کے دوران کمپنی کی مجموعی کارکردگی غیر تسلی بخش رہی اور ٹیکس کے بعد خسارہ 24.962 ملین روپے (2024: 45.245 ملین روپے) ہے۔

بنیادی طور پر سال کے دوران غیر آپریشنل سرگرمیوں کی وجہ سے کمپنی کے مجموعی نتائج منفی ہی رہے جو کہ بینکوں سے قرض حاصل کرنے میں اہم رکاوٹ تھی۔ بینک کے ساتھ تصفیہ/تنظیم نوکاشت اثر پڑے گا اور مستقبل قریب میں بینکوں سے ورکنگ کپٹیل کی حد میں اضافے کی راہ ہموار کرے گی کیونکہ فنانس کے بغیر، اقتصادی طور پر قابل عمل پیداواری منصوبہ پر عمل درآمد ممکن نہیں ہے۔ انتظامیہ کو یقین ہے کہ وہ اسپانسرز کے مسلسل تعاون کے ساتھ بینک سے مالی تعاون حاصل کر کے اگلے مالی سال میں اپنی پیداوار شروع کرنے کی تمام تر کوششیں کرے گی۔

عالمی مارکیٹ کے حالات اور مستقبل کے امکانات:

پاکستانی روپیہ کی قدر میں کمی کی وجہ سے درآمدی خام مال اور مشینری کی لاگت میں اضافے سے ملک کی مجموعی برآمدات میں کمی دیکھنے میں آئی۔ سخت مسابقت اور پیداواری لاگت زیادہ ہونے کی وجہ سے برآمدات دونوں مقدار اور قیمت کے لحاظ سے کم اہمیت کی حامل رہیں۔ کوویڈ 19 کے بعد کے ماحول میں پاکستان کی ٹیکسٹائل انڈسٹری کو بہتر برآمدی آرڈرز حاصل کرنے کا موقع ملا لیکن اس کے ساتھ ساتھ زیادہ پیداواری لاگت خاص طور پر بجلی کی زیادہ لاگت دیگر علاقائی حریفوں کے مقابلے میں دستیاب مواقع سے فائدہ اٹھانے پر مبنی اثر ڈال رہی ہے۔

اس مشکل معاشی صورتحال کا مقابلہ کرنے کے لیے؛ پاکستانی ٹیکسٹائل سیکٹر کو ایک سرمایہ کاری موثر مقام مارکیٹنگ ہونا چاہیے، ملکی اور بین الاقوامی سطح پر مسابقتی رہنے کے لیے مصنوعات اور کسٹمر کی ترقی ضروری ہتھیار ہیں۔ بین الاقوامی برانڈز اور تکنیکی ٹیکسٹائل پر مرکوز خاص طور پر مارکیٹنگ کی کوششیں، آمدنی میں اضافہ اور بہتر مارجن کو یقینی بنانے کی لاگت کے لحاظ سے، خام مال کی سپلائی چین کا بہتر انتظام اور پیداواری عمل میں جدت حکمت عملی کے اہم حصے رہیں گے۔ انتظامیہ کو یقین ہے کہ کمپنی اپنی آپریشنل کارکردگی کو بہتر بنانے اور آگے بڑھنے میں کامیاب ہوگی۔

**FINANCIAL HIGHLIGHTS**

Particulars	2025	2024	2023	2022	2021	2020	
Net Assets Employed							
Fixed assets	874351894	902,793,832	931,131,964	831,685,365	859,088,709	888,729,335	
Long term deposits	1,303,945	1,303,945	1,303,945	1,303,945	4,539,645	4,534,645	
Current assets	29,136,890	26,178,115	32,983,612	157,622,511	153,927,494	140,911,245	
Current liabilities	(170,987,779)	(145,138,271)	(135,209,361)	(224,128,143)	(273,455,695)	(276,298,880)	
	(141,850,889)	(118,960,156)	(102,225,749)	(66,505,632)	(119,528,201)	(135,387,635)	
Long term liabilities	(742,306,927)	(768,252,165)	(767,493,010)	(748,616,946)	(661,795,575)	(601,867,564)	
Net assets	(8,501,977)	16,885,456	62,717,150	17,866,732	82,304,578	156,008,781	
Represented by							
Paid up capital	522,144,000	522,144,000	522,144,000	522,144,000	522,144,000	522,144,000	
Reserves	(936,642,807)	(922,125,325)	(884,698,655)	(835,989,446)	(780,213,844)	(712,816,139)	
Revaluation surplus	405,996,830	416,866,781	425,271,805	331,712,177	340,374,422	346,680,920	
	(8,501,977)	16,885,456	62,717,150	17,866,732	82,304,578	156,008,781	
Operating Results							
Sales	-	-	12,298,560	-	184,862,000	275,027,255	
Gross (Loss)	-	-	(97,030,357)	(27,924,492)	(77,822,466)	(117,399,630)	
Operating (Loss)	(31,896,505)	(51,080,270)	(65,074,822)	(15,161,221)	(64,910,457)	(26,687,983)	
(Loss) before Taxation	(33,430,130)	(54,146,318)	(69,400,082)	(27,563,148)	(76,052,809)	(32,970,320)	
Financial Ratios							
Gross Profit	%	0%	0%	-789%	0%	-42%	-43%
Operating Profit	%	0%	0%	-529%	0%	-35%	-10%
Profit / (Loss) before taxation	%	0%	0%	-564%	0%	-41%	-12%
Earnings per share	Rs.	(0.48)	(0.87)	(1.15)	(0.53)	(1.40)	(0.54)
Current ratio	Times	(0.17)	(0.18)	(0.24)	(0.70)	(0.56)	(0.51)
Fixed assets turnover	Times	-	-	0.01	-	0.22	0.31
Plant capacity and production							
Spindles Installed and worked	Nos.	33,072	33,072	33,072	33,072	33,072	33,072
Actual production converted into 20/S count	Kgs.	-	-	-	-	711,019	1,364,044

**PATTERN OF SHAREHOLDING**

THE COMPANIES ACT, 2017
(Section 227(2)(f))
PATTERN OF SHAREHOLDING

FORM 20

1.1 Name of the Company

RUBY TEXTILE MILLS LIMITED

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

30-06-2025

2.2 No. of Shareholders	-----Shareholdings-----		Total Shares Held
	From	To	
136	1	100	4,363
653	101	500	313,217
63	501	1,000	58,026
64	1,001	5,000	168,388
13	5,001	10,000	110,604
3	10,001	15,000	36,400
3	15,001	20,000	54,891
3	20,001	25,000	66,700
3	25,001	30,000	90,000
3	30,001	35,000	101,500
1	45,001	50,000	44,057
1	50,001	55,000	51,682
3	55,001	60,000	174,829
1	75,001	80,000	79,651
1	95,001	100,000	100,000
1	105,001	110,000	105,500
1	125,001	130,000	125,115
1	135,001	140,000	139,179
1	225,001	230,000	229,664
1	295,001	300,000	300,000
1	3,870,001	3,875,000	3,873,500
1	6,495,001	6,500,000	6,500,000
1	8,655,001	8,660,000	8,655,900
1	13,170,001	13,175,000	13,173,834
1	17,655,001	17,660,000	17,657,400
961			52,214,400

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	43,636,313	83.5714%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	6,900,500	13.2157%
2.3.3 NIT and ICP	232,564	0.4454%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	343	0.0007%
2.3.5 Insurance Companies	0	0.0000%
2.3.6 Modarabas and Mutual Funds	0	0.0000%
2.3.7 Shareholders holding 10% or more	50,105,313	95.9607%
2.3.8 General Public		
a. Local	1,384,492	2.6516%
b. Foreign	0	0.0000%
2.3.9 Others (to be specified)		
- Joint Stock Companies	2,400	0.0046%
- Pension Funds	55,829	0.1069%
- Others	1,959	0.0038%



**Categories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2025**

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):			
1	NAHEED NOOR ENTERPRISES LTD.	300,000	0.5746%
2	NAHEED NOOR (PVT) LIMITED.	100,500	0.1925%
3	SUNRISE BOTTLING CO. (PVT) LTD.	6,500,000	12.4487%
Mutual Funds (Name Wise Detail)			
		-	-
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	MR. NOOR ELAHI	17,796,579	34.0837%
2	MRS. PARVEEN ELAHI	8,761,400	16.7797%
3	MRS. NAHEED JAVED	17,047,334	32.6487%
4	MR. MANSOOB AHMED KHAN	30,500	0.0584%
5	MR. IMTIAZ AHMAD	500	0.0010%
Executives:			
		-	-
Public Sector Companies & Corporations:			
		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		56,172	0.1076%
Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)			
1	MR. NOOR ELAHI	17,796,579	34.0837%
2	MST. NAHEED JAVED	17,047,334	32.6487%
3	MRS. PARVEEN ELAHI	8,761,400	16.7797%
4	SUNRISE BOTTLING CO. (PVT) LTD.	6,500,000	12.4487%

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

S. No.	NAME	NIL	SALE	PURCHASE
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**STATEMENT OF COMPLIANCE WITH LISTED COMPANIES
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (the Regulations)
FOR THE YEAR ENDED 30 JUNE 2025**

Name of the Company: Ruby Textile Mills Ltd Year Ending: June 30, 2025

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (“Regulations” in the following manner:

1. Total number of directors are seven (7) as per the following:

Gender	Number
Male	5
Female	2

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

Category	Name
Independent Director	Mr. Amjad Shahid Mr. Mansoob Ahmed Khan
Executive Director	Mr. Noor Elahi Mr. Imtiaz Ahmad
Non-Executive Director	Mrs. Parveen Elahi Mrs. Naheed Javed Mr. Hamid Manzoor

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures. Further certain significant policies as required under non-mandatory regulation no. 35 “Disclosure of significant policies on website” are published in annual report which is available on Company’s website.
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 significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/shareholders as empowered by the relevant provisions of the Companies Act, 2017 and these Regulations.
7. The meetings of the board were presided over by the Chairperson and, in her absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The board of directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Following director has either obtained certificate of Directors’ Training Program or is exempt from the requirement of the Directors’ Training Program as per the Listed Companies (Code of Corporate Governance) Regulations, 2019

Category	No.	Name
Independent Director	1	Mr. Amjad Shahid

Further, due to closure of Mills and financial restraints, the board could not arrange Directors’ Training Program for the remaining Directors. Once the operations started, the Company will take adequate measures for the Directors’ Training Program (DTP) for the remaining Directors.



10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The board has formed committees comprising of members given below:
 - a. Audit Committee

Mr. Mansoob Ahmed Khan	Chairman (Independent)
Mrs. Naheed Javed	Member
Mr. Hamid Manzoor	Member
 - b. Human Recourse and Remuneration Committee

Mr. Mansoob Ahmed Khan	Chairman (Independent)
Mr. Imtiaz Ahmad	Member
Mr. Hamid Manzoor	Member

Separate Nomination Committee and Risk Management Committee, as required under non-mandatory regulation no. 29 & 30, are not constituted as the functions of Nomination Committee are being dealt by Human Resource and Remuneration Committee and the functions of Risk Management Committee are being dealt by the Executive Committee which is headed by the CEO who appraises the Board, accordingly.

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:
 - a. Audit Committee: Four quarterly meetings during the financial year ended June 30, 2025.
 - b. HR and Remuneration Committee: One meeting during the financial year ended June 30, 2025..
15. The board has setup an effective internal audit function to who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (Spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with the requirements other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 (non-mandatory requirements) are mentioned in note nos. 4, 9 and 12 above.

Dated: October 04, 2025
Lahore

Mr. Imtiaz Ahmad
Director

Mr. Noor Elahi
Chief Executive Officer

**INDEPENDENT AUDITOR'S REVIEW REPORT
To the Members of the Ruby Textile Mills Limited**

**Review Report on the Statement of Compliance contained in the listed
Companies (Code of Corporate Governance) Regulation, 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 **Ruby Textile Mills Limited** for the year ended June 30, 2025, in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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



SARWARS
CHARTERED ACCOUNTANTS

Place: Lahore.
Date: October 03, 2025
UDIN : [CR202510208PyK307hOJ](#)

INDEPENDENT AUDITOR'S REPORT

To the Members of the Ruby Textile Mills Limited

Report on the Audit of the Financial Statements

Adverse opinion

We have audited the annexed financial statements of **RUBY TEXTILE MILLS LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2025 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the accompanying financial statements (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 do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the loss, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion:

The Company was unable to operate its unit-I and unit-II during the whole financial year. The Company has been incurring continuous gross losses due to the no commercial production activity. The Company's accumulated losses stand at Rs. 936.64 million and net loss after taxation amounting to Rs. 24.96 million, its current liabilities exceed its current asset by Rs. 141.85 million and financial results show adverse key financial ratios. However, the company has given godowns /warehouses on rentals to improve cash flows during the year. The company is trying hard to bring back the operational activity of the company besides the future outlook of the economy and current economical and political situation is adverse. The management is also trying to operate unit-2 subject to clearance from CIB – State Bank of Pakistan.

These conditions and events indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, as described in Note 1.1, these financial statements have been prepared under the going concern assumption. In our opinion, the company cannot be considered to be a going concern and the amounts at which the assets would be realized and liabilities would be settled would be different from the amounts given in these financial statements and thus the preparation of these financial statements on a going concern basis is

inappropriate. We are unable to determine the quantum of the required adjustments and provisions with a reasonable degree of accuracy. Therefore, we have given an adverse opinion on these financial statements.

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 Standard 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 adverse opinion.

Key Audit Matters:

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

We have determined that there are no key audit matters to communicate in our report.

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

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended June 30, 2025, but does not include the financial statements and our auditor's report thereon.

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

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

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 approved 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.

The Board of Directors is 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 except for the matters stated in Basis for Adverse Opinion section of our report:

- Proper books of account have been kept by the company as required by the Companies Act, 2017 (XIX of 2017).
- Because of the effects of the matters described in Basis for Adverse Opinion section, the statement of financial position, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows together with the notes thereon have not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) however, the same 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 audit resulting in this independent auditor's report is Mr. Rashid Sarwar (FCA).

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**SARWARS
CHARTERED ACCOUNTANTS**

Place: Lahore.
Date: October 03, 2025
UDIN : [AR2025102086TmdrRaMz](#)

**STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025**

ASSETS	Notes	2025 Rupees	2024 Rupees
NON-CURRENT ASSETS			
Property, plant and equipment & CWIP	4	874,351,894	902,793,832
Long term deposits	5	1,303,945	1,303,945
		875,655,839	904,097,777
CURRENT ASSETS			
Stores, spare parts and loose tools	6	-	-
Stock-in-trade	7	-	-
Trade debts	8	8,500,724	10,848,426
Advances and prepayments	9	4,262,824	3,946,206
Due from Government	10	16,215,136	11,266,727
Cash and bank balances	11	158,207	116,756
		29,136,890	26,178,115
TOTAL ASSETS		904,792,729	930,275,892
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		700,000,000	700,000,000
Issued, subscribed and paid up share capital	12	522,144,000	522,144,000
Accumulated losses		(936,642,807)	(922,125,326)
Surplus on revaluation of property, plant and equipment	13	405,996,830	416,866,781
Loan from sponsors and other related parties	14	694,983,209	688,003,209
		686,481,232	704,888,664
NON-CURRENT LIABILITIES			
Long term financing from others	15	32,812,500	59,062,500
Long term security deposits	16	1,791,660	1,791,660
Deferred liabilities	17	12,719,558	19,394,797
		47,323,718	80,248,957
CURRENT LIABILITIES			
Trade and other payables	18	85,275,264	78,181,586
Accrued markup	19	13,122,444	13,326,870
Unclaimed dividend	20	402,570	402,570
Current & overdue portion of long term loans	21	72,187,500	53,227,246
		170,987,779	145,138,271
TOTAL LIABILITIES		218,311,497	225,387,228
CONTINGENCIES AND COMMITMENTS	23	-	-
TOTAL EQUITY AND LIABILITIES		904,792,729	930,275,892

The annexed notes from 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

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

	Notes	2025 Rupees	2024 Rupees
Turnover - net	24	-	-
Cost of sales	25	-	-
Gross loss		-	-
Administrative and general expenses	26	(57,247,060)	(64,109,176)
Other income/ (Expenses)	27	25,350,555	13,028,906
		(31,896,505)	(51,080,270)
Loss before finance cost		(31,896,505)	(51,080,270)
Finance cost	28	(1,533,625)	(3,066,048)
Loss before levy and taxation		(33,430,130)	(54,146,318)
Levy	29	-	-
Loss after taxation for the year		(33,430,130)	(54,146,318)
Taxation	30	8,468,324	8,901,373
		(24,961,806)	(45,244,945)
Earnings per share - basic and diluted	31	(0.48)	(0.87)

The annexd notes from 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

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

	<u>2025 Rupees</u>	<u>2024 Rupees</u>
Loss after taxation for the year	(24,961,806)	(45,244,945)
Other comprehensive income:		
Items that will not be classified subsequently to profit or loss		
Revaluation surplus on land	-	-
(Impairment)/revaluation on building during the year	-	-
(Impairment)/revaluation on plant & machinery during the year	-	-
Deferred tax on revaluation surplus on plant & machinery	-	-
	-	-
Remeasurement of staff retirement benefits	(425,626)	2,596,010
Deferred tax on remeasurement of staff retirement benefits	-	(752,843)
	(425,626)	1,843,167
Total comprehensive income - net of tax	(425,626)	1,843,167
Total comprehensive income / (loss) for the year	(25,387,432)	(43,401,778)

The annexed notes from 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



**CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Note</u>	<u>2025 Rupees</u>	<u>2024 Rupees</u>
a) CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(33,430,130)	(54,146,318)
Adjustments for non cash and other items:			
Depreciation	4	28,441,942	29,959,369
Provision for staff retirement benefit-gratuity	17.1.4	1,751,320	1,683,478
Liability written back		-	-
Bad debts witten off		-	-
Reversal of Provision		-	-
Finance cost	28	1,533,625	3,066,048
		31,726,887	34,708,895
Operating cash flow before working capital changes		(1,703,243)	(19,437,423)
Changes in working capital			
(Increase) / decrease in current assets			
Stores and spares		-	-
Stock in trade		-	-
Trade debts		2,347,702	6,889,000
Advances and prepayments		(316,618)	2,364,558
Balance with statutory authorities		(3,759,581)	(2,751,778)
Increase in current liabilities			
Trade and other payables		7,093,679	92,871
		5,365,182	6,594,650
Cash used in from operations		3,661,939	(12,842,773)
Finance cost paid		(1,738,050)	(1,495,171)
Taxes paid		(1,351,689)	(218,204)
Staff retirement gratuity paid		(221,000)	(948,450)
		(3,310,739)	(2,661,825)
Net cash used in from operating activities		351,200	(15,504,598)
b) CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in property, plant and equipment		-	(1,621,234)
Long term deposits paid		-	(5,940,000)
Long term deposits		-	-
Net cash (used in)/generated from investing activities		-	(7,561,234)
CASH FLOWS FROM FINANCING ACTIVITIES			
c) Long term financing from banking companies			
Short term financing		(26,250,000)	(20,414,750)
Long term financing from others		18,960,253	8,265,162
Long term security deposits		-	-
Long term financing from directors and associates		-	-
		6,979,999	34,693,499
Net cash generated from financing activities		(309,748)	22,543,911
Net increase in cash and cash equivalents		41,451	(521,922)
Cash and cash equivalents at the beginning of the year		116,756	638,678
Cash and cash equivalents at the end of the year	11	158,207	116,756

The annexd notes from 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

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

Share capital	Capital reserves	Revenue reserve		Revaluation surplus on property, plant and equipment	Sub Total	Long term loan from chief executive and directors	Total
		Accumulated losses	Rupees				
522,144,000	-	(887,128,572)	425,271,805	-	60,287,233	653,309,709	713,596,942
-	-	(45,244,945)	-	-	(45,244,945)	-	(45,244,945)
-	-	-	-	-	-	-	-
-	-	1,843,167	-	-	1,843,167	-	1,843,167
-	-	-	-	-	-	34,403,500	34,403,500
-	-	-	-	-	-	290,000	290,000
-	-	8,405,024	(8,405,024)	-	-	-	-
522,144,000	-	(922,125,326)	416,866,781	-	16,885,455	688,003,209	704,888,664
522,144,000	-	(922,125,326)	416,866,781	-	16,885,455	688,003,209	704,888,664
-	-	(24,961,806)	-	-	(24,961,806)	-	(24,961,806)
-	-	-	-	-	-	-	-
-	-	(425,626)	-	-	(425,626)	-	(425,626)
-	-	-	-	-	-	6,980,000	6,980,000
-	-	-	-	-	-	-	-
-	-	10,869,951	(10,869,951)	-	-	-	-
522,144,000	-	(936,642,807)	405,996,830	-	(8,501,977)	694,983,209	686,481,232

Balance as at July 01, 2023

Loss for the year
 Surplus on revaluation of property, plant and equipment -net of deferred
 OCI-Remeasurement of staff retirement benefits -net of deferred tax
 Loan received during the year
 Loan from associates

Incremental depreciation - net of deferred tax

Balance as at June 30, 2024**Balance as at July 01, 2024**

Loss for the year
 Surplus on revaluation of property, plant and equipment -net of deferred
 OCI-Remeasurement of staff retirement benefits -net of deferred tax
 Loan received during the year
 Loan from associates

Incremental depreciation - net of deferred tax

Balance as at June 30, 2025

The annexd notes from 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

1. STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan on October 18, 1980 as a private limited company under repealed Companies Act, 1913 (now the Companies Act, 2017) and was subsequently converted into public limited company. The registered office and head office of the company is located at 35-Industrial area, Gulberg III, Lahore. The shares of the company are quoted on the Pakistan stock exchange limited. The principal business of the company is manufacturing and sale of yarn. The manufacturing units are located at 3-km, Manga Road, Raiwind in the province of Punjab.

1.1 MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

The company has been incurring gross losses for the last eight years due to under/non utilization of production capacity and during the year ended June 30, 2025, the company has incurred a net loss after taxation amounting Rs. 24.961 million (2024: Rs. 45.224 million), accumulated loss of Rs. 936.64 million (2024: Rs. 922.12 million) and current liabilities exceeds current asset by Rs. 142.85 million (2024: 118.96 million) of that date. The unit-I and unit-II remain closed during the whole financial year. The company financial limits from bank are rescheduled, whereas the company operation is mainly reliant on the financial contribution from sponsoring director's of the company.

These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. These financial statements, however, have been prepared under the going concern assumptions based on the following mitigating factors narrated below;

- Sponsoring Director's of the company has contributed funds amounting to Rs. 6.98 million during the current year and directors has ability and committed to contribute further funds as and when required by the company. Due to the financial constraints faced by the company, the management has been working on alternate option by seeking a party to lease out Unit-II to third party or make the unit operative on the conversion basis, whereby, the unit-I will be operated by the company itself. The management expects that lease option or conversion option will be exercised in the foreseeable future or make the unit operative on conversion basis.
- The total assets of the company exceeds total liability by Rs. 686.48 million (2024: Rs. 704.88 million) and the company entered into restructuring agreement in the year 2020 with M/s Messi Capital for converting the foreign currency loan repayable into Pak rupee with fixation of exchange rate of USD\$ parity at Rs.105 with markup on LIBOR plus 1.25%. The company's overall assets are sufficient to meet its liabilities and with directors continuous financial supports to meet the financial commitments, the company would be able to revive the business operation at normal trends in upcoming months.

The banks/lenders/associated undertakings have committed for further lending as and when required.

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 Standard (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.

Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act; and

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

2.2.1

These financial statements have been prepared under the historical cost convention, except for Property plant and equipment's and recognition of certain staff retirement benefits at present value.

These financial statements have been prepared following accrual basis of accounting except for cash flow information.

The preparation of these financial statements in conformity with approved accounting standards requires the management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historic experience and other factors including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.



Judgments and estimates made by the management that may have a significant risk of material adjustments to the financial statements in subsequent years.

2.2.2 Functional and presentation currency

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

2.3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

2.3.2 Standards, interpretation and amendments to approved accounting standards that are effective to the extent applicable

Standards, interpretations and amendments to published approved accounting standards that are not yet effective and have not been adopted early by the Company:

2.3.3 Standard or Interpretation

Effective Date
(Period beginning on or after)

IAS 21	The Effects of Changes in Foreign Exchange Rates (Amendments)	January 01,2025
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information	July 01,2025
IFRS S2	Climate-related Disclosures	July 01,2025
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 01,2026
IFRS 9	Financial Instruments- (Amendments)	January 01,2026

2.3.4 Other than the aforementioned standards, interpretations and amendments, IASB has also issued the following standards, which have not been notified locally, in relation to the Company, by the Securities and Exchange Commission of Pakistan (SECP) as at March 31, 2025

IFRS 1 First Time Adoption of International Financial Reporting Standards

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 19 Subsidiaries without Public Accountability: Disclosures

2.3.5 The management anticipates that the adoption of above standards, interpretations and amendments in future periods will have no material impact on the financial statements other than in presentation / disclosures

2.3.6 There are certain amendments to the accounting and reporting standards which became applicable to the Company on July 1, 2024. However, these amendments do not have any significant impact on the Company's financial statement.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Share capital

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

3.2 Taxation- Levy and income tax

Levy

In accordance with the Income Tax Ordinance, 2001, computation of final and minimum tax are not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the statement of profit or loss except to the extent that relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current

The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to profit for the year if enacted or substantively enacted at the end of the reporting period in accordance with the prevailing law for taxation of income, after taking into account tax credits, rebates and exemptions, if any. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that the tax authorities will accept an uncertain tax treatment. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Deferred**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

3.3 Staff retirement benefits - gratuity

The Company operates an unfunded Gratuity Scheme covering all the employees of the Company with qualifying service period of six months. Provision is made annually on the basis of actuarial valuation. The most recent actuarial valuation was carried out as at June 30, 2025 using the Projected Unit Credit Method. Actuarial gains and losses are recognized in accordance with the recommendations of the actuary. Further, the management of the company could not determine the expected payments in next period reasonably.

Principal Actuarial Valuation	Principal Actuarial Assumptions	
	2025	2024
Discount factor used	14.75%	16.25%
Expected rate of eligible salary increase in future years	10.75%	15.25%

3.4 Foreign Currency Translations

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the Financial position date. Foreign exchange gains and losses on translation are included in income currently.

3.5 Trade and Other Payables

Liabilities for trade creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

3.6 Dividends

Dividend distribution to company's shareholders is recognized as a liability in the period in which dividend is approved.

3.7 Contingencies and Commitments

Capital commitments and contingencies, unless those are actual liabilities, are not incorporated in the financial statements.

3.8 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation except freehold land ,building and plant and machinery. Freehold land ,building and plant and machinery is stated at revalued amount. Borrowing costs pertaining to erection / construction period are capitalized as part of the historical cost.

Depreciation is charged to income applying reducing balance method to write-off the cost, capitalized exchange fluctuations and borrowing costs over estimated remaining useful life of assets. The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of fixed assets.

Depreciation on additions is charged from the month the asset is available for use while no depreciation is charged in the month in which the asset is disposed off.

The company assesses at each Financial position date whether there is any indication that property, plant and equipment 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 recognized in income currently. The recoverable amount is the higher of an assets' fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the assets' revised carrying amount over its estimated useful life.

Gains/losses on disposal of fixed assets are taken to Profit and Loss Account.

Minor repairs and maintenance are charged to profit & loss, as and when incurred. Major renewals and replacements are capitalized and the assets so replaced, if any, other than those kept as stand by, are retired.

**3.10 Intangible assets**

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprise purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition an intangible asset is carried at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized from the month, when these assets are available for use, using the straight line method, whereby the cost of the intangible asset is amortized over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortization method is reviewed and adjusted, if appropriate, at each Financial position date.

3.11 Assets subject to Leases IFRS 16

The standard replaces IAS 17 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognized in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognized lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under IFRS 16 will be higher when compared to lease expenses under IAS 17, as the operating expense is now replaced by interest expense and depreciation in the statement of profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The adoption of IFRS 16 has no financial impact on the financial statements of the Company.

Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities. The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

Lease Liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortized cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

3.12 Capital Work in Progress

Capital work in progress is stated at cost less any identified impairment loss.

3.13 Long Term Deposits and Loans

These are stated at cost which represents the fair value of consideration given.

3.14 Stores, Spares and Loose Tools

These are valued at lower of moving average cost or net realizable value, except items in transit, which are stated at cost plus other charges incurred thereon up to statement of financial position date.

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

**3.15 Stocks in trade and stores, spares and loose tools**

These are valued at lower of cost or net realizable value except stock in transit which are valued at cost comprising invoice values plus other charges incurred up to the Financial position date. Cost is determined as under;

Raw material	Weighted average cost
Packing material	Moving average cost
Work in process	Raw material cost and appropriate manufacturing overheads
Finished goods	Raw material cost, packing material cost and appropriate manufacturing overheads.
Waste	Net realizable value

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

3.16 Revenue recognition

The Company recognizes revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. The Company recognizes revenue in accordance with that core principle by applying the following steps:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when the entity satisfies a performance obligation

i) Customer acquisition costs

Customer acquisition costs are capitalized as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortized on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

ii) Customer fulfilment costs

Customer fulfilment costs are capitalized as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the Company that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortized on a straight-line basis over the term of the contract.

iii) Right of return assets

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

iv) Contract liabilities

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

v) Refund liabilities

Refund liabilities are recognized where the Company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

**vi) Contract balances**

- (a) The opening and closing balances of receivables, contract assets and contract liabilities from contracts with customers, if not otherwise separately presented or disclosed;
- (b) Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period; and
- (c) Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods
 - The difference between contract assets and trade receivables, enabling users to understand the different risks associated with each balance; and
 - How the timing of the satisfaction of performance obligations related the typical timing of payment and the effect that those factors have on the contract asset and contract liability balances.

Interest income is recognized on a time proportionate basis using the effective rate of return.

3.17 Provision

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

3.18 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) Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of the entity and temporary economic refinance facility, is accounted for as a government grant which is the difference between loan received and the fair value of the loan. The differential amount is recognized and presented in statement of financial position as deferred government grant.

3.19 Dividend and appropriation to / from reserves

Dividend distribution to the Company's shareholders and appropriation to / from reserves is recognized in the period in which these are approved.

3.20 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.

3.21 Trade debts and other receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses. Trade receivables generally do not include amounts over due by 365 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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

3.22 Financial instruments**3.22.1 Financial assets**

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

i) Financial assets at amortized cost

Instruments that meet the following conditions are measured subsequently at amortized cost:-

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**ii) Financial assets at fair value through profit or loss (FVTPL)**

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at fair value through profit or loss (FVTPL). Specifically:

iii) Derecognition

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

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

3.22.2 Impairment of financial assets

Trade debts and other receivables are recognized initially at fair value and subsequently measured at amortized cost less loss allowance, if any. The Company recognizes a loss allowance for Expected Credit Loss (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 recognizes 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 recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized 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 reorganization; 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.

Derivative financial instruments

Derivatives that do not qualify for hedge accounting are recognized 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.

3.22.3 Non-financial assets

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 recognized 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'.



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 amortization or depreciation) had no impairment loss been recognized. Reversal of impairment loss is recognized as income in the statement of profit or loss.

3.22.4 Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognized 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 recognized in the statement of profit or loss incorporates any interest paid on the financial liability.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability. Borrowing costs are recognized as an expense in the period 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 capitalized as part of the cost of that asset.

Derecognition of financial liabilities

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

3.22.5 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is legally enforceable right to set-off the recognized amounts and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

3.23 Investments

3.23.1 Investment in associates

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 recognized at cost and the carrying amount is increased or decreased to recognize 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 recognized 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 recognized in the associate's statement of profit or loss. The Company's share of those changes is recognized 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 recognized in the statement of profit or loss.

3.24 Trade and other payables

Liabilities for trade and other payable are measured at cost which is the fair value of consideration to be paid in future for goods and services.

3.25 Borrowing cost

Borrowing costs are recognized as an expense in which these are incurred except to the extent these are directly attributable to acquisition, construction or production of qualifying assets, where these are added to the cost of those assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use/sale.

**3.26 Foreign currency transaction**

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 period.

3.27 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at book value which approximates their fair values. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, cash with bank on current, saving and deposit accounts, short term bank borrowings and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to in significant risk of change in value.

3.28 Related party transaction and transfer pricing

Transaction and contracts with the related parties are carried out on mutual agreed terms.

The related parties comprise associated undertakings, other related parties, staff retirement benefit fund and key management personnel. The Company in the normal course of business carries out transactions with various related parties.

Parties are said to be related if they able to influence the operating and financial decisions of the company and vice versa.



4. PROPERTY, PLANT AND EQUIPMENT	Notes	2024	
		Rupees	Rupees
Operating property, plant and equipment	4.1	833,944,090	862,386,028
Capital work-in-progress	4.5	40,407,804	40,407,804
		<u>874,351,894</u>	<u>902,793,832</u>

4.1 Operating property, plant and equipment - for the year ended June 30, 2025

PARTICULARS	COST / REVALUED AMOUNTS			DEPRECIATION CHARGE			NET BOOK VALUE		
	As at June 30, 2024	Additions/ (Disposals)	Surplus/ (Loss) on Revaluation	As at June 30, 2025	Accumulated as at June 30, 2024	For the year	Accumulated as at June 30, 2025	As at June 30, 2025	
								Rate	Rate
	All amounts in Rupees								
Land - freehold	298,600,000	-	-	298,600,000	-	-	-	298,600,000	-
Building on freehold land	249,041,689	-	-	249,041,689	71,716,304	8,866,269	80,582,574	168,459,115	5%
Plant and machinery	569,827,991	-	-	569,827,991	187,877,298	19,097,535	206,974,833	362,853,158	5%
Electric installations	17,763,108	-	-	17,763,108	15,318,060	244,505	15,562,565	2,200,543	10%
Fire fighting equipment	834,897	-	-	834,897	752,464	8,243	760,708	74,189	10%
Tube well	1,026,623	-	-	1,026,623	917,445	10,918	928,363	98,260	10%
Office equipment	5,753,490	-	-	5,753,490	4,809,205	94,428	4,903,634	849,856	10%
Furniture and fixtures	2,143,607	-	-	2,143,607	1,568,672	57,493	1,626,166	517,441	10%
Vehicles	8,429,112	-	-	8,429,112	8,157,749	54,273	8,212,022	217,090	20%
Weigh bridge	1,602,508	-	-	1,602,508	1,519,800	8,271	1,528,070	74,438	10%
	<u>1,155,023,025</u>	<u>-</u>	<u>-</u>	<u>1,155,023,025</u>	<u>292,636,999</u>	<u>28,441,935</u>	<u>321,078,935</u>	<u>833,944,090</u>	

Operating property, plant and equipment - for the year ended June 30, 2024

PARTICULARS	COST / REVALUED AMOUNTS			DEPRECIATION CHARGE			NET BOOK VALUE		
	As at June 30, 2023	Additions/ (Disposals)	Surplus/ (Loss) on Revaluation	As at June 30, 2024	Accumulated as at June 30, 2023	For the year	Accumulated as at June 30, 2024	As at June 30, 2024	
								Rate	Rate
	All amounts in Rupees								
Land - freehold	298,600,000	-	-	298,600,000	-	-	-	298,600,000	-
Building on freehold land	249,041,689	-	-	249,041,689	62,363,389	9,332,915	71,716,304	177,325,385	5%
Plant and machinery	569,827,991	-	-	569,827,991	167,774,630	20,102,668	187,877,298	381,950,693	5%
Electric installations	16,141,875	1,621,233	-	17,763,108	15,061,400	256,661	15,318,060	2,445,048	10%
Fire fighting equipment	834,897	-	-	834,897	743,305	9,159	752,464	82,433	10%
Tube well	1,026,623	-	-	1,026,623	905,314	12,131	917,445	109,178	10%
Office equipment	5,753,490	-	-	5,753,490	4,704,285	104,921	4,809,205	944,285	10%
Furniture and fixtures	2,143,607	-	-	2,143,607	1,504,791	63,882	1,568,672	574,935	10%
Vehicles	8,429,112	-	-	8,429,112	8,089,908	67,841	8,157,749	271,363	20%
Weigh bridge	1,602,508	-	-	1,602,508	1,510,610	9,190	1,519,800	82,708	10%
	<u>1,153,401,792</u>	<u>1,621,233</u>	<u>-</u>	<u>1,155,023,025</u>	<u>262,677,633</u>	<u>29,959,366</u>	<u>292,636,999</u>	<u>862,386,028</u>	



4.3 Had there been no revaluation, the original cost, accumulated depreciation, and book value of revalued class of property, plant & equipment would have been as follows:

PARTICULARS	As at		As at June 30, 2025	Accumulated depreciation as at June 30, 2024	Net Book As at June 30, 2025
	July 01, 2024	As at June 30, 2024			
		All amounts in Rupees			
Land - freehold	14,266,500	-	14,266,500	-	14,266,500
Building on freehold land	190,249,857	-	190,249,857	162,247,668	28,002,189
Plant and machinery	722,935,302	-	722,935,302	494,988,211	227,947,091
	927,451,659	-	927,451,659	657,235,879	270,215,780

4.4 Depreciation for the year has been allocated as follows:

	Notes	
	2025	2024
Cost of sales	-	-
Administrative expenses	28,441,935	29,959,366
	<u>28,441,935</u>	<u>29,959,366</u>

4.5 Capital work-in-progress

Opening balance	40,407,804	40,407,804
Additions during the year	-	-
Closing balance	<u>40,407,804</u>	<u>40,407,804</u>



	NOTE	2025 RUPEES	2024 RUPEES
5. LONG TERM DEPOSITS			
Deposit against bank guarantees		451,800	451,800
Security deposits against utilities		852,145	852,145
		1,303,945	1,303,945
6. STORES, SPARE PARTS AND LOOSE TOOLS			
Stores		-	-
Spare parts		-	-
Provision for obsolete stores and spares and written down to NRV		-	-
Purchase return		-	-
Sale Proceed		-	-
		-	-
7. STOCK-IN-TRADE			
Raw material	25	-	-
Work-in-process	25	-	-
Finished goods	25	-	-
		-	-
8. TRADE DEBTS			
Considered good			
Relating to stock sold		8,500,724	10,848,426
Local yarn debtors		-	5,523,256
Expected credit loss allowance		-	(5,523,256)
		8,500,724	10,848,426
8.1	Trade debtors amounting Rs.8,500,724 (2024: Rs.1,084,846) were past due but not impaired. These relates to routine transactions between customers in normal course of business and there is no history of default. The aging analysis of the trade debtors is as follows;		
Upto 1 month		-	-
1 to 6 months		-	10,848,426
more than 6 months		8,500,724	5,523,256
		8,500,724	16,371,682
8.2 Provision for doubtful trade debts			
Opening balance		-	5,523,256
Provision for the year		-	-
Closing balance		-	5,523,256
9. ADVANCES AND PREPAYMENTS			
Advance to employees:			
-Against salaries		362,086	176,086
-Against purchases		47,096	22,365
To suppliers		284,025	178,135
Other receivables		3,569,617	3,569,620
		4,262,824	3,946,206
10. DUE FROM GOVERNMENT			
Sales tax refund claim/ refundable		13,098,860	9,339,279
Income Tax Refund		3,116,276	1,927,448
		16,215,136	11,266,727



	NOTE	2025 RUPEES	2024 RUPEES
11. CASH AND BANK BALANCES			
Cash in hand		58,270	39,174
Cash at banks - in current accounts		99,937	77,582
		158,207	116,756

12. SHARE CAPITAL			
Authorized share capital: 70,000,000 ordinary shares of Rs. 10 each.		700,000,000	700,000,000
Issued, subscribed and paid up share capital: 52,214,400 (2024: 52,214,400) ordinary shares of Rs. 10 each. issued for cash.		522,144,000	522,144,000

12.1 Ordinary shares of the company held by the associated companies at the year end are as follows:

Associated companies	Basis Relationship	Number of shares	
		2025	2024
Naheed Noor Enterprises Limited	Common Directorship	300,000	300,000
Naheed Noor (Pvt.) Limited	Common Directorship	100,500	100,500
Sunrise Bottling Company (Pvt.) Limited	Common Directorship	6,500,000	6,500,000
		6,900,500	6,900,500

12.2 Reconciliation of number of ordinary shares of Rs. 10 each fully paid in cash is as follows:			
At the beginning of the year		52,214,400	52,214,400
Issued during the year		-	-
At the end of the year		52,214,400	52,214,400

12.3 The shareholders' are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the company. All shares carry 'one vote' per share without restriction.

13. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

Opening balance		501,732,527	513,570,589
Transfer to accumulated loss in respect of :			
-Incremental depreciation		(10,869,951)	(11,838,062)
-Disposal of property, plant and equipment		-	-
		(10,869,951)	(11,838,062)
Revaluation Surplus during the year		-	-
Closing balance		490,862,576	501,732,527
Less: Related deferred tax liabilities on:			
At beginning of the year		84,865,746	88,298,784
Deferred tax (reversed)/ during the year		-	-
Incremental depreciation on revalued assets		-	(3,433,038)
		84,865,746	84,865,746
		405,996,830	416,866,781



13.1 This represents surplus on revaluation of property, plant and equipment carried out by WW Engineering Services (Pvt) Ltd on June 30, 2023 (previously these were revalued on September 30, 2001, September 30, 2004, June 30, 2008, June 30, 2013, June 30, 2016 and June 30, 2019, June 30, 2020) adjusted by surplus realized on disposal of revalued assets, incremental depreciation arising out of revaluation and deferred taxation. Based on latest revaluation report, the forced sale of the revalued assets i.e. land, building and plant & machinery in aggregate is Rs.695,343,746/-

	NOTE	2025 RUPEES	2024 RUPEES
14. LOAN FROM SPONSORS AND OTHER RELATED PARTIES			
Unsecured- from related parties			
Mr. Noor Elahi		306,905,178	299,925,178
Mrs. Parveen Elahi		139,478,121	139,478,121
Mrs. Naheed Javed		150,024,598	150,024,598
		596,407,897	589,427,897
Associated Companies:			
Naheed Noor (Pvt.) Limited		3,848,844	3,848,844
Naheed Noor Enterprises (Pvt.) Limited		62,197,770	62,197,770
Pure Drinks (Pvt.) Limited		877,656	877,656
Sunrise Bottling Co (Pvt.) Ltd		1,115,000	1,115,000
Aroma Drinks (Pvt.) Limited		30,536,042	30,536,042
		98,575,312	98,575,312
Total loan from sponsors and other related parties	14.1	694,983,209	688,003,209

14.1 These interest free loans are repayable at the discretion of the Company. Company has no intention to repay these loan within next twelve months from the reporting date. Therefore, no portion has been classified under current liabilities. Therefore, these loans are not measured at amortized cost as per requirements of IFRS-09, rather these are treated as equity in accordance with the Technical Release - 32 "Accounting Directors' Loan" (TR-32) issued by the Institute of Chartered Accountants of Pakistan (ICAP).The lenders have been given an option to convert the loan into share capital but no option has been exercised yet.

15. LONG TERM FINANCING FROM OTHERS			
Foreign Loan	15.1	32,812,500	59,062,500
Loan From Bank Al Habib	15.2		
		32,812,500	59,062,500

15.1	Opening Balance	105,000,000	105,000,000
	Markup capitalized	-	-
		105,000,000	105,000,000
	Current Portion	(13,125,000)	(13,125,000)
	Overdue Portion	(59,062,500)	(32,812,500)
		(72,187,500)	(45,937,500)
	Closing Balance	32,812,500	59,062,500

Foreign Loan

The company entered into restructuring agreement with foreign lender during the year 2020 and agreed the revised terms of settlement with lender, the foreign currency loan USD\$ 1.000 million converted at fixed USD\$ Pak rupee parity rate of Rs.105 and payable in Pak rupee at Rs.105 million plus markup chargeable net of payment till year end amounting Rs.11.295 million. The loan carry markup rate of 6-Months LIBOR+ 1.25% prevailing at the date of disbursement of loan.

Markup Rate	6-Months Libor+1.25%
Payment Term	Equal Semi annually Installments
Payment Start Date	June 2022
Payment End Date	December 2029



	NOTE	2025 RUPEES	2024 RUPEES
15.2 TERM FINANCE FROM BANK AL-HABIB			
Term Finance		-	-
Less: Current portion		-	(7,289,746)
		<u>-</u>	<u>(7,289,746)</u>

The RF facility outstanding amount was restructured/ rescheduled by the bank vide its sanction letter dated 25-01-2022 by converting it to term finance facility of Rs.29.159 million with mark-up @ 9.75% p.a. and is repayable in 3-years 12 equal quarterly installments starting from February 15, 2022 and ending on January 01, 2025. The facility is secured by way of:

- 1st equitable charge over industrial land 56 Kanals of Unit-1 & 16 Kanals situated at 3KM Raiwind Manga road, Distt Kasur.
- Hypothecation charge over plant and machinery, stocks and book debts.
- Personal Guarantee of Chief Executive Mr. Noor Elahi and counter guarantee.

16. LONG TERM SECURITY DEPOSITS		<u>1,791,660</u>	<u>1,791,660</u>
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It represent security deposit refundable by lessee against lease of warehouse and workers residence premises to M/S style Textile (Pvt) Ltd. The same is interest free.

17. DEFERRED LIABILITIES			
Staff gratuity-Unfunded	17.1	12,719,558	10,763,612
Deferred taxation	17.2	-	8,631,185
		<u>12,719,558</u>	<u>19,394,797</u>

17.1 Staff gratuity - Unfunded

Latest actuarial valuation of the gratuity scheme was conducted as on June 30, 2025. Results of actuarial valuation are as under:

17.1.1 Movement in present value of defined benefit obligation

Present value of defined benefit obligation - opening		10,763,612	12,624,593
Current service cost		1,069,293	688,788
Interest cost		682,027	994,690
Re-measurements (income)/loss		425,626	(2,596,010)
Benefits paid during the year		(221,000)	(948,449)
Transferred to trade and other payables			
Present value of defined benefit obligation - closing		<u>12,719,558</u>	<u>10,763,612</u>

17.1.2 Historical Information

	Amount in Rupees				
	2025	2024	2023	2022	2021
Present value of obligation	12,719,558	10,763,612	12,624,593	12,712,267	12,147,954

17.1.3 Net Liability recognized in Statement of financial position

Present value of obligation	<u>12,719,558</u>	<u>10,763,612</u>
-----------------------------	-------------------	-------------------

17.1.4 Expense recognized In Statement of Profit or loss

Current service cost	1,069,293	688,788
Interest cost	682,027	994,690
	<u>1,751,320</u>	<u>1,683,478</u>

In Statement of other comprehensive income

Re-measurement in the year	<u>425,626</u>	<u>(2,596,010)</u>
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17.1.5 Principle actuarial assumptions

	2025	2024
	%	%
Discount factor used	14.75%	16.25%
Expected rate of salary increase	10.75%	15.25%

17.1.6 General description

The scheme provides for terminal benefits for all of its permanent employees who attain the minimum qualifying period. Annual charge is made on the basis of actuarial valuation carried on using Projected Unit Credit Method.

Impact on Present value of defined benefit obligation					
	Change in Percentage	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	6,343,834	6,660,815	4,697,818	4,697,818
Salary growth rate	1.00%	6,675,526	6,327,724	4,980,044	4,980,044

The average duration of the defined benefit obligation is 2 years (2024: 2 years).

Gratuity which was classified in current liabilities in last year has been reclassified to deferred liabilities.

	NOTE	2025 RUPEES	2024 RUPEES
17.2	The net liability for deferred taxation comprises of temporary difference		
	Taxable temporary difference		
	Accelerated tax depreciation allowance	-	65,091,518
	Surplus on revaluation of property, plant and equipment	-	84,865,746
		-	149,957,264
	Deductible temporary difference		
	Staff retirement benefits - gratuity	-	(3,121,447)
	Unused tax losses carried forward	-	(138,204,632)
		-	(141,326,079)
		-	8,631,185
17.2.1	Movement in deferred tax liability is as follows;		
	Opening deferred tax liability	8,631,185	16,779,715
	Reversal of Deferred tax expense during the year		
	Less:-Profit or loss	29	8,901,373
	Less:-Other comprehensive income	-	(752,843)
	Closing deferred tax liability	-	8,631,185

17.2.2 During the current year, the deferred tax liability recognized in the previous year has been reversed. This adjustment is due to the company having ceased its operations in recent years, and as a result, no future taxable profits are expected. Therefore, the recognition of the deferred tax liability is no longer considered necessary. The reversal has been made in accordance with applicable accounting standards.

18. TRADE AND OTHER PAYABLES

Creditors	33,808,273	34,264,684
Accrued liabilities	27,907,756	23,751,365
Advance from customers	22,698,065	19,455,997
Income tax payable	457,512	305,882
Other Payable	403,658	403,658
	85,275,264	78,181,586

19. ACCRUED MARKUP

Short term financing from banking companies	-	204,425
Markup on Long term loan others	13,122,444	13,122,444
	13,122,444	13,326,870



20. UNCLAIMED DIVIDEND

This represent unclaimed dividend unpaid due to non claimant of shareholders and the company has deposited the unclaimed dividend into separate bank account. Upon claim, the same shall be paid to the claimant shareholder or if claimant did not lodge the claim, the same shall be deposited in Government treasury as prescribed by the law. The company is in the process of complying with the requirements of section 244 of the Companies Act, 2017.

	NOTE	2025 RUPEES	2024 RUPEES
21. CURRENT AND OVERDUE PORTION OF LONG TERM LOAN			
Current portion			
- Foreign loan		13,125,000	13,125,000
- Term finance from Bank Al-Habib		-	7,289,746
		13,125,000	20,414,746
Overdue portion			
- Foreign loan		59,062,500	32,812,500
- Term finance from Bank Al-Habib		-	-
	15.2	59,062,500	32,812,500
		72,187,500	53,227,246
22. PROVISION FOR TAXATION			
Opening balance			318,709
Prior year adjustment		162,861	-
Provision for the year		-	-
		162,861	318,709
Less: Adjusted against available tax/tax deducted at source		(3,279,137)	(1,927,448)
		(3,116,276)	(1,927,448)
23. CONTINGENCIES AND COMMITMENTS			
23.1 Contingencies			
Mr. Khurram Shahzad Mughal, Mr. Muhammad Afzal, and Mr. Muhammad Waseem, ex-employees of the Company, had filed suits against the Company before the Compensation Commissioner/Wages Authority, Lahore, amounting to Rs. 510,000, Rs. 103,576, and Rs. 123,000 respectively. The suits were related to alleged damages for loss of eyesight and claims for pending wages.			
The Company's legal counsel had assessed that there was no likelihood of any fiscal loss arising from these claims. These suits were fully settled during the previous financial year, and there has been no claim or settlement during the current reporting period. So no provision is required in these financial statements.			
23.2 Commitments			
There are no commitments as at year end. (2024: Rs. Nil).			
24. TURNOVER - NET			
Local sales - gross		-	-
Less: sales tax		-	-
Local sales - net		-	-
25. COST OF SALES			
Raw material	25.1	-	-
Depreciation	4.5	-	-
		-	-
Adjustment of work-in-process:			
Opening stock		-	-
Closing stock	7	-	-
		-	-
Cost of goods manufactured			
Adjustment of finished goods:			
Opening stock		-	-
Closing stock	7	-	-
		-	-
		-	-



	NOTE	2025 RUPEES	2024 RUPEES
25.1 Raw material			
Opening stock		-	-
Purchases		-	-
Direct expenses		-	-
Purchases- net		-	-
Available for consumption		-	-
Less: Cost of Stock damage by Fire		-	-
Less: Closing stock	7	-	-
		-	-
		-	-
26. ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries, allowances and other benefits	26.1	15,174,903	15,543,316
Fees and subscription		1,113,209	980,997
Traveling and conveyance		647,833	581,484
Vehicle running and maintenance		519,086	445,406
Electricity, Gas & Water		6,789,793	12,726,074
Telephone, postage and telegram		546,678	505,208
Printing and stationery		337,786	313,945
Repair and maintenance		561,046	712,445
Rent, rates and taxes		536,492	
Entertainment		235,405	257,900
Legal and professional charges		527,207	422,106
Auditors' remuneration	26.2	893,100	893,100
Depreciation	4.5	28,441,935	29,959,369
Advertisement		-	38,500
Others		922,587	729,326
		57,247,060	64,109,176
4.5. The company has made no sales during the year and no stock of raw material and work in process left, therefore whole depreciation has been charged to admin expenses.			
26.1 This includes Rs.1,751,320 (2024: 1,683,478) in respect of staff gratuity.			
26.2 Auditor's remuneration			
Statutory audit fee		625,000	625,000
Half yearly review and other certifications		125,000	125,000
Review of code of corporate governance		97,100	90,500
Out of Pocket Expenses		46,000	52,600
		893,100	893,100
27. OTHER INCOME/(EXPENSES)			
Weigh bridge income		3,600,000	3,000,000
Rental Income		18,519,136	9,428,800
Scrap sales/ other income		-	106
Other Income		3,231,419	600,000
		25,350,555	13,028,906
28. FINANCE COST			
Mark-up on:			
Long term loans and financing		1,515,773	3,048,822
Short term finances		-	-
Bank charges and commission		17,852	17,226
		1,533,625	3,066,048



	NOTE	2025 RUPEES	2024 RUPEES
29. PROVISION FOR STATUTORY LEVIES			
Levies under Income Tax Ordinance, 2001		-	-
		-	-
		-	-
		-	-
29.1. Levies under Income Tax Ordinance, 2001			
Current year		-	-
Prior year	29.1.1	-	-
		-	-
		-	-
29.1.1 Levies under Income Tax Ordinance, 2001 ['the Ordinance'] have been recognized under section 4C and 150(this year section 4C, 113C, 150 and) of the Ordinance.			
30. TAXATION			
Current taxation:			
Current tax		-	-
Prior year		162,861	-
		162,861	-
Prior year adjustment		-	-
Deferred tax - net		(8,631,185)	(8,901,373)
		(8,468,324)	(8,901,373)

30.1. No deferred tax provision as per IAS 12 has been recognized as the company has been subject to taxable losses and minimum tax regime u/s 113, 155/Fixed tax regime as per the relevant provisions of Income Tax Ordinance, 2001 in current and previous years and expect to be charged on the same basis in future.

31. EARNINGS PER SHARE

31.1 Basic

Loss after taxation	Rupees	(24,961,806)	(45,244,945)
Weighted average number of ordinary shares	No.	52,214,400	52,214,400
Loss per share	Rupees	(0.48)	(0.87)

31.2 Diluted

There is no dilutive effect on the basic loss per share of the Company.

32. CASH AND CASH EQUIVALENTS

Cash and bank balances	158,207	116,756
Short term financing	-	-
	158,207	116,756

33. RELATED PARTY TRANSACTIONS

Disclosure of transactions between the Company and related parties have disclosed in the relevant notes to the financial statements except followings:

Name of Related Party	Basis of relationship	2025	2024
		RUPEES	RUPEES
Loan obtained from;			
Mr. Noor Elahi	Chief executive	6,980,000	32,171,500
Mrs. Parveen Elahi	Director	-	2,232,000
Mrs. Naheed Javed	Director	-	-
Naheed Noor Enterprises (Pvt) Limited	Common Directorship	-	290,000
Loan repaid to;			
Naheed Noor Enterprises (Pvt) Limited	Common Directorship	-	-
Aroma drinks (Pvt.) Limited		-	-



33.1 Maximum aggregate amount due to any related party at any month end during the year was due to Mr.Noor Elahi amounting Rs. 306.905 million (2024: Rs.299.925 million).

33.2 Remuneration and benefits to chief executive, directors, and executives / key management personnel under the term of their employment are disclosed in note 34.

34. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The chief executive is entitled to free use of company maintained car. Following is the detail of managerial remuneration paid to directors and executive with their numbers:

		2025	2024
CHIEF EXECUTIVE AND DIRECTORS			
Remuneration and other benefits	Rupees	-	-
Number of persons	No.	Nil	Nil
EXECUTIVES			
Remuneration and other benefits	Rupees	-	-
Number of persons	No.	Nil	Nil

34.1 The Chief Executive and Directors are also provided with free use of company maintained cars.

34.2 No remuneration is paid to any other director.

35. GENDER PAY GAP

	2025	2024
Mean Gender Pay Gap	Nil	Nil
Median Gender Pay Gap	Nil	Nil
Any other date	Nil	Nil

36. FINANCIAL INSTRUMENTS BY CATEGORY

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

	Notes	2025 Rupees	2024 Rupees
Financial assets as per statement of financial position			
Long term deposits	5	1,303,945	1,303,945
Trade debts	8	8,500,724	10,848,426
Advances and prepayments	9	4,262,824	3,946,206
Cash and bank balances	11	158,207	116,756
		14,225,699	16,215,333
Financial liabilities as per statement of financial position			
At cost / amortized cost:			
Loan from sponsors and other related parties	14	694,983,209	688,003,209
Long term financing from others	15	32,812,500	59,062,500
Trade and other payables	18	85,275,264	78,181,586
Accrued markup	19	13,122,444	13,326,870
Unclaimed dividend	20	402,570	402,570
Short term financing	21	-	-
Current & overdue portion of long term loans	21	72,187,500	53,227,246
		898,783,488	892,203,980

**37. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES****37.1 Financial risk factors**

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

37.2 Market risks**i) Interest rate risk**

Interest risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The sensitivity on interest rate is calculated on following floating instruments;

	2025 Rupees	2024 Rupees
Floating rate instruments:		
Financial Liabilities:		
Long term financing from others	32,812,500	59,062,500
Short term financing	72,187,500	53,227,246
	105,000,000	112,289,746

If the interest rates at the statement of financial position date, fluctuate by 1% higher/ lower with all other variables held constants, profit or loss after taxation for the year would have been Rs. 745,500 (2024: Rs.814,510) higher/lower, mainly as a result of higher/lower interest expenses on floating rate borrowings. The analysis is prepared assuming the actual amounts of liabilities shall remain outstanding during the whole year.

ii) 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 risks arise mainly from future commercial transactions or receivables and payables that exists due to transactions in foreign currencies. The company is not exposed to currency risk, as financial asset and financial liabilities both are denominated in functional currency and during the year, the foreign currency loan has been restructured in functional currency and the company is not exposed to currency risk for foreign loan.

iii) Other price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest rate risk or currency risks), whether those changes are caused by factors specified to the individual financial instruments or its issuers or factors affecting all similar instruments traded in the market and the company is not exposed to other price risk

iv) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As the company is unable to meet its financial obligation and also financial facilities are not renewed by the lenders. The company is exposed to liquidity risk in respect of the non current interest bearing liabilities, short terms borrowings, trade and other payables and accrued markup. The following are the contractual maturities of the financial liabilities, including estimated interest payments:-

	All amounts in Rupees				
	Carrying amount	Six months or less	Six to Twelve months	One to Two years	More than Two years
June 30, 2025					
Long term financing from others	32,812,500	-	-	-	32,812,500
Trade and other payables	85,275,264	27,259,216	58,016,048	-	-
Accrued markup	13,122,444	13,122,444	-	-	-
Unclaimed dividend	402,570	402,570	-	-	-
Loan from banking company	72,187,500	72,187,500	-	-	-
Total	203,800,279	112,971,731	58,016,048	-	32,812,500



June 30, 2024

Long term financing from others	59,062,500	-	-	-	59,062,500
Trade and other payables	78,181,586	20,165,537	58,016,048	-	-
Accrued markup	13,326,870	13,326,870	-	-	-
Unclaimed dividend	402,570	402,570	-	-	-
Loan from banking company	53,227,246	53,227,246	-	-	-
Total	204,200,771	87,122,223	58,016,048	-	59,062,500

37.3 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted.

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties to the financial instruments fail to perform as contracted. Out of the total financial assets of Rs. 14,225,699 (2024: Rs. 16,215,333). The management monitors and limits the Company's exposure to credit risk through monitoring of clients credit exposure review and conservative estimates of provision for doubtful receivable. The management is of the view that it is not exposed to significant concentration of credit risk.

The maximum exposure to credit risk as at the reporting date is tabulated below:

	2025	2024
	Rupees	Rupees
Financial assets		
Long term deposits	1,303,945	1,303,945
Trade debts	8,500,724	10,848,426
Advances and prepayments	4,262,824	3,946,206
Cash and bank balances	158,207	116,756
	14,225,699	16,215,333

The trade debts are due from local customers 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 credit quality of major financial assets that are neither past due not impaired can be assessed by reference to external credit rating (if available) or to historical information about counter party default rate.

	Rating			Rating agency
	Short term	Long term		
Bank Al-Falah Limited	A-1+	AA+	PACRA	PACRA
Al-Baraka Bank Pakistan Limited	A-	BBB+	PACRA	PACRA
MCB Bank Limited	A-1+	AAA	PACRA	PACRA
United Bank Limited	A-1+	AAA	JCR-VIS	JCR-VIS
JS Bank Limited	A-1+	AA-	PACRA	PACRA
Meezan Bank Limited	A-1+	AAA+	JCR-VIS	JCR-VIS
Habib Bank Limited	A-1+	AAA	JCR-VIS	JCR-VIS
Bank Al-Habib Limited	A-1+	AAA	PACRA	PACRA
National Bank of Pakistan	A-1+	AAA	JCR-VIS	JCR-VIS
The Bank of Punjab	A-1+	AA+	PACRA	PACRA
Faysal Bank Limited	A-1+	AA	PACRA	PACRA
Soneri Bank Limited	A-1+	AA-	PACRA	PACRA
Silk bank Limited	A-2	A-	JCR-VIS	JCR-VIS
Habib Metropolitan Bank Limited	A-1+	AA+	PACRA	PACRA

**38. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES****38.1 Risk Management Policies**

The Company's objective in managing risks is the creation and protection of shareholder's value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk (which includes interest rate risk and price risk) arising from the financial instrument it holds.

The Company finances its operation through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

38.2 Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in the similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similar affected by changes in economic, political or other conditions. The Company believe that it is not exposed to major concentration of credit risk.

38.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. 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 stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

38.4 Interest rate risk

The company usually borrows funds at fixed and market based rates as such risk is minimized. Significant interest rates and cash flow risks are primarily managed by contracting floor and cape of interest rates.

38.5 Foreign currency risk

Currency risk arises mainly where receivables and payables exist due to transactions with foreign buyers and suppliers. The company operates have no buyer or supplier from foreign countries. Also during the year foreign loan has been converted into Pak rupees due to which Company is not exposed to any foreign currency risk.

39. CAPITAL RISK MANAGEMENT

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

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company manage its capital risk by monitoring its debts levels and liquid assets and keeping in view future investment requirements and expectation of the shareholder. Debt is calculated as total borrowing as shown in the statement of financial position and total capital comprises shareholders equity as shown in the statement of financial position under share capital and reserves.

	2025	2024
	Rupees	Rupees
Total borrowings	105,000,000	112,289,746
Less: Cash and Bank Balances	(158,207)	(116,756)
Net debts	104,841,793	112,172,990
Equity	686,481,232	704,888,664
Total capital	791,323,025	817,061,654
Gearing ratio	13.25%	13.73%

Fair value financial assets and liabilities

Fair value is an amount for which an assets could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transactions. Consequently, differences may arise between carrying amount and the fair value estimates.



		<u>2025</u> Rupees	<u>2024</u> Rupees
40. GEOGRAPHICAL INFORMATION			
	The Company's revenue from external customers by geographical location is detailed below:		
	Pakistan - local sales	-	-
	All non-current assets of the Company are located and operating in Pakistan.		
41. NUMBER OF EMPLOYEES		<u>2025</u>	<u>2024</u>
	Employees of the Company as at June 30	No. 29	27
	Average number of employees during the year	No. 29	27
42. CAPACITY AND PRODUCTION			
	Yarn		
	Number of spindles installed	33,072	33,072
	Installed capacity after conversion into 20's count (Kgs)	10,266,624	10,266,624
	Actual production of yarn after conversion into 20's count (Kgs)	-	-

It is difficult to describe precisely the production capacity in Spinning Mills since it fluctuates widely depending on various factors such as quality of cotton, count of yarn spun, spindles speed etc. Due to financial constraints, the company could not operate its unit-I and unit-II for whole year. .

- 43. DATE OF AUTHORIZATION**
These financial statements were authorized for issue on October 03, 2025 by the Board of Directors of the Company.
- 44. COMPARATIVES**
Corresponding figures have been re-classified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison. There are no major changes in the comparatives figures affecting the financial results of the company.
- 45. GENERAL**
Figures have been rounded-off to the nearest Pakistani Rupee except stated otherwise.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



FORM OF PROXY

The Company Secretary,
RUBY TEXTILE MILLS LIMITED,
35-Industrial Area, Gulberg-III,
Lahore-54660, Pakistan.

PLEASE QUOTE:

Folio No.	No. of Shares held

I/We of _____

being a member of Ruby Textile Mills Limited hereby appoint _____

of _____

Who is also member of Company vide Registered Folio No.....as my / our proxy to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held at 35-Industrial Area, Gulberg-III, Lahore-54660, Pakistan. on Wednesday October 25th, 2025 at 03:00 p.m.

In witness whereof I have set my hand this _____ day of _____ 2025.

Date: _____

Place: _____



Member's Signature:

Notes:

1. This proxy form must be deposited duly completed in the Company's Registered Office at least 48 hours before the meeting.
2. A proxy must be member of the Company.
3. Member's Signature should agree with the specimen registered with the Company.



پراکسی فارم (مختار نامہ)

_____ براہ مہربانی تحریر کریں:
 _____ فوئیو نمبر:
 _____ ملکیتی حصص کی تعداد:

کمپنی سیکری
روبی ٹیکسٹائل ملز لمیٹڈ
 35-انڈسٹریل ایریا، گلبرگ III،
 لاہور۔ 54660، پاکستان۔

_____ میں / ہم
 _____ ساکن
 _____ بحیثیت رکن روبی ٹیکسٹائل ملز لمیٹڈ
 _____ بذریعہ ہذا محترم / محترمہ
 _____ ساکن

جو بروئے رجسٹرڈ فوئیو نمبر کمپنی کا ممبر بھی ہے کو اپنے / ہمارے ایماء پر 35 انڈسٹریل ایریا، گلبرگ III، لاہور 54660، پاکستان۔ بروز بدھ 25 اکتوبر 2025 کو سہ پہر 3:00 بجے منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے، تقریر اور شرکت کرنے یا کسی بھی التواء کی صورت میں اپنا / ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں کرتے ہیں۔

2025ء کو میرے / ہمارے دستخط اور گواہوں کی تصدیق سے جاری ہوا۔

آج بروز _____ بتاریخ _____

-/5 روپے کارسیدی ٹکٹ



_____ تاریخ:

_____ مقام:

_____ دستخط رکن

نوٹ:

- 1۔ یہ پراکسی فارم باقاعدہ مکمل شدہ کمپنی کے رجسٹرڈ دفتر میں اجلاس سے کم از کم 48 (اڑتالیس) گھنٹے قبل لازماً جمع کرایا جانا چاہئے۔
- 2۔ پراکسی لازماً کمپنی کارکن ہونا چاہئے۔
- 3۔ رکن کے دستخط کمپنی کے ہاں رجسٹرڈ نمونہ دستخط سے لازماً مطابقت رکھتے ہوں۔

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