ASIM TEXTILE MILLS LIMITED

Financial Statements

For the year ended June 30, 2024

COMPANY INFORMATION

BOARD OF DIRECTORS:	
CHIEF EXECUTIVE:	MR. ZAHID ANWAR
DIRECTORS:	MR. IMRAN ZAHID
	MR. ZEESHAN ZAHID
	MS. NOORULAIN ZAHID
	MR. ANWAR UL HAQ
	MR. ZULQARNAIN
	MR. ALI RAZA ZAFAR
AUDIT COMMITTEE:	
CHAIRMAN:	MR. ZULQARNAIN
MEMBER:	MR. ZEESHAN ZAHID
MEMBER:	MR. ANWAR UL HAQ
HUMAN RESOURCES & REMUNERATION COMMITTEE:	
CHAIRMAN:	MR. ANWAR UL HAQ
MEMBER:	MS. NOORULAIN ZAHID
MEMBER:	MR. ALI RAZA ZAFAR
COMPANY SECRETARY:	MR. AJMAL SHABAB
CHIEF FINANCIAL OFFICER:	MR. ABRAR MOHSIN
AUDITORS:	KRESTON HYDER BHIMJI & CO. CHARTERED ACCOUNTANTS
BANKS:	AL BARAKA BANK (PAKISTAN) LIMITED JS BANK LIMITED NATIONAL BANK OF PAKISTAN UNITED BANK LIMITED MEEZAN BANK
LEGAL ADVISOR:	MR. ZIA-UL-HAQ (ADVOCATE)
REGISTERED OFFICE:	JK HOUSE, 32-W, SUSAN ROAD, MADINA TOWN, FAISALABAD
SHARE REGISTRAR OFFICE:	HAMEED MAJEED ASSOCIATES (PVT) LTD 1ST FLOOR, H.M HOUSE, 7-BANK SQUARE LAHORE.
MILLS:	32-KM, SHEIKHUPURA ROAD, FAISALABAD
WEB SITE:	www.asimtextile.com

VISION

TO TURN AROUND THE COMPANY INTO A PROFITABLE UNDERTAKING ITS LIFE AND TO BE A MARKET LEADER BY BEING THE BEST LEADER BY BEING THE BEST

MISSION

TO PROVIDE FINE QUALITY PRODUCTS TO ITS CUSTOMERS AND BRING THE COMPANY INTO PROFIT TO INCREASE SHAREHOLDERS' WEALTH

ASIM TEXTILE MILLS LIMITED

CHAIRMAN'S REVIEW

It is my privilege to present this report to the shareholders of Asim Textile Mills Ltd. (the "Company"), outlining the Board's overall performance and evaluating the effectiveness of its role in achieving the Company's strategic objectives.

Throughout the year, the Board Committees have continued to perform with exceptional proficiency. The Audit Committee has played a pivotal role in managing and controlling business risks, while the Human Resource and Remuneration Committee has ensured that HR policies concerning performance management, staffing, compensation, and benefits remain competitive, aligned with industry standards, and in accordance with the Company's performance and long-term success.

The Board has reaffirmed its unwavering commitment to the highest standards of corporate governance and adherence to industry best practices. The Board, along with its Committees, has diligently focused on ensuring full compliance with all applicable statutory and regulatory requirements. The Committees have provided invaluable insights and robust support to the Board, operating at an exemplary level of professionalism.

An annual self-assessment of the Board of Directors is conducted to evaluate and benchmark its overall performance and effectiveness in relation to the Company's strategic goals and objectives.

Overall, I am confident that the Company's strategic direction is sound and well-defined. Moreover, the processes undertaken to develop and review the Company's corporate strategy and achieve its objectives are commendable and reflect a deep commitment to driving sustainable growth and shareholder value.

For and on behalf of the Board

October, 07 2024

Faisalabad.

MR ANWAR UL HAQ

Chairman BOD

عاصم ٹیکسٹائل ملز لمیٹڈ

چیئرمین کا جائزہ

یہ میرے لئے اعزاز کی بات ہے کہ میں عاصم ٹیکسٹائل ملز لمیٹڈ کے شیئر ہولڈر کے سامنے یہ رپورٹ پیش کر رہا ہوں، جس میں بورڈ کی مجموعی کارکردگی اور کمپنی کے اسٹریٹجک مقاصد کے حصول میں اس کے کردار کی موثریت کا جائزہ لیا گیا۔

سال بھر کے دوران، بورڈ کی کمیٹیوں نے اپنی ذمہ داریاں انتہائی مہارت کے ساتھ سرانجام دیں۔ آڈٹ کمیٹی نے کاروباری خطرات کو موثر طریقے سے سنبھالنے اور کنٹرول کرنے میں اہم کردار ادا کیا۔ جبکہ انسانی وسائل اور معاوضہ کمیٹی نے اس بات کو یقینی بنایا کہ کارکردگی مینجمنٹ، عملہ، معاوضہ اور فوائد سے متعلق ایچ آر پالیسیاں صنعت کے معیار کے مطابق اور کمپنی کی کارکردگی طویل مدتی کامیابی کے ساتھ ہم آہنگ رہیں۔

بورڈ نے بہترین کارپوریٹ گورننس اور صنعت کے بہترین طریقوں پر عمل پیرا ہونے کے عزم کا اعادہ کیا ہے۔ بورڈ اور اس کی کمیٹیوں نے تمام متعلقہ قانونی اور ضابطہ جاتی تقاضوں کی مکمل تعمیل یقینی بنانے کے لیے انتھک محنت کی ہے۔ کمیٹیوں نے بورڈ کو قیمتی بصیرت اور مضبوط معاونت فراہم کی ہے اور انتہائی پیشہ دارانہ انداز میں اپنے فرائض سرانجام دیے ہیں۔

بورڈ آف ڈائریکٹرز کی سالانہ خود تشخیصی جانچ کی جاتی ہے تاکہ کمپنی کے اسٹریٹجک مقاصد کے حصول کے حوالے سے اس کی مجموعی کارکردگی اور مؤثریت کا جائزہ لیا جا سکے۔

مجموعی طور پر، مجھے یقین ہے کہ کمپنی کی اسٹریٹجک سمت مضبوط اور واضح ہے۔ مزید برآں، کمپنی کی کارپوریٹ اسٹریٹجی کی ترقی اور اس کے مقاصد کے حصول کے لیے کئے گئے اقدامات قابل تعریف ہیں اور پائیدار ترقی اور شیئر ہولڈرز کی قدر کو بڑھانے کے لئے گہری وابستگی کی عکاسی کرتے ہیں۔

بورڈ کی طرف سے

محمد انوار الحق

چیئرمین بورڈ آف ڈائریکٹر

7 اکتوبر 2024

فیصل آباد

ASIM TEXTILE MILLS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Annual General Meeting of the company will be held on Monday the 28th October, 2024 at 09:30 AM at its registered office, JK House, 32-W, Susan Road, Madina Town, Faisalabad to transact the following business :-

1. To confirm the minutes of the Extraordinary General Meeting held on 01.04.2024.
2. To receive, consider and adopt the audited accounts of the company for the year ended June 30, 2024 together with the Directors' and Auditor's reports thereon.
3. To appoint auditors for the year ending June 30, 2025 and fix their remuneration. The Company received a notice to appoint M/S Kreston Hyder Bhimji & Co. Chartered Accountants for appointment as auditors of the company for the next year.

Special business:

4. To consider, and if deemed appropriate, to pass the following resolutions (with or without modifications) which would enable the Company to circulate the annual audited financial statements by way of QR enabled code and weblink to its shareholders as a part of the notice for annual general meeting.

"RESOLVED THAT subject to passing of a resolution of Asim Textile Mills Limited ("Company") by way of simple majority, permission and approval to the Company be and is hereby accorded for circulation of annual audited financial statements to members through QR enabled code and weblink within and as a part of the notice of general meeting, in line with Securities and Exchange Commission of Pakistan notification number S.R.O. 389(I)/2023, and as a consequence thereof, the practice of circulation of annual audited financial statements through CD be discontinued."

"FURTHER RESOLVED THAT the company shall ensure all times the requirements given in Securities and Exchange Commission Notification S.R.O. 389 (I)/2023 dated March 21, 2023 and all other applicable laws in connection with transmission of Notice of General meeting and circulation of annual report to the members are complied with."

5. To transact any other business with the permission of the chair.

FOR AND ON BEHALF OF THE BOARD

AJAML SHABAB
(Company Secretary)

FAISALABAD: 07.10.2024

NOTES:

1. The share transfer books of the company will remain closed from 21.10.2024 to 28.10.2024 (both days inclusive). Transfer received at the office of Share Registrar of the company, M/s. Hameed Majeed Associates (Pvt) Ltd., H. M. House, 7-Bank Square, Lahore, by the close of business on 20 October 2024 will be treated in time.
2. A member entitled to attend and vote at the meeting may appoint another member of the company as a proxy to attend and vote instead of him/her. Proxy Form duly completed should reach the Registered Office of the Company at least 48 hours before the time of meeting.
3. Any individual beneficial owner of CDC entitled to attend and vote at this meeting must bring his/her CNIC or Passport to prove his/her identity, and in case of Proxy must enclose an attested copy of his/her CNIC or Passport. Representative of Corporate Member should bring the usual documents required for such purpose.
4. Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O. 779(I)/2011 dated August 18, 2011 has directed all listed companies to ensure that Dividend Warrants should bear the Computerized National Identity Card (CNIC) Numbers of the registered members. Members who have not yet provided attested copies of their valid CNICs / NTNs (in case of corporate entities) are requested to send the same directly to the Share Registrar at aforementioned address.
5. In pursuance of the directions given by SECP vide SRO 787 (I0/2014 dated September 8, 2014, those shareholders who desire to receive Notice & Annual Financial Statements in future through email instead of receiving the same by Post are advised to give their formal consent along with their valid email address on a standard request from which is available at the Company's website i.e. www.asimtextile.com and send the said form duly filled in and signed along with copy of his/her CNIC / Passport to the Company's Share Registrar. Please note that giving email address for receiving of Notice & annual Financial Statement instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice and, in such case, Notice & Annual Financial Statement will be sent at your registered address, as per normal practice.
6. Agenda Item No. 5: Circulation of Financial Statements Via QR Code & Weblink SECP vide SRO 389(I)/2023 dated March 21, 2023, allowed listed companies to circulate the annual audited financial statements to its members through QR-enabled code and web link subject to approval by the shareholders by simple majority. This facility will assist all members, regardless of their location, in accessing the Company's financial statements. The proposed change seeks to address technological challenges and improve accessibility while preserving members' rights and privileges. Importantly, it should be noted that this amendment does not impact the existing right of members to receive a printed version of the financial statements, which will continue to be available upon request.

   Web link: https://www.asimtextile.com/AnnualReport/AnnualReport2024.pdf Scan QR code for Annual Account 2024
7. Shareholders interested in attending the AGM virtually are hereby advised to get themselves registered with the Company by providing the following information through email at export@jkhouse.biz

Name of Shareholder	CNIC No.	Folio No/CDC Account No	No of Shares	Contact No.	E-mail Address

   Online meeting link and login credentials will be shared with only those Members whose emails, containing all the required particulars, are received at the given email address by the end of business on October 27, 2024. The login facility shall remain open from 09:30 am till the start of the Meeting on October 28, 2024.
8. Pursuant to section 132(2) of the Companies Act, 2017, if company receives consent from shareholders holding aggregate 10% or more shareholding residing at geographical location to participate in the meeting through video conference at least 7 days prior to the date of 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 following information and submit it to the registered office of the Company.

I/We.----------of.....being a member of ASIM TEXTILE MILLS LIMITED, holder of .....Ordinary Shares as per Register Folio No./CDC A/C No:.....hereby opt for Video conference facility at..... .

.....
Signature of members

Members of the Company are requested to immediately notify the change of address, if any, and ask for consolidation of their folio numbers.

DIRECTORS' REPORT

The Board of Directors of Asim Textile Mills Limited ('the Company') is delighted to present the Annual Report for the fiscal year ended on June 30, 2024, along with the audited Financial Statements and the accompanying Auditors' Report.

Industry Overview:

Pakistan's textile sector faced ongoing challenges, primarily due to sluggish recovery in global economies, stringent monetary policies aimed at curbing high inflation, and rising energy costs, including the imposition of new taxation measures and inflationary pressures. Pakistan's textile sector experienced a modest growth of 0.93% in fiscal year 2024, with total exports reaching $16.55 billion, compared to $16.50 billion the previous year. These factors have put significant strain on the sector's economic viability, making it difficult to sustain competitiveness against regional players such as Bangladesh and India.

Cotton production reached a record high of 10.22 million bales, compared to 4.9 million bales in FY 2023. However, as of September 15, 2024, cotton arrivals in Pakistan have plummeted to a 40-year low, declining by 64%, according to data from the Pakistan Cotton Ginners Association (PCGA). This year's total arrivals stand at 1.434 million bales, as opposed to 3.933 million bales recorded during the same period last year. The sector faced multiple challenges, including high costs of imported raw materials, the discontinuation of the Export Finance Scheme, elevated interest rates, subdued external demand, and increased competition from China. Overall, FY 2024 proved to be a difficult year for Pakistan's textile industry, characterized by both internal and external pressures.

Operating Indicators	June 30, 2024 Rupees in Millions	June 30, 2023 Rupees in Millions
Sales	1,812.690	354.678
Gross Loss	(23.276)	(31.266)
Levies	(23.390)	(4.519)
Income tax	36.129	16.233
Loss for the year	(26.560)	(29.508)
Loss per share	(1.75)	(1.94)

Business Overview:

In the financial year 2024, the company achieved a significant increase in sales, with revenue rising from Rs. 354.678 million in FY 2023 to Rs. 1,812.690 million in FY 2024. This substantial growth was primarily driven by an increase in operational capacity, which expanded from 25% in FY 2023 to 50% in FY 2024, enabling the company to better leverage the rise in yarn prices and meet higher market demand.

Despite the impressive revenue growth, the company continued to face challenges due to rising raw material, fuel and energy costs, which adversely impacted profitability. Consequently, the company reported a gross loss of Rs. 23.276 million for FY 2024, compared to a gross loss of Rs. 31.266 million in FY 2023. The reduction in gross loss demonstrates

improved operational efficiency and effective cost management, despite the inflationary pressure on input costs.

Moving forward, the company remains focused on optimizing its operations and managing costs effectively, with the aim of achieving sustainable growth and profitability in the coming years.

Future Outlook:

The Company is steadfast on its stated strategic initiatives aimed at enhancing margins by drastically improving operations and affecting across the board cost reductions through efficiency in manufacturing. Steps are taken to improve the financial health of the company by overhauling plant and machinery to improve product quality and performance. Despite of the very challenging business conditions, we are immensely hopeful for positive prospects in future

Compliance to good Governance and social requirements

Your company is committed to fulfill its responsibilities towards good governance, social and environmental responsibilities. To protect health and safety of employees and environment, company provides able conditions and means to ensure compliance.

Human Resource and industrial relations

Under a defined and documented criteria in line with national and international laws people are recruited and hired. This is demonstrated at all level beyond any racism, cast, sex or religion and respects human rights, ethics and standards.

Trading in the Shares of the Company

Trading and holdings of company's shares by Directors & Executives or their spouses were notified in writing to the company Secretary along with the price, number of shares, form of share certificates and nature of transaction which were notified by the company Secretary to the Board, SECP & PSX, within the stipulated time. All such holdings have been disclosed in the Pattern of Shareholding.

Composition of Board

In line with the requirements of the CCG Regulations, 2019, the Company encourages representation of independent and non-executive directors, as well as gender diversity on its Board. The current composition of the Board is as follows:

Total number of Directors:

Male directors 6
Female director 1

Composition:

Category	Names
Independent Directors	Mr. Zulqarnain Mr. Anwar ul Haq
Other Non-executive Directors (excluding female director)	Mr. Zeeshan Zahid Mr. Ali Raza Zafar
Executive Directors	Mr. Zahid Anwar Mr. Imran Zahid
Female Director (Non-executive)	Ms. Noorulain Zahid

production efficiency will definitely improve the future financial results. The management positively looks forward to counter all challenges and is firmly committed to deliver the best possible results and will continue to meet its objectives and goals. Based upon these aspects and continuing financial support from directors and associates, the financial statements have been prepared on going concern basis.

We confirm that:

1. Financial statements have been prepared in conformity with the requirement of the Companies Act 2017and present fairly state of affairs, results of its operation, cash flows and changes in equity.
2. Proper books of accounts have been maintained in the manner required under Companies act 2017.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.
5. The system of internal control is being implemented and monitored.
6. There are no significant doubts about the company's ability to continue as a going concern.
7. There has been no material departure from best practices of corporate governance, as detailed in listing regulations.
8. The key operating and financial data of last six years is annexed to this report.
9. Outstanding duties and taxes, if any, have been disclosed in the financial statements.
10. The Chairman's review dealing with the performance of the Company during the year ended June 30, 2024 forms part of this report.
11. Value of investments of Employees Provident Fund was Rs. **18.107/-** millions for the year ended June 30, 2024.
12. Company has arranged in-house training program for its Directors.
13. Statement of compliance with the Best Practices of Corporate Governance is annexed.
14. We confirm that directors and CFO and their spouse and minor children have made no transactions of the Company's shares during the year.
15. The pattern of shareholding as at June 30, 2024 is annexed with this report.

- During the year under review, six meetings of the Board were held:-

Mr. Zahid Anwar	6	Mr. Ali Raza Zafar	5
Mr.Imran Zahid	6	Mr. Zulqarnain	6
Mss. Noorulain Zahid	6	Mr. Anwar ul Haq	5
Mr. Zeeshan Zahid	6		

- The Audit Committee held four (4) meetings during the year. Attendance by each member was as follows:

Mr. Zulqarnan. (Chairman)	4	Mr. Zeeshan Zahid	4	Mr. Ali Raza Zafar	3
Mr. Anwar ul Haq	1				

Performance Evaluation of Board of Directors:

The evaluation of the Board's role of oversight and its effectiveness is a continual process, which is appraised by the Board itself. The core areas of focus are:

- Alignment of corporate goals and objectives with the vision and mission of the Company;
- Strategy formulation and planning for sustainable operation;
- The Board's independence and effectiveness

Individual feedback was obtained and on the basis of that feedback, the average rating of the performance of the Board and role of the Chairman regarding governing the Board was found up to the mark.

Directors' Remuneration:

A formal Director's Remuneration policy approved by the Board is in place. The policy includes transparent procedure for remuneration of directors in accordance with the Companies Act, 2017 and CCG Regulations, 2019.

Internal Financial Controls;

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

Court Cases:

The company has instituted a suit in the Honorable Lahore High Court, Lahore against Faysal Bank Limited claiming damages on account of acquisition of un-remunerative agricultural land on the advice of FIBL for not providing timely cash finance facilities despite written commitments and for charging illegal profits against the principles of Islamic Banking and in contravention of the objective clause of its Memorandum of Association, Articles of Association and against circulars issued by the State Bank of Pakistan. The amount claimed for the first two counts is Rs.141.831 million (including claims of Central Excise Duty), whereas the amount of last count has been left for the Court to determine.

The counter suit filed by the Faysal Bank for recovery of Rs. 454.502 million along with costs and cost of funds before the Honorable Lahore High Court (Single Judge), Lahore has been adjudicated on 04.06.2015 against the company. The company has filed an appeal in Honorable Lahore High Court, Lahore (Division Bench) vide R.F.A. No. 1372/2015 on various grounds including the company being condemned unheard. The learned Division Bench graciously allowed the appeal on 20.02.2020 and impugned judgment and decree dated 04.06.2015 was set aside. Consequently leave to appeal was adjudged to have been granted to the appellant company and the case is directed to be proceeded on that basis after framing issues and recording of evidences. Due to litigation, the Bank is not responding and confirming the balance of the company. Having been undeterminable at this stage, provision for cost of funds has not been accounted for.

However, in this regard directors' and the management of the company are confident that these cases are based and being contested on strong legal grounds and are likely to be decided in Company's favor.

Auditor's Observations:

The auditors have expressed unmodified opinion and give emphasis of matter on the provision for cost of fund has not been accounted for in the Financial Statements in line with the decision of Lahore High Court, Lahore in counter suit filed by Faisal bank Limited as described in the auditors' report to the members.

The management has filed an appeal in the Lahore High Court, Lahore (D.B) vide R.F.A. No. 1372/2015 on various grounds including the company being condemned unheard, in which the learned Division Bench allow the appeal on 20.02.2020 and set aside impugned judgment. The management of the company is of the opinion that this case is based and being contested on strong legal grounds and is likely to be decided in Company's favor. Therefore, no provision for cost of funds is accrued.

Regarding the auditor's reservation of going concern relating to note 1.2 & 23.1 of financial statements, the management of the company is making its strenuous efforts, optimal production strategies and effective cost controls to improve the profitability of the company. The management is quite optimistic that balancing and modernization of plant and machinery, improvement in future industry situation and better

- The HR Committee held one (1) meeting during the year. Attendance by each member was as follows:

Mr. Ali Raza Zafar (Chairman)	1	Mr. Zeeshan Zahid	1	Mr. Anwar ul Haq	1

- Considering the financial position of the company, no dividend is recommended for the year ended June30, 2024.
- Present auditors, M/s Kreston Hyder Bhimji & Co Chartered Accountants have retired and M/s Kreston Hyder Bhimji & Co Chartered Accountants offers themselves for re-appointment. The Audit Committee has recommended the appointment of M/s Kreston Hyder Bhimji & Co as auditors for the year 2024.
- The remuneration of the Board members is approved by the Board itself. However in accordance with the code of Corporate Governance it is ensured that no Director takes part in deciding his own remuneration.
- No 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.
- Transactions undertaken with related parties during the financial year have been ratified by the Audit Committee and approved by the Board.

Acknowledgement

The Board of Directors would like to thank all stakeholders of the Company including, customers, shareholders, vendors, government agencies, bankers and all other business associates for their continued support during the year. Board also recognizes the contribution made by a very dedicated team who served the Company with enthusiasm, and hopes that the same spirit of devotion shall remain intact in the future as well.

On behalf of board of directors

Chief Executive **Director**

October 07, 2024.
Faisalabad

ڈائریکٹرز رپورٹ برائے ممبران

عاصم ٹیکسٹائل ملز لمیٹڈ (دی کمپنی) کے بورڈ آف ڈائریکٹر کو آڈٹ شدہ مالی گوشواروں، مع آڈیٹرز رپورٹ کے ساتھ 30 جون 2024 کو ختم ہونے والے مالی سال کی سالانہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

انڈسٹری کا جائزہ

پاکستان کے ٹیکسٹائل سیکٹر کو جاری مشکلات کا سامنا رہا، جن کی بنیادی وجوہات عالمی معیشتوں کی سست روی، بلند افراط زر کو قابو کرنے کے لیے سخت مالیاتی پالیسیوں، اور بڑھتی ہوئی توانائی کی لاگت ہیں۔ جن میں نئے ٹیکسیشن اقدامات اور افراط زر کے دباؤ بھی شامل ہیں۔ مالی سال 2024 میں پاکستان کے ٹیکسٹائل سیکٹر نے 0.93% کی معمولی شرح سے ترقی کی، کل برآمدات 16.55 ارب ڈالر تک پہنچ گئی، جو پچھلے سال کے 16.50 ارب ڈالر کے مقابلے میں زیادہ ہیں۔ ان عوامل نے اس شعبے کی معاشی استعداد پر کافی دباؤ ڈالا ہے، جس سے بنگلہ دیش اور بھارت جیسے علاقائی حریفوں کے مقابلے میں مسابقت برقرار رکھنا مشکل ہو گیا ہے۔

کپاس کی پیداوار 10.22 ملین گانٹھوں کی بلند ترین سطح پر پہنچ گئیں، جو مالی سال 2023 میں 4.9 ملین گانٹھوں کے مقابلے میں کہیں زیادہ ہے۔ تاہم 15 ستمبر 2024 تک پاکستان میں کپاس کی آمد 40 سال کی کم ترین سطح پر پہنچ گئیں، جو 64% کم ہو گئیں ہے، جیسا کہ پاکستان کاٹن جنرز ایسوسی ایشن (PCGA) کے اعداد و شمار سے ظاہر ہوتا ہے۔ اس سال کی کل آمد 1.434 ملین گانٹھیں رہی، جو کہ پچھلے سال اسی عرصے کے دوران 3.933 ملین گانٹھیں تھیں۔ اس شعبے کو کئی چیلنجز کا سامنا رہا، جن میں درآمد شدہ مال کی بلند لاگت، ایکسپورٹ فنانس سکیم کی بندش، زیادہ شرح سود، بیرونی مانگ میں کمی اور چین کی بڑھتی ہوئی مسابقت شامل ہے۔ مجموعی طور پر مالی سال 2024 پاکستان کی ٹیکسٹائل انڈسٹری کے لیے اسک مشکل سال ثابت ہوا۔ جس میں اندرونی اور بیرونی دباؤ کی صورتحال برقرار رہی۔

مالیاتی نتائج

روپے (ملین میں)

	اختتام مالی سال 30.06.2023	اختتام مالی سال 30.06.2024
سیلز	354.678	1,892.690
مجموعی نقصان	(31.266)	(23.276)
عائد شدہ ٹیکس	(4.519)	(23.390)
انکم ٹیکس	16.233	36.129
سال کا خسارہ	(29.508)	(26.560)
	=======	======
فی شیئر نقصان. آمدنی-بنیادی (روپے)	(1.94)	(1.75)

کاروبار کا جائزہ

کمپنی نے مالی سال 2024 میں سیلز میں نمایاں اضافہ حاصل کیا، جس سے سیلز مالی سال 2023 میں 354.678 ملین روپے سے بڑھ کر مالی سال 2024 میں 1,812.690 ملین روپے ہو گئی۔ اس شاندار ترقی کی بنیادی وجہ آپریشنل صلاحیت میں اضافہ تھا۔ جو مالی سال 2023 میں 25% سے بڑھ کر مالی سال 2024 میں 50% تک پہنچ گئی، جس سے کمپنی موذمبیق کی قیمتوں اضافے کا بہتر فائدہ اٹھانے اور مارکیٹ کی بڑھتی ہوئی طلب کو پورا کرنے میں مدد ملی۔

متاثر کن آمدنی میں اضافے کے باوجود، کمپنی کو خام مال، ایندھن اور توانائی کی بڑھتی ہوئی لاگت کا کی وجہ سے چیلنجز کا سامنا رہا، جس کا منفی اثر منافع پر پڑا نتیجتا، کمپنی نے مالی سال 2024 کے لئے 23.276 ملین روپے کا مجموعی خسارہ رپورٹ کیا، جو مالی سال 2023 کے 31.266 ملین روپے کے مجموعی خسارہ کے

مقابلے میں کم ہے۔مجموعی خسارہ مین یہ کمی بہتر آپریشنل کارکردگی اورموثر لاگت مینجمنٹ کو ظاہر کرتی ہے،باوجوداس کے کہ ان پٹ لاگتوں پرافراط زرکا دباؤ رہا۔
کمپنی اپنے آپریشنز کوبہتر بنانے اورلاگت کے موثر انتظام پرتوجہ مرکوز رکھے گی،تاکہ آنے والے سالوں میں پائیدار ترقی اورمنافع حاصل کیا جاسکے۔

مستقبل کا نقطہ نظر

کمپنی کاروباری لاگت میں کمی آپریشن میں بہتری کی بدولت منافع میں مسلسل اضافہ کے عزم پرقائم ہے۔پلانٹ اورمشینری کی مرمت عمل میں لائی جارہی ہے تاکہ اس کی کارکردگی اور مصنوعات کی کوالٹی میں اضافہ ہوسکے۔ انتہائی مشکل کاروباری حالات کے باوجود ہم مستقبل میں مثبت امکانات کے لئے بےحد پرامید ہیں۔

کارپوریٹ سماجی ذمہ داری

آپ کی کمپنی اچھی حکمرانی،سماجی اور ماحولیاتی ذمہ داریوں کے حوالے سے اپنی ذمہ داریوں کو پورا کرنے کے لئے پرعزم ہے۔ ملازمین اور ماحولیات کی صحت اورحفاظت کے لئے ذرائع فراہم کرتی ہے۔

انسانی وسائل اور صنعتی تعلقات

کمپنی نے قومی اوربین الاقوامی معیار کے مطابق ملازمین کی شمولیت کیلئے اصول وضع کررکھے ہیں یہ اصول نسل پرستی، ذات اور جنس کوخاطر میں لائے بغیر وضع کیے ہیں۔اس کے علاوہ کمپنی میں دوستانہ ماحول میں کام کو یقینی بنانے کیلئے بھی اصول وضوابط بنارکھے ہیں یہی چیز روزگار کے حصول کومنظم کرتی ہے۔

بورڈ کی ساخت:

ccg قواعدوضوابط 2019 کی ضروریات کے پیش نظر کمپنی آزاداورنان ایگزیکٹوز ڈائیکٹر کی نمائندگی کے ساتھ ساتھ اپنے بورڈ میں صنفی تنوع کی حوصلہ افزائی کرتی ہے۔بورڈ کی موجودہ تشکیل درج ذیل ہے۔

ممبران کی کل تعداد:

مرد ڈائریکٹران	6
خاتون ڈائریکٹر	1

ساخت:

خودمختار ڈائریکٹران	2
نان ایگزیکٹوڈائریکٹران	3
آزاد ڈائریکٹران	2

بورڈ آف ڈائریکٹرز کی کارگردگی کا اندازہ:

بورڈ کے نگرانی کے کردار کا اندازہ اوراس کی موثرگی ایک مستقل عمل ہے جسے بورڈ خود تشخیص کرتا ہے۔توجہ کے بنیادی شعبے درج ذیل ہیں۔

(1) کمپنی کے ویژن اورمشن کے ساتھ کارپوریٹ اہداف کی ہم آہنگی۔

(2) پائیدار اپریشن کے لیے حکمت عملی کی تشکیل اورمنصوبہ بندی۔

(3) بورڈ کی خودمختاری اور موثرگی۔

انفرادی فیڈ بیک حاصل کی گئی اوراس فیڈ بیک کی بنیاد پر بورڈ کی کارگردگی کی اوسط ریٹنگ اور بورڈ کی قیادت کے سلسلہ میں چیئرمین کا کردارمعیاری پایا گیا۔

ڈائریکٹر کا مشاہرہ:

بورڈ سے منظورشدہ ڈائریکٹرز کے مشاہرے کی ایک رسمی پالیسی موجود ہے۔پالیسی میں کمپنیز ایکٹ 2017 اور CCG ضوابط 2019 کے مطابق ڈائریکٹرز کے مشاہرے کا شفاف طریقہ کارشامل ہے۔

اندرونی مالیاتی کنٹرولز:

ڈائریکٹرز اندرونی مالیاتی کنٹرول کے حوالے سے اپنی ذمہ داری سے آگاہ ہیں۔انتظامیہ اور اندرونی وبیرونی آڈیٹرز کے ساتھ بات چیت کے ذریعے وہ یقینی بناتے ہیں کی کمپنی نے مناسب کنٹرولز لاگوکررکھے ہیں۔

کورٹ کیسز

کمپنی نے فیصل بنک لمیٹڈ کی تجویز پر غیر زرعی زمین خریدی اور رقم کی بروقت ادائیگی کیلئے پیشگی تحریری معاہدہ بھی کیا تاہم فیصل بنک نے بروقت رقم نہیں دی جس سے کمپنی کو نقصان پہنچا اور فیصل بنک نے اسلامی بنکنگ کے اصولوں، میمورنڈم آف ایسوسی ایشن، آرٹیکل آف ایسوسی ایشن اور سٹیٹ بنک کی جانب سے جاری کردہ سرکلرز کے خلاف کمپنی سے منافع وصول کیا۔اس بنا پر کمپنی نے نقصان کے ازالے کیلئے فیصل بینک کے خلاف لاہور ہائی کورٹ لاہور میں کیس دائر کیا ہوا ہے۔ پہلی دو شماریوں کی رقم 141.831 ملین روپے بنتی ہے جس میں سینٹرل ایکسائز ڈیوٹی کی رقم بھی شامل ہے۔

فیصل بنک کی جانب سے بھی 454.502 ملین روپے کی وصولی کیلئے لاہور ہائی کورٹ (سنگل جج) کی عدالت میں کیس دائر کیا گیا جس کا فیصلہ مورخہ 04.06.2015 کو کمپنی کے خلاف آیا تاہم کمپنی نے لاہور ہائی کورٹ لاہور ڈویژن بنچ میں مختلف وجوہ بشمول کمپنی کا موقف نہ سنا جانا کی بنیاد پر بحوالہ نمبر R.F.A. 1372/2015 کی رو سے کیس دائر کی جس میں فاضل ڈویژن بنچ نے 20-02-2020 اپیل کی اجازت دی اور 04-06-2015 کے فیصلے اور حکم نامہ کو ایک طرف رکھ دیا جس کے نتیجے پر اپیل کی اجازت مل گئی تا کہ کیس کے شواہد کی ریکارڈنگ کے بعد اس بنیاد پر آگے بڑھنے کی ہدایت کی گئی۔

آڈیٹرز کے مشاہدات

آڈیٹرز نے اپنی آڈٹ رپورٹ میں فیصل بنک کی جانب سے دائر کردہ کیس جو کہ آڈیٹرز رپورٹ میں بیان کیا گیا ہے اور لاہور ہائی کورٹ لاہور کے کمپنی کے خلاف فیصلے کے باوجود Cost of Fund کی رقم کو مالیاتی تفصیلات میں شامل نہیں کیا گیا

انتظامیہ نے لاہور ہائی کورٹ لاہور میں مکمل طور پر نہ سنے جانے اور مختلف وجوہات کی بنا پر اپیل نمبر R.F.A. 1372/2015 دائر کی جس میں اپیل کا حق کمپنی کو مل گیا ہے۔

کمپنی کی انتظامیہ اس حوالے سے پر امید ہے کہ کمپنی کے چلتے رہنے میں کوئی شک نہیں جیسا کہ مالیاتی تفصیلات کے نوٹ نمبر 1.2 اور 22.1 میں بیان کیا گیا ہے۔

کمپنی کی انتظامیہ کمپنی کے منافع کو بہتر بنانے کے لئے اپنی سخت کوششیں، بہترین پیداواری حکمت عملی اور لاگت کو کنٹرول کر رہی ہے۔انتظامیہ کافی پر امید ہے کہ پلانٹ اور مشینری میں توازن اور جدید کاری، مستقل کی صنعت کی صورتحال میں بہتری اور بہتر پیداواری کارکردگی یقینی طور پر مستقبل کے مالیاتی نتائج میں بہتری لائے گی۔انتظامیہ مثبت طور پر تمام چیلنجوں کا مقابلہ کرنے کے لئے اور بہترین نتائج فراہم کرنے لئے پر عزم ہے۔اور اپنے مقاصد اور اہداف کو پورا کرتی رہے گی۔

ہم تصدیق کرتے ہیں کہ:

1) مالیاتی بیانات کمپنیز ایکٹ 2017 کے تقاضوں کے مطابق تیار کئے گئے ہیں اور معاملات کی منصفانہ حالت، اس کے آپریشن کے نتائج، نقد بہاؤ اور ایکوئٹی میں تبدیلیاں پیش کی گئی ہیں۔

2) کمپنیز ایکٹ 2017 کے تحت مطلوبہ بکس آف اکاؤنٹس تیار کی گئی ہیں۔

3) مناسب حساب کتاب کی پالیسیوں کو مالی بیانات کی تیاری میں مستقل طور پر لاگو کیا گیا ہے۔اور حساب کتاب کا تخمینہ معقول اور سمجھدار فیصلے پر مبنی ہے۔

4) بین الاقوامی مالیاتی رپوٹینگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالی بیانات کی تیاری میں پیروی کی گئی ہے اور اس سے کسی بھی روانگی کو مناسب طور پر ظاہر کیا گیا ہے اور وضاحت کی گئی ہے

5) اندرونی کنٹرول کا نظام نافذ اور مانیٹر کیا جا رہا ہے۔

6) کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت کے بارے میں کوئی خاص شبہات نہیں ہیں۔

7) کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی روانگی نہیں ہوئی۔جیسا کہ فہرست سازی کے قواعد وضوابط میں تفصیل ہے۔

8) پچھلے چھ سالوں کے اہم آپریٹنگ اور مالیاتی اعداد وشمار اس رپورٹ سے منسلک ہیں۔

9) بقایا فرائض اور ٹیکس، اگر کوئی ہے، مالی بیانات میں ظاہر کیا گیا ہے۔

10)۔30 جون 2024 کو ختم ہونے والے سال کے دوران کمپنی کی کارکردگی سے متعلق چیئرمین کا جائزہ اس رپورٹ کا حصہ ہے۔

11)30جون2024 کوختم ہونے والے سال میں ایمپلائز پروویڈنٹ فنڈ کی سرمایہ کاری -/18.107 ملین روپے تھی۔

12) کمپنی نے اپنے ڈائریکٹرز کیلئے اندرون خانہ تربیتی پروگرام کا اہتمام کیا ہے۔

13) کارپوریٹ گورننس کے بہترین طریقوں کی تعمیل منسلک ہے

14)ہم تصدیق کرتے ہیں کہ ڈائیریکٹرز سی اف او اور ان کے بچوں نے مذکورہ مالی سال میں کمپنی کے حصص میں کوئی کاروبار نہ کیا ہے

15)30جون2023 تک شیئر ہولڈنگ کا پیٹرن اس رپورٹ کے ساتھ منسلک ہے۔

زیرجائزہ سال کے دوران چھ اجلاس منعقد ہوئے ہرایک ڈائریکٹر کی حاضری حسب ذیل ہے۔

نام ڈائریکٹر	تعداد حاضری
جناب زاہدانوار (CEO)	6
جناب عمران زاہد	6
محترمہ نورالعین زاہد	6
جناب ذیشان زاہد	6
جناب انوارالحق	5
جناب علی رضا ظفر	5
جناب ذلقرنین	6

آڈٹ کمیٹی کیطرف سے سال کے دوران چار اجلاس منعقد ہوئے ہرایک ڈائریکٹر کی حاضری حسب ذیل ہے۔

جناب ذلقرنین	4
جناب ذیشان زاہد	4
جناب علی رضا ظفر	3
محترمہ نورلعین ذاہد	1

ایچ آر کمیٹی کیطرف سے سال کے دوران ایک اجلاس منعقد ہوا ہرایک ڈائریکٹر کی حاضری حسب ذیل ہے

جناب علی رضا ظفر	1
جناب ذیشان زاہد	1
جناب انوارالحق	1

کمپنی کے گزشتہ سالوں کے نقصانات کو دیکھتے ہوئے کسی قسم کے ڈیوڈنڈ کی منظوری نہیں دی گئی۔

موجودہ آڈیٹرز میسرز کریسٹن حیدر بھیم جی چارٹرڈ اکاؤنٹنس ریٹائر ہوگئے تاہم دوبارہ تعیناتی کی پیشکش کی گئی جنہیں دوبارہ تعیناتی کیلیئے آڈٹ کمپنی نے تجویز بھی دی ہے۔

بورڈ ممبران کے معاوضے کی منظوری بورڈ خود کرتا ہے۔تاہم کارپوریٹ گورننس کے صابطے کے مطابق یہ یقینی بنایا جاتا ہے کہ کوئی بھی ڈائریکٹر اپنے معاوضے کا فیصلہ کرنے میں خود حصہ نہ لے۔

بیلنس شیٹ ڈیٹ اور ڈائریکٹر رپورٹ کی تاریخ کے درمیان کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی اہم تبدیلیاں نہیں ہوئی۔

مالی سال کے دوران متعلقہ فریقوں کے ساتھ کیے گئے لین دین کی آڈٹ کمیٹی نے توثیق کی اور بورڈ نے ان کی منظوری دی ہے۔

اعتراف

بورڈ آف ڈائریکٹر کمپنی کے تمام اسٹیک ہولڈر ،بشمول صارفین،شیئر ہولڈرز،وینڈرز،سرکاری ادارے،بینکرز،اور دیگر تمام کاروباری شراکت داروں کا سال بھر تعاون پر شکریہ ادا کرتا ہے۔بورد کمپنی کی خدمت کرنے والی ایک انتہائی محنتی ٹیم کی کاوشوں کو بھی سراہتا ہے،جنہوں نے بھرپور جوش و جذبے کے ساتھ کمپنی کی خدمت کی،،اور امید

کرتا ہے کہ یہی جذبہ آئندہ بھی برقرار رہے گا۔

بورڈ کی جانب سے

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ:: 7 اکتوبر 2024

فیصل آباد

STATEMENT OF

WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: Asim Textile Mills Limited

Year Ending: June 30, 2024

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

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

a. Male: Six (6)
b. Female: One (1)

2. The composition of the board is as follows:

Category	Names
Independent Directors	Mr. Zulqarnain Mr. Anwar ul Haq
Other Non-executive Directors (excluding female director)	Mr. Zeeshan Zahid Mr. Ali Raza Zafar
Executive Directors	Mr. Zahid Anwar Mr. Imran Zahid
Female Director (Non-executive)	Ms. Noorulain Zahid

Note: -
For a Board comprising of seven members, one-third equates to 2.33. Two independent directors have been appointed, however, the fraction of 0.33 in such one-third is not rounded up as one since the fractions is below half (0.5);

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;

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

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

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

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

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

9. The directors were apprised about the changes in the Code, applicable laws and their duties and responsibilities to effectively manage the affairs of the Company for and on behalf of the shareholders. Three directors of the Company having 14 years of education and 15 years of experience are exempt from the requirement of directors' training program, under purview of regulation 19(2) of the Listed Companies (Code of Corporate Governance) Regulations, 2019. Further two directors have obtained Directors' Training Program certification from PICG during the fiscal year under consideration. However two board members neither qualify for exemption. Nor obtained Directors' Training Program certification. The Company will arrange the training program for remaining directors as provided under the Regulations in future.

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

    1. Mr. Zulqarnain (Chairman)
    2. Mr. Zeeshan Zahid (Member)
    3. Mr. Anwar ul Haq (Member)

    b) HR and Remuneration Committee

    1. Mr. Anwar ul Haq (Chairman)
    2. Ms. Noorulain Zahid (Member)
    3. Mr. Ali Raza Zafar (Member)

13. The terms of reference of the audit committee and HR and Remuneration Committee have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:

    a) Audit Committee - Quarterly
    b) HR and Remuneration – On requirement basis

15. The Board has set up an effective internal audit function that is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

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

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

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

Sr. No.	Non-Mandatory Requirement	Reg. No.	Explanation
1	**Directors' Orientation Program.** All companies shall make appropriate arrangements to carry out orientation for their directors to acquaint them with these Regulations, applicable laws, their duties and responsibilities to enable them to effectively govern the affairs of the listed company for and on behalf of shareholders.	19	Three directors of the Company having 14 years of education and 15 years of experience are exempt from the requirement of directors' training program, under purview of regulation 19(2) of the Listed Companies (Code of Corporate Governance) Regulations, 2019. Further two directors have obtained Directors' Training Program certification from PICG during the fiscal year under consideration. However two board members neither qualify for exemption nor obtained Directors' Training Program certification. The Company will arrange the training program for remaining directors as provided under the Regulations in future.

Zahid Anwar
Chief Executive

Zahid
Director

Faisalabad
October, 07 2024

ASIM TEXTILE MILLS LIMITED

KEY OPERATING & FINANCIAL DATA FOR LAST SIX YEARS

Particulars	2023	2022	2021	2020	2019	2018
Financial Position						
Paid up capital	151.770	151.770	151.770	151.770	151.770	151.770
Fixed assets	1,152.284	1050.010	979.778	978.326	889.392	888.394
Accumulated depreciation	523.486	496.539	472.989	446.371	422.675	398.986
Current assets	507.059	669.844	690.861	557.261	484.858	406.424
Current liabilities	722.336	761.521	744.778	711.506	668.505	662.474
Income						
Sales	354.678	2080.169	1726.224	1472.117	1786.446	1433.635
Other income	32.752	16.830	10.93	14.953	8.586	3.433
Pre tax profit/(loss)	(41.223)	44.854	96.127	28.659	80.593	58.746
Taxation charge/(credit)	11.714	12.008	19.864	10.014	24.425	17.009
Statistics & Ratios						
Pre tax profit/(loss) to sales %	(11.62)	2.156	5.57	1.95	4.51	4.1
Pre tax profit/(loss) to capital %	(27.16)	29.554	63.3	18.9	53.1	38.71
Current ratio	1:1.70	1:1.87	1:1.92	1:1.78	1:1.73	1:1.61
Paid up value per share (Rs.)	10	10	10	10	10	10
Earnings/(loss) after tax per share (Rs.)	(1.94)	2.16	5.02	1.23	3.70	2.75
Cash dividend%	-	-	-	-	-	-
Break up value per share (Rs.)	2.03	0.92	0.68	1.83	(0.01)	(4.09)

KRESTON
HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulation, 2019 (the Regulations) prepared by the Board of Directors of Asim Textile Mills Limited (the Company) for the year ended June 30, 2024, 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 system 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 recommendations 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, 2024.

Kreston Hyder Bhimji & Company Chartered Accountants

DATED: October 07, 2024
PLACE: FAISALABAD
UDIN: CR2024101990stP8cXb7

KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNANTS
Engagement Partner: Khan Muhammad-FCA

Independent Auditors' Report to the Members of Asim Textile Mills Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Asim Textile Mills Limited ("the Company")**, which comprise the statement of financial position as at June 30, 2024, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements comprising 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 purpose of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with Accounting and Reporting Standards as applicable in Pakistan, and, give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss, total comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Material Uncertainty relating to Going Concern

We draw attention of the members to the contents of note 1.2 to the annexed financial statements, which disclose the appropriateness of going concern assumption used by the Company in the preparation of financial statements, in spite of the accumulated losses stand at Rs. 27.675 million against the paid-up share capital of Rs. 151.770 million as at June 30, 2024 and as of that date, the Company's current liabilities exceed its current assets by Rs. 274.385 million. These factors indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and the Company may be unable to realize its assets and discharge its obligations in the normal course of business. Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 22 and 23 to the financial statements, which state that short term borrowings include Morabaha Finance obtained from Faysal Bank Limited amounting to Rs. 417.590 million on 31st October 1999 in respect of which the Company has filed suit against the bank for charging illegal profits against principal of Islamic Banking and against circulars issued by State Bank of Pakistan and in contravention of objective clause of its Memorandum & Article of Association. Faysal Bank Limited has also filed a counter suit which has been adjudicated on 04th June 2015 against the Company as a result of which the Company has to settle the loan along with costs and cost of fund. Profit on these loans amounting to Rs. 194.161 million have already been provided for; however, provision for cost of funds has not been accounted for, having been undeterminable at this stage by the management. Being aggrieved, the Company has filed an appeal in Honorable Lahore High Court, Lahore (Division Bench) vide R.F.A No. 1372/2015 based on infield favorable judgments of Honorable Lahore High Court, Lahore, which is pending adjudication. Consequent to the litigation, the bank account balance maintained with the concerned bank remained unverified. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current 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 the matters described below to be the key audit matters to be communicated in our audit report.

Following are the Key Audit Matter(s):

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
1.	**Contingencies:** (Refer notes 23 to the financial statements)	
	There are certain legal, taxation and regulatory matters which are beyond the control of the Company. Consequently, the management makes judgments about the incidence and quantum of such liabilities arising from litigation, taxation and regulatory claims which leads to the impacts for the future outcome of legal or regulatory processes. There is an inherent risk that legal exposures are not identified and considered for financial reporting purposes on a timely basis. Importantly, the decision to recognize a provision and the basis of measurement are judgmental.	• We assessed and tested the design and operating effectiveness of the controls over the identification, evaluation, provisioning and reporting of legal, tax and regulatory matters. We determined that we could rely on these controls for the purposes of our audit. • In view of the significant judgements required, we evaluated the Company's assessment of the nature and status of litigation, claims and provision assessments, and discussed with management to understand the legal position and the basis of material risk positions. We received legal letters from

		the Company's external counsel setting out their views in major cases. • Specifically, we challenged the timing of recognition for cases where there was potential exposure but it was not clear that a provision should be raised e.g. where obtaining reliable estimates are not considered possible. • As set out in the financial statements, the outcome of litigation and regulatory claim is dependent on the future outcome of continuing legal and regulatory processes and consequently the calculation of the provision is subject to inherent uncertainty. •
2.	**Revenue recognition:** (Refer note 24 to the financial statements)	
	We identified recognition of revenue of the Company as a key audit matter because revenue is one of the key performance indicators and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. Revenue is recorded in accordance with the requirements of IFRS-15 which provides a comprehensive model of revenue recognition and requires the Company to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying the model to contracts with customers. For further information, refer to the summary of significant accounting policies, revenue from contracts with customers' note 5.13 to the financial statements.	We performed a range of audit procedures in relation to revenue including the following: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue; • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents; • We performed analytical review procedures and other test of details over various revenue streams including the cut-off procedures to check that revenue has been recognized in the appropriate accounting period; • We assessed the adequacy of the disclosures as per the guidelines set out in the applicable financial reporting requirements.

3.	**Inventory existence and valuation:** (Refer notes 8 and 9 to the financial statements)	
	The Company has significant levels of inventories amounting to Rs. 160.532 million as at the reporting date, being 14.76% of the total assets of the Company. There is a risk in estimating the eventual NRV of items held, as well as assessing which items may be slow-moving or obsolete. The Company's principal accounting policy on stores and spares and stock in trade are disclosed in notes – 5.3 and 5.4 to the financial statements. The significance of the balance coupled with the judgments and estimates involved on their valuation has resulted in the inventories being considered as a key audit matter.	Our audit procedures over existence and valuation of inventory included, but were not limited to: • To test the quantity of inventories, we assessed the corresponding inventory observation instructions and participated in inventory counts on sites. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management; • For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets; • We tested that the ageing report used by management correctly aged inventory items by agreeing a sample of aged inventory items to the last recorded invoice; • On a sample basis, we tested the net realizable value of inventory items to recent selling prices and reperformed the calculation of the inventory write down, if any; • We also made enquiries from management, and considered the results of our testing above to determine whether any specific write downs were required.

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and 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

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misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements:

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Khan Muhammad - FCA.

Kreston Hyder Bhimji & Co. Chartered Accountants

Date: October 07, 2024
Place: Faisalabad
UDIN: AR202410199tDijcQonz

KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

ASIM TEXTILE MILLS LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	**615,846,832**	628,797,986
Long term deposits	7	**33,956,795**	22,560,795
		649,803,627	651,358,781
CURRENT ASSETS			
Stores and spares	8	**26,913,459**	28,385,286
Stock in trade	9	**133,618,943**	198,328,421
Trade debts	10	**22,877,301**	1,818,063
Advances, deposit and prepayment	11	**28,266,266**	4,568,447
Short term investments	12	**18,531,627**	6,198,441
Accrued income	13	**3,131,479**	1,729,525
Tax refunds due from the Government	14	**55,701,139**	63,512,930
Cash and bank balances	15	**148,778,968**	202,517,759
		437,819,182	507,058,872
TOTAL ASSETS		**1,087,622,809**	1,158,417,653
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 17,500,000 ordinary shares of Rs.10 each		**175,000,000**	175,000,000
Issued, subscribed and paid up share capital	16	**151,770,000**	151,770,000
Accumulated loss		**(27,675,302)**	(10,246,922)
Deficit on remeasurement of investments		**-**	(1,438,560)
Surplus on revaluation of property, plant and equipment	17	**205,603,211**	214,735,149
		329,697,909	354,819,667
NON CURRENT LIABILITIES			
Deferred taxation	18	**45,720,945**	81,262,412
CURRENT LIABILITIES			
Trade and other payables	19	**81,934,730**	71,069,204
Contract Liabilities	20	**18,517,096**	39,514,241
Accrued markup	21	**194,161,422**	194,161,422
Short term borrowings	22	**417,590,707**	417,590,707
		712,203,955	722,335,574
CONTINGENCIES AND COMMITMENTS	23	**-**	-
TOTAL EQUITY AND LIABILITIES		**1,087,622,809**	1,158,417,653

The annexed notes 1 to 43 form an integral part of these financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

ASIM TEXTILE MILLS LIMITED

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Sales - net	24	**1,812,689,595**	354,678,335
Cost of sales	25	**(1,835,965,811)**	(385,944,815)
Gross loss		**(23,276,216)**	(31,266,480)
Operating expenses			
Distribution cost	26	**(329,488)**	(450,664)
Administrative expenses	27	**(41,973,469)**	(40,468,261)
Other operating expenses	28	**(1,549,130)**	(1,650,979)
		(43,852,087)	(42,569,904)
Loss from operations		**(67,128,303)**	(73,836,384)
Finance cost	29	**(101,868)**	(139,432)
Other income	30	**27,930,683**	32,752,849
Loss before levies and income tax		**(39,299,488)**	(41,222,967)
Levies	31	**(23,389,878)**	(4,519,369)
Loss before income tax		**(62,689,366)**	(45,742,336)
Income tax	32	**36,129,048**	16,233,429
Loss for the year		**(26,560,318)**	(29,508,907)
Loss per share - basic and diluted	33	**(1.75)**	(1.94)

The annexed notes 1 to 43 form an integral part of these financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

ASIM TEXTILE MILLS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	2024 Rupees	2023 Rupees
Loss for the year	**(26,560,318)**	(29,508,907)
Other comprehensive income/(loss) for the year		
Items that will be reclassified subsequently to profit or loss:		
Unrealized loss on changes in fair value of investments	-	(137,310)
Gain/(loss) realised on disposal of short term investments	**2,026,141**	(2,389,535)
Related effect of deferred tax liability	**(587,581)**	732,785
	1,438,560	(1,794,060)
Total comprehensive loss for the year	**(25,121,758)**	(31,302,967)

The annexed notes 1 to 43 form an integral part of these financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

ASIM TEXTILE MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

	Share Capital	Accumulated (loss)/profit	(Deficit)/surplus on remeasurement of investments	Surplus on revaluation of property, plant and equipment	Total
		[R u p e e s]			
Balance as at July 01, 2022	151,770,000	9,340,832	355,500	224,656,302	386,122,634
Loss for the year	-	(29,508,907)	-	-	(29,508,907)
Other comprehensive loss for the year	-	-	(1,794,060)	-	(1,794,060)
Total comprehensive loss for the year	-	(29,508,907)	(1,794,060)	-	(31,302,967)
Incremental depreciation on revalued property, plant and equipment for the year (note 17)	-	13,675,375	-	(13,675,375)	-
Tax effect on incremental depreciation (note 17)	-	(3,965,859)	-	3,965,859	-
	-	9,709,516	-	(9,709,516)	-
Surplus realized on disposal of property, plant and equipment for the year (note 17)	-	298,080	-	(298,080)	-
Tax effect on incremental depreciation (note 17)	-	(86,443)	-	86,443	-
		211,637		(211,637)	
Balance as at June 30, 2023	**151,770,000**	**(10,246,922)**	**(1,438,560)**	**214,735,149**	**354,819,667**
Loss for the year	-	**(26,560,318)**	-	-	**(26,560,318)**
Other comprehensive income for the year	-	-	**1,438,560**	-	**1,438,560**
Total comprehensive loss for the year	-	**(26,560,318)**	**1,438,560**	-	**(25,121,758)**
Incremental depreciation on revalued property, plant and equipment for the year (note 17)	-	**12,861,884**	-	**(12,861,884)**	-
Tax effect on incremental depreciation (note 17)	-	**(3,729,946)**	-	**3,729,946**	-
	-	**9,131,938**	-	**(9,131,938)**	-
Balance as at June 30, 2024	**151,770,000**	**(27,675,302)**	**-**	**205,603,211**	**329,697,909**

The annexed notes 1 to 43 form an integral part of these financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

ASIM TEXTILE MILLS LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before levies and income tax		**(39,299,488)**	(41,222,967)
Adjustments for non cash and other items:			
Depreciation		**31,944,155**	30,037,269
Profit on deposit accounts		**(18,398,502)**	(27,093,135)
Profit on deposit with SNGPL		**(822,977)**	(632,021)
Gain on disposal of property, plant and equipment		**(5,386,587)**	(1,022,899)
Balances written back		**-**	(1,180,505)
Balances written off		**67,000**	-
Exchange loss/(gain) on foreign currency translation		**14,232**	(134,430)
Realized loss/(gain) on investment in mutual funds		**1,467,898**	(2,689,859)
Un-realized gain on investment in mutual funds		**(49,352)**	-
Finance cost		**101,868**	139,432
Operating cash flows before working capital changes		**(30,361,753)**	(43,799,115)
Changes in working capital			
(Increase)/decrease in current assets			
Stores and spares		**1,471,827**	(5,905,430)
Stock in trade		**64,709,478**	195,727,416
Trade debts		**(21,126,238)**	20,904,419
Advances, deposit and prepayment		**(23,697,819)**	13,482,039
Short term investment in mutual funds - net		**(11,725,591)**	15,872,467
Tax refunds due from the Government		**10,687,866**	10,021,591
Increase/(decrease) in current liabilities			
Trade and other payables		**10,865,526**	(48,210,745)
Contract liabilities		**(20,997,145)**	12,707,466
		10,187,904	214,599,223
Cash (used in)/generated from operations		**(20,173,849)**	170,800,108
Profit on deposit with SNGPL received		**567,278**	-
Finance cost paid		**(101,868)**	(70,036)
Workers' profit participation fund paid		**-**	(2,570,946)
Income tax and levies paid		**(26,265,953)**	(9,451,200)
Exchange (loss)/gain on foreign currency translation		**(14,232)**	134,430
Long term deposit paid		**(11,396,000)**	-
Net cash (used in)/generated from operating activities		**(57,384,624)**	158,842,356
b) CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in property, plant and equipment		**(19,406,414)**	(106,761,237)
Proceeds from disposal of property, plant and equipment		**5,800,000**	2,416,667
Profit on deposit accounts received		**17,252,247**	27,020,738
Net cash generated from/(used in) investing activities		**3,645,833**	(77,323,832)
Net (decrease)/increase in cash and cash equivalents	**(a+b)**	**(53,738,791)**	81,518,524
Cash and cash equivalents at the beginning of the year		**202,517,759**	120,999,235
Cash and cash equivalents at the end of the year	**15**	**148,778,968**	202,517,759

The annexed notes 1 to 43 form an integral part of these financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

1. THE COMPANY AND ITS OPERATIONS

1.1 Asim Textile Mills Limited ("the Company") was incorporated in Pakistan on 29 July, 1990 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange limited. The registered office of the Company is situated at JK House, 32-W, Susan Road, Madina Town, Faisalabad and the Mill is situated at 32 - KM, Main Sheikhupura Road, Tehsil Jaranwala, District, Faisalabad in the province of Punjab. The principal business activity of the Company is manufacturing and sale of yarn.

1.2 Going concern assumption

The Company has accumulated loss of Rs. 27.675 million (2023: Rs. 10.247 million) as against issued, subscribed and paid up share capital of Rs. 151.77 million and its current liabilities exceeded its current assets by Rs. 274.385 million (2023: Rs. 215.277 million) as at June 30, 2024. These factors indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and the Company may be unable to realize its assets and discharge its obligations in the normal course of business.

The management of the Company is making its strenuous efforts, optimal production strategies and effective cost controls to improve the performance of the Company. The balancing and modernization of plant and machinery, improvement in future industry situation and better production efficiency are the main factors for improvements. The management positively looks forward to counter all challenges and is firmly committed to deliver the best possible results and will continue to meet its objectives and goals. Based upon these aspects and continuing financial support from directors and associates, the financial statements have been prepared on going concern basis.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective policy notes.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee which is also the Company's functional and presentation currency.

3. NEW AND REVISED STANDARDS, INTERPRETATIONS, PRONOUNCEMENTS AND APPLICATION GUIDANCES

3.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

There are certain amendments to the accounting and reporting standards which became effective during the year and are adopted by the Company for the financial year beginning on July 01, 2023. However, these amendments do not have any significant impact on the Company's financial reporting, and therefore have not been presented in these financial statements, except for the following:

- **IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes', Issued by the Institute of Chartered Accountants of Pakistan (ICAP):**

  This guidance is issued in the context of provisions of Income Tax Ordinance, 2001 and should be applied by Companies obliged to use accounting and reporting standards as applicable in Pakistan. This application guidance describes the accounting treatment for minimum taxes and final taxes.

Before the issuance of this guidance, minimum taxes and final taxes are accounted for and presented as income taxes within the scope of IAS 12, "Income Taxes". As required under this guidance, the minimum taxes and final taxes are not calculated on the 'taxable profits' as defined in IAS 12 but calculated on turnover or other basis (as per relevant sections of Income Tax Ordinance, 2001), it should be accounted for under IAS 37/IFRIC 21 as levies and not under IAS 12 as income taxes.

The companies will apply the requirements of this guidance retrospectively which will result in reclassification of amounts previously classified as 'current income tax' in the statement of profit or loss to 'levy' and 'final taxes'.

The application of this guidance has no impact on the measurement and recognition of income taxes under the provisions of the Income Tax Ordinance, 2001 except for the presentation of amounts into levy, final taxes and income tax in these financial statements.

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

The following standards, amendments with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below and have not been early adopted by the Company:

Standards	Standards, Interpretations and Amendments	Effective date (Annual periods beginning on or after)
IAS 1	'Presentation of financial statements', Classification of liabilities as current or non-current — (Amendments)	01 January 2024
IAS 7	'Statement of cash flows', Changes regarding supplier finance arrangements — (Amendments)	01 January 2024
IAS 21	'The effects of changes in foreign exchange rates', Lack of exchangeability — (Amendments)	01 January 2025
IFRS 7	'Financial instruments: Disclosures', Changes regarding supplier finance arrangements — (Amendments)	01 January 2024
IFRS 9	'Financial instruments: Disclosures', To address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 — (Amendments)	01 January 2026
IFRS 16	Leases', Sale and leaseback transactions — (Amendments)	01 January 2024
IFRS 17	'Insurance contracts'	01 January 2026

Further, the following new standards have been issued by IASB and ISSB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan:

Standard	
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
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2	Climate-related Disclosures

The management expects that the adoption of above standards and amendment will not have any material impact on the Company's financial statements except for presentation and disclosures.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the approved accounting standards require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgments made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

- Estimate of useful life of property, plant and equipment - note 5.1
- Impairment of non financial assets - note 5.2
- Stores and spares - note 5.3
- Stock in trade - note 5.4
- Provisions - note 5.11
- Contingencies - note 5.12
- Taxation - note 5.15

5. MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from July 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

5.1 Property, plant and equipment

5.1.1 Operating fixed assets

Property, plant and equipment except free hold land, building on freehold land, plant and machinery and electric installations are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Building on freehold land, plant and machinery and electric installations are stated at revalued amounts less accumulated depreciation and accumulated impairment losses, if any. Freehold land is stated at revalued amount.

Cost in relation to operating fixed assets signifies historical cost. Historical cost includes expenditures that are directly attributable to the acquisition or construction of assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with them will flow to the entity and its cost can be reliably measured. Cost incurred to replace a component of an item of operating fixed assets is capitalized and the asset so replaced is retired from use. Normal repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

Depreciation is charged to statement of profit or loss applying the reducing balance method so as to write off the historical cost of the assets over their expected useful life at the rates mentioned in note 6.1 of these financial statements.

Depreciation on additions during the year is charged for the full month in which the asset is available for use while no depreciation is charged in the month in which the asset is disposed off. The residual values and useful lives are reviewed by the management at each financial year end and adjusted if impact on depreciation is significant.

Any gain or loss on disposal of assets is included in statement of profit or loss in the year in which the assets are derecognized.

5.1.2 Capital work in progress

Capital work in progress is stated at cost less any identified impairment loss and represents direct cost of material, labour, applicable overheads and borrowing costs on qualifying assets. Transfers are made to relevant operating fixed assets category as and when assets are available for its intended use.

5.2 Impairment of non financial assets

The carrying amounts of the Company's non-financial assets, other than stock in trade and stores and spares, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognized in profit and loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets of the unit on a pro-rata basis. Impairment losses on goodwill shall not be reversed.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

5.3 Stores and spares

These are valued at moving average cost except items-in-transit which are valued at cost accumulated to the balance sheet date. Store and spares are regularly reviewed by the management to assess their net realizable value (NRV). Provision is made for slow moving and obsolete store items when so identified.

5.4 Stock in trade

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

Raw material	- At factory	Annual average cost.
	- In Transit	Invoice value plus direct charges in respect thereof.
Work in process and finished goods		Prime cost including a proportion of production overheads.

Wastes are valued at net realizable value.

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

5.5 Trade debts and other receivables

Trade debts are initially recognized at fair value and subsequently carried at amortized cost which approximate fair value of the consideration receivable, less any allowance for expected credit losses.

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.

5.6 Short term investment

Investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity or changes in interest rates are classified as available for sale.

Subsequent to initial recognition at cost, these are measured at fair value. The Company uses latest stock exchange quotations to determine the fair value of quoted investments. Gain or losses on available for sale investments are recognized directly in other comprehensive income until the investments are sold or disposed off, or until the investments are determined to be impaired, at that time cumulative gain or loss previously recognized in other comprehensive income, is re-classified from equity to profit and loss as re-classification adjustment.

5.7 Cash and cash equivalents

For the purpose of cash flow statement cash and cash equivalents comprise of cash and cheques in hand and at banks and include short term highly liquid investments. The cash and cash equivalents are readily convertible to known amount of cash and are subject to insignificant risk of change in value.

5.8 Surplus on revaluation of property, plant and equipment

Increases in the carrying amounts arising on revaluation of property, plant and equipment are recognized, net of tax, in other comprehensive income and accumulated in equity under the heading 'Surplus on revaluation of property, plant and equipment'. However the increase is recognized in statement of profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in statement of profit or loss.

Decreases in the carrying amounts arising on revaluation of property, plant and equipment are recognized, net of tax, in profit or loss. However revaluation decrease that reverse previous increases of the same asset is recognized in other comprehensive income to the extent of the remaining surplus attributable to that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading 'Surplus on revaluation of property, plant and equipment'.

Following amounts are transferred directly to retained earnings from equity under the heading 'Surplus on revaluation of property, plant and equipment' through the Statement of Changes in Equity:

- an amount equal to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the original cost of that asset; or
- an amount equal to carrying amount of revaluation surplus of the asset on its disposal.

All transfers to / from the account of 'surplus on revaluation of property, plant and equipment' are net of applicable deferred income tax. Surplus on revaluation of property, plant and equipment reported under equity is not available for distribution of dividend.

5.9 Staff retirement benefits

Defined contribution plan

There is a contributory provident fund for all employees of the Company for which contributions are charged to profit or loss as and when incurred.

The Company makes monthly contribution to the fund at the rate of 8.33% whereas employees of the Company also make monthly contributions to the fund at the rate of 8.33% of basic salary. The assets of the fund are held separately under the control of trustees.

5.10 Trade and other payables

Liabilities for trade and other payables are carried at their amortized cost, which approximate fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

5.11 Provisions

A provision is recognized when the Company has a present, legal or constructive obligation as a result of a past event when 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 of obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

5.12 Contingencies

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

5.13 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for rendering of services to a customer. For each contract with a customer, the Company;

(i) identifies the contract with a customer;
(ii) identifies the performance obligations in the contract;
(iii) determines the transaction price;
(iv) allocates the transaction price to the separate performance obligations in the contract; and
(v) recognizes revenue when each performance obligation is satisfied.

Variable consideration within the transaction price is estimates and determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognized as deferred revenue in the form of a separate refund liability.

a) Sale of goods

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

b) Interest income

Profit on bank balances in deposit accounts and interest income on deposit with Sui Northern Gas Pipelines Limited (SNGPL) are recognized on a time proportion basis on the principal amount outstanding and at the applicable rate.

c) Profit on fair value through other comprehensive income investments

Unrealized gains / (losses) arising on fair value measurements of investments classified as 'fair value through other comprehensive income' are included in other comprehensive income in the period in which they arise.

Gains / (losses) arising on disposal of investments are recognized on the date when the transaction takes place. When the investment is disposed off or derecognized, the cumulative gains / (losses) previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other expenses).

d) Profit on fair value through profit or loss investments

Gains / (losses) arising on disposal of investments are included in income currently and are recognized on the date when the transaction takes place.

Unrealized gains / (losses) arising on fair value measurements of investments classified as 'fair value through profit or loss' are included in profit or loss in the period in which they arise.

e) Other revenue

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

5.14 Foreign currency translation

All monetary assets and liabilities in foreign currencies are translated into rupees at exchange rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into rupees at exchange rates prevailing at the date when fair values are determined. Exchange gains and losses are included in the statement of profit or loss immediately.

5.15 Taxation

Income tax

The charge for current income tax is based on taxable income at current rates of taxation after taking into account tax credits, rebates and exemptions available, if any. The charge for current tax also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

The Company designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37.

Levies

The Company recognise the charge for minimum and final taxes, calculated under the provisions of the Income Tax Ordinance, 2001, as levies. The charge for levies are not based on 'taxable profit' as defined in IAS 12 but calculated on turnover or other basis as per provisions and applicable tax rates under minimum and final tax regime. The charge for levies also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable income. Deferred tax is calculated by using the tax rates enacted at the reporting date.

Deferred tax liability is recognized for all taxable temporary differences and deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses and unused tax credits, if any, to the extent that it is probable that future taxable profit will be available against which these can be utilized.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Sales tax

Revenues, expenses and assets are recognized net of amount of sales tax except:

- Where the sales tax incurred on purchase of assets or services is not recoverable from Federal Board of Revenue and respective provincial tax authorities, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables are stated with the amount of sales tax.

The net amount of sales tax recoverable from, or payable to, the taxation authority is recorded as part of sales tax receivables or payables in the statement of financial position accordingly.

5.16 Related party transactions

All transactions with related parties are carried out at arm's length. The prices are determined in accordance with comparable uncontrolled price method.

5.17 Dividend and other appropriations

Dividend is recognized as a liability in the period in which it is approved. Appropriations of profits are reflected in the statement of changes in equity in the period in which such appropriations are made.

5.18 Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of authorization for issue, about conditions that existed at the end of the reporting period, the Company will assess if the information affects the amounts that it recognizes in the financial statements.

The Company will adjust the amounts recognized in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in the light of the new information. For non-adjusting events after the reporting period, the Company does not change the amounts recognized in its financial statements but will discloses the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

5.19 Earnings per share

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

5.20 Financial instruments

5.20.1 Financial assets

A financial asset is measured at amortized cost if it is held in order to collect contractual cash flows which arise on specified dates and that are 'solely payment of principal and interest (SPPI)' on the principal amount outstanding. A debt investment is measured at fair value through other comprehensive income if it is held in order to collect contractual cash flows which arise on specified dates that are solely principal and interest and as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the Company makes an irrevocable election on initial recognition to present gains and losses on equity instruments in other comprehensive income. Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch.

A. <u>Classification and measurement of financial assets</u>

Investments and other financial assets

Classification:

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement:

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortized cost**

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

- **Fair value through other comprehensive income (FVTOCI)**

  Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/ (other expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

- **Fair value through profit or loss (FVTPL)**

  Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVTOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

  Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

B. **Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

C. **Impairment:**

The Company record an allowance for a forward-looking expected credit loss (ECL) approach for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade and other receivables, the Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

5.20.2 Financial liabilities

A. Classification and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

- **Loans and borrowings**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

  Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

  This category generally applies to interest-bearing loans and borrowings.

B. Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

5.20.3 Offsetting of financial assets and liabilities

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

	Note	2024 Rupees	2023 Rupees
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	**6.1**	**615,846,832**	628,797,986

6.1 OPERATING FIXED ASSETS

2024

DESCRIPTION	COST / REVALUED AMOUNT				ACCUMULATED DEPRECIATION				W.D.V	Rate
	As at July 1, 2024	Addition	(Deletion)	As at June 30, 2024	As at July 1, 2024	For the year	Adjustment	As at June 30, 2024	As at June 30, 2024	%
			[R U		P E E S			]		
Owned										
Freehold land	63,754,000	-	-	63,754,000	-	-	-	-	63,754,000	-
Building on freehold land	202,427,414	-	-	202,427,414	78,574,148	6,192,663	-	84,766,811	117,660,603	5
Plant and machinery	794,210,728	11,603,484	-	805,814,212	388,249,770	20,692,819		408,942,589	396,871,623	5
Electric installations	58,624,662	-	-	58,624,662	29,498,637	2,912,603	-	32,411,240	26,213,422	10
Factory equipment	355,750	-	-	355,750	341,998	1,375	-	343,373	12,377	10
Office equipment	3,206,122	-	-	3,206,122	2,178,049	102,807	-	2,280,856	925,266	10
Furniture and fixtures	659,633	-	-	659,633	550,778	10,886	-	561,664	97,969	10
Vehicles	29,046,171	7,802,930	(3,696,200)	33,152,901	24,093,114	2,031,002	(3,282,787)	22,841,329	10,311,572	20
Total	**1,152,284,480**	**19,406,414**	**(3,696,200)**	**1,167,994,694**	**523,486,494**	**31,944,155**	**(3,282,787)**	**552,147,862**	**615,846,832**	

2023

DESCRIPTION	COST / REVALUED AMOUNT				ACCUMULATED DEPRECIATION				W.D.V	Rate
	As at July 1, 2022	Addition	(Deletion)	As at June 30, 2023	As at July 1, 2022	For the year	Adjustment	As at June 30, 2023	As at June 30, 2023	%
			[R U		P E E S			]		
Owned										
Freehold land	63,754,000	-	-	63,754,000	-	-	-	-	63,754,000	-
Building on freehold land	184,989,839	17,437,575	-	202,427,414	72,896,841	5,677,307	-	78,574,148	123,853,266	5
Plant and machinery	712,424,655	86,270,000	(4,483,927)	794,210,728	371,444,823	19,895,106	(3,090,159)	388,249,770	405,960,958	5
Electric installations	56,159,000	2,465,662	-	58,624,662	26,353,732	3,144,905	-	29,498,637	29,126,025	10
Factory equipment	355,750	-	-	355,750	340,470	1,528	-	341,998	13,752	10
Office equipment	2,618,122	588,000	-	3,206,122	2,109,985	68,064	-	2,178,049	1,028,073	10
Furniture and fixtures	659,633	-	-	659,633	538,683	12,095	-	550,778	108,855	10
Vehicles	29,046,171	-	-	29,046,171	22,854,850	1,238,264	-	24,093,114	4,953,057	20
Total	**1,050,007,170**	**106,761,237**	**(4,483,927)**	**1,152,284,480**	**496,539,384**	**30,037,269**	**(3,090,159)**	**523,486,494**	**628,797,986**	

6.2 **The detail of operating fixed asset disposed off during the year are as follows:**

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain	Mode of Disposal	Particulars of Buyers
		[R U P E E S]					
Toyota Hilux Vigo Champ	3,696,200	3,282,787	413,413	5,800,000	5,386,587	Insurance claim	Askari General Insurance Company Limited
2024	**3,696,200**	**3,282,787**	**413,413**	**5,800,000**	**5,386,587**		
2023	4,483,927	3,090,158	1,393,769	2,416,667	1,022,898		

	Note	2024 Rupees	2023 Rupees
6.3 **Depreciation charge for the year has been allocated as under:**			
Cost of sales	**25**	**29,799,460**	28,718,846
Administrative expenses	**27**	**2,144,695**	1,318,423
		31,944,155	30,037,269

6.4 Had there been no revaluation, the related figures of freehold land, building on freehold land, plant and machinery and electric installations as at June 30 would have been as follows:

	2024		
	Cost	Accumulated depreciation	Written down value
	[R U P E E S]		
Freehold land	4,061,667	-	4,061,667
Building on freehold land	58,068,771	36,262,575	21,806,196
Plant and machinery	650,844,121	359,355,216	291,488,905
Electric installations	22,543,028	16,763,706	5,779,322
	735,517,587	**412,381,497**	**323,136,090**

	2023		
	Cost	Accumulated depreciation	Written down value
	[R U P E E S]		
Freehold land	4,061,667	-	4,061,667
Building on freehold land	58,068,771	35,114,882	22,953,889
Plant and machinery	639,240,637	344,208,856	295,031,781
Electric installations	22,543,028	16,121,558	6,421,470
	723,914,103	**395,445,296**	**328,468,807**

6.5 Forced sale values of revalued assets

The forced sale values of revalued assets are based on fair value measurement as at June 30, 2020.

	Forced Sale Values	
	2024	2023
	[Rupees]	
Freehold land	**54,190,900**	54,190,900
Building on freehold land	**99,474,120**	99,474,120
Plant and machinery	**237,960,000**	237,960,000
Electric installations	**29,600,000**	29,600,000
	421,225,020	421,225,020

6.6 Details of immovable property in the name of the Company:

Usage	Location	Area
Production unit	Chak # 69 - R.B, 32 - KM, Main Sheikhupura Road, Tehsil Jaranwala, District, Faisalabad.	56 Kanals 18 Marlas 4 Sarsai

	Note	2024 Rupees	2023 Rupees
7. LONG TERM DEPOSITS			
Security deposits			
- Sui gas	7.1	**24,036,417**	12,640,417
- FESCO		**2,734,078**	2,734,078
- WASA		**8,550**	8,550
- CDC		**37,500**	37,500
		26,816,545	15,420,545
Bank guarantee margin		**7,140,250**	7,140,250
		33,956,795	22,560,795

7.1 This represent the security deposit with Sui Northern Gas Pipelines Limited (SNGPL) against supply of natural gas to the Company. It is subject to mark up at the rate of 1 year KIBOR minus 3% per annum or fixed rate of 5% per annum whichever is lower receivable in arrears.

8. STORES AND SPARES			
Stores		**10,125,764**	15,249,934
Spares		**16,787,695**	13,135,352
		26,913,459	28,385,286
9. STOCK IN TRADE			
Raw materials			
- Cotton		**59,939,703**	81,983,412
- Polyester		**31,495,482**	3,082,475
		91,435,185	85,065,887
Work in process		**18,387,580**	29,404,558
Finished goods	9.1	**23,796,178**	83,857,976
		133,618,943	198,328,421

9.1 It includes waste stock amounting to Rs. 4,506,226/- (2023: Rs. 583,486/-) measured at net realizable value.

10. TRADE DEBTS			
Considered good:			
Local - unsecured		**22,877,301**	1,818,063
11. ADVANCES, DEPOSIT AND PREPAYMENT			
Advances- considered good			
Advances to suppliers		**26,961,539**	3,912,565
Advances to employees		**250,000**	250,000
Deposit			
Letter of credit		**662,693**	5,597
Prepayment			
Prepaid insurance		**392,034**	400,285
		28,266,266	4,568,447
12. SHORT TERM INVESTMENTS			
Fair value through profit or loss:			
NBP Islamic Money Market Fund	12.1	**18,531,627**	-
Fair value through other comprehensive income:			
JS Islamic Fund	12.2	**-**	6,198,441
		18,531,627	6,198,441

12.1 These have been valued by using published net asset value (NAV) as at reporting date. The number of units held by the Company are 1,823,961.0349 units (June 30, 2023: Nil).

12.2 These have been valued by using published net asset value (NAV) as at reporting date. The number of units held by the Company are Nil (June 30, 2023: 75,032.5785 units).

13. ACCRUED INCOME			
Interest on SNGPL deposit	7.1	**1,465,387**	1,209,688
Interest on bank deposit		**1,666,092**	519,837
		3,131,479	1,729,525

	Note	2024 Rupees	2023 Rupees
14. TAX REFUNDS DUE FROM GOVERNMENT			
Sales tax refundable		**41,250,929**	51,938,795
Income tax refundable		**14,450,210**	11,574,135
		55,701,139	63,512,930
15. CASH AND BANK BALANCES			
Cash in hand		**139,478**	529,418
Cash at bank			
- In current accounts	**15.1**	**23,700,432**	674,171
- In deposit accounts	**15.2**	**124,939,058**	201,314,170
		148,639,490	201,988,341
		148,778,968	202,517,759

15.1 It includes foreign currency amounting to USD 1,000/- (2023: USD 1,000/-) and SAR 2,461/- (2023: SAR 2,461/-).

15.2 The rate of profit on deposit accounts is ranging from 6.75% to 20.5% per annum (2023: 6.5% to 18% per annum).

16. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2024	2023		2024 Rupees	2023 Rupees
Number of shares				
15,177,000	15,177,000	Ordinary shares of Rs. 10 each fully paid in cash	**151,770,000**	151,770,000

16.1 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Company.

17. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

	2024 Rupees	2023 Rupees
Opening balance	**214,735,149**	224,656,302
Less: Incremental depreciation on revalued property, plant and equipment transferred to unappropriated profit	**(12,861,884)**	(13,675,375)
Add: Related effect of deferred tax liability	**3,729,946**	3,965,859
	(9,131,938)	(9,709,516)
Less: Surplus realized on disposal of revalued property, plant and equipment	**-**	(298,080)
Add: Related effect of deferred tax liability	**-**	86,443
	-	(211,637)
Closing balance	**205,603,211**	214,735,149

- First revaluation of the Company's building on freehold land and plant and machinery was carried out as on September 30, 1995 by an independent valuer M/s Iqbal A. Nanjee & Co. Lahore on the basis of depreciated replacement values.
- Second revaluation of the Company's freehold land, building on freehold land and plant and machinery was carried out on September 30, 2000 by an independent valuer Inspectorates Corporation International (Pvt) Ltd., Lahore and the same was verified by SBP's approved auditors on the basis of depreciated replacement values.
- Third revaluation of the Company's freehold land, building on freehold land, plant and machinery and electric installations was carried out on June 30, 2012 by an independent valuer M/s Nizamy Associates, Faisalabad on the basis of depreciated replacement values.
- Fourth revaluation of the Company's freehold land, building on freehold land, plant and machinery and electric installations was carried out on Sep 30, 2015 by an independent valuer M/s Amir Evaluators & Consultants, Peshawar on basis of depreciated replacement values.
- Fifth revaluation of the Company's freehold land, building on freehold land, plant and machinery and electric installations has been carried out on June 30, 2020 by an independent valuer M/s S.A. Associates, Lahore on basis of depreciated replacement values.

The fair valuation of the revalued assets are considered to represent a level 2 valuation based on significant non-observable inputs being the location and condition of the assets. The fair value are subject to change owing to change in input. However, the management does not expect there to be a material sensitivity to the fair values arising from the non-observable inputs. The basis of revaluation for items of these fixed assets were as follows:

Freehold land

Property brokers, dealers and estate agents were contacted to ascertain the asking and selling prices for properties of the same nature in the immediate neighbourhood and adjoining areas. Neighbouring properties which have been recently sold or purchased, were investigated to ascertain a reasonable selling / buying price. Properties that were up for sale were examined for asking price. An average of the above values was then assigned to the property.

Building on freehold land

Construction specifications were noted for each factory and residential building / structure and current construction rates were used to obtain replacement values of building, to which a depreciation formula was applied, based upon the Company's estimates of balance life to arrive at the current assessed value.

Plant and machinery

Plant and machinery have been evaluated / assessed by keeping in view their present physical condition, the remaining useful life / economic life and technological obsolescence. Further, new replacement values were arrived by using current local and foreign market values for the similar type of plant and machinery. These current local and foreign market values were taken into account on the basis of technical obsolescence, efficiency, maintenance, replacement and other related factors involved.

Electric installations

These were evaluated / assessed by keeping in view their present physical condition and the remaining useful life / economic life. Further, new replacement values were arrived by using current market values for the similar type of assets. These current market values were taken into account on basis of efficiency, maintenance, replacement and other related factors involved.

	Note	2024 Rupees	2023 Rupees
18. DEFERRED TAXATION			
Opening balance		**81,262,412**	98,228,626
Adjusted during the year		**(35,541,467)**	(16,966,214)
Closing balance	**18.1**	**45,720,945**	81,262,412
18.1 This comprise of following:			
Deferred tax liability:			
Taxable temporary differences relating to operating assets		**37,019,945**	34,646,930
Taxable temporary differences relating to short term investments		**14,312**	-
Taxable temporary differences relating to surplus on revaluation of property, plant and equipment		**75,760,347**	79,490,293
Deferred tax assets:			
Deductible temporary differences relating to short term investments		-	(587,581)
Deductible temporary differences related to minimum tax		**(44,056,371)**	(20,222,714)
Deductible temporary differences related to taxable loss		**(23,017,288)**	(12,064,516)
		45,720,945	81,262,412

18.1.1 The liability of deferred tax has been computed by applying the tax rate of 29%.

	Note		
19. TRADE AND OTHER PAYABLES			
Trade creditors	**19.1**	**21,642,109**	27,754,952
Accrued expenses		**44,302,305**	31,235,154
Provident fund trust	**19.2**	**1,170,702**	670,916
Withholding tax payable		**1,000,182**	559,012
Sales tax payable		-	12,753
Due to related parties	**19.3**	**7,759,335**	4,740,987
Workers' welfare fund		**6,060,097**	6,060,097
Other payables		-	35,333
		81,934,730	71,069,204

19.1 This includes amount of Rs. 13,807,917/- (2023: Rs. 14,574,596/-) payable to Zeeshan Energy Limited- a related party against purchase of electricity.

19.2 This represents amount due to provident fund trust for the month of June - 2024 for which payment was made at July 17, 2024 (2022: July 12, 2023).

The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and conditions specified thereunder.

19.3 This represents chief executive, directors and member current account balances maintained with the Company and is payable on demand.

	Note		
20. CONTRACT LIABILITIES			
Advances from customers	**20.1**	**18,517,096**	39,514,241

20.1 The contract liabilities primarily relate to the advance consideration received from customers for sale of goods, for which revenue is recognized at point in time when goods are transferred. Out of Rs. 39.514 million recognized in contract liabilities as on June 30, 2023, amount of Rs. 38.991 million has been adjusted and recognized as revenue during the year.

	Note	2024 Rupees	2023 Rupees
21. ACCRUED MARKUP			
Accrued markup on secured morabaha finance	21.1	**194,161,422**	194,161,422

21.1 The Company has ceased the payment of markup since July 01, 2006, as it has filed a suit against Faysal Bank Limited in the Honorable Lahore High Court, Lahore. The facts of the litigation are explained in note 23.1.1.

22. SHORT TERM BORROWINGS

From banking company			
Secured			
Morabaha I	22.1	**340,901,898**	340,901,898
Morabaha II		**74,145,100**	74,145,100
Unsecured			
Interest free bank overdraft	22.2	**2,543,709**	2,543,709
		417,590,707	417,590,707

22.1 Morabaha I represents secured finance by converting various morabaha finances into long term finance at interest rate of 13% per annum, whereas, the Morabaha II represents an interest free morabaha finance by converting various unpaid markups. These loans are secured against first charge of Rs. 505 million on fixed assets and personal guarantees of directors and Chief Executive of the Company.

22.1.1 The Company is not repaying the morabaha finances as it has filed a suit against Faysal Bank Limited in the Honorable Lahore High Court, Lahore. The bank has also filed a counter suit praying for a decree to be passed in its favor for a sum of Rs. 454.502 million against the defendants jointly and severally, with cost of funds at the rate of 20% or as certified by State Bank of Pakistan from date of default and 20% liquidated damages plus service charges and all costs, charges, expenses payable or to be incurred by the plaintiff bank till the final payment / realization of the afore-mentioned amount. The facts and status of the litigations are further explained in note 23.1.1.

22.2 The Company has obtained interest free bank overdraft facility from Faysal Bank Limited but ceased the repayment of the overdraft due to litigation in courts. The facts of the litigation are explained in note 23.1.1.

23. CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

23.1.1 The Company has instituted a suit in the Honorable Lahore High Court, Lahore against Faysal Bank Limited (FBL) claiming damages on account of acquisition of un-remunerative agricultural land on the advice of FBL for not providing timely cash finance facilities despite written commitments and for charging illegal profits against the principles of Islamic Banking and circulars issued by the State Bank of Pakistan in addition to contravention of the objective clause of its Memorandum & Articles of Association. The amount claimed for the first two counts is Rs.141.831 million (including claims of Central Excise Duty), whereas the amount of last count has been left for the Court to determine.

The counter suite filed by the Faysal Bank for recovery of Rs. 454.502 million along with costs and cost of funds before the Honorable Lahore High Court (Single Judge), Lahore has been adjudicated on 04.06.2015 against the company. The company has filed an appeal in Honourable Lahore High Court, Lahore (Division Bench) vide R.F.A. No. 1372/2015 on various grounds including the company being condemned unheared. The learned Division Bench garaciously allowed the appeal on 20.02.2020 and impugned judgment and decree dated 04.06.2015 was set aside. Consequently leave to appeal was adjudged to have been granted to the appellant company and the case is directed to be proceeded on that basis after framing issues and recording of evidences. Due to litigations, the Bank is not responding and confirming the balance to the company. Having been undeterminable at this stage, provision for cost of funds has not been accounted for.

23.1.2 The department while initiating sales tax audits of the Company for the tax years 2012 and 2014, created demands on account of supplies from suspended/blacklisted units aggregated to amount of Rs. 818,182/-. Being aggrived the Company filed appeals before Commissinor Inland Revenue (Appeals) who upheld the department's stance. The Company filed second appeals before Appellate Tribunal Inland Revenue Lahore on 15-Aug-2012, 25-Jul-2014, and 09-Oct-2014 which are pending for final decision. The management is contesting the case diligently and legal advisor is optimistic that the cases will be decided in the favour of the Company. Therefore, no provision has been made in these financial statements.

23.2 Commitments

There are no significant commitments at the reporting date which need to be disclosed in the financial statements.

24. SALES - NET

Local sales		
Yarn sales	**2,128,320,865**	409,768,359
Waste sales	**10,652,858**	5,583,635
	2,138,973,723	415,351,994
Less: Sales tax	**(326,284,128)**	(60,673,659)
	1,812,689,595	354,678,335

	Note	2024 Rupees	2023 Rupees
25. COST OF SALES			
Raw material consumed	25.1	**1,047,340,813**	83,960,626
Stores and spares consumed		**34,589,421**	21,237,158
Packing material consumed		**8,396,018**	1,481,126
Salaries, wages and benefits	25.2	**114,653,270**	51,211,475
Fuel and power		**519,447,376**	48,535,194
Repairs and maintenance		**3,443,523**	7,523,111
Postage and telecommunication		**64,530**	49,140
Insurance		**5,631,941**	4,197,062
Depreciation	6.3	**29,799,460**	28,718,846
Others		**1,520,683**	1,508,645
		1,764,887,035	248,422,383
Work in process			
Opening balance		**29,404,558**	13,092,725
Closing balance		**(18,387,580)**	(29,404,558)
		11,016,978	(16,311,833)
Cost of goods manufactured		**1,775,904,013**	232,110,550
Finished goods			
Opening balance		**83,857,976**	237,692,241
Closing balance		**(23,796,178)**	(83,857,976)
		60,061,798	153,834,265
		1,835,965,811	385,944,815

25.1 Raw material consumed

Opening balance	**85,065,887**	143,270,871
Purchases	**1,053,710,111**	25,755,642
	1,138,775,998	169,026,513
Closing balance	**(91,435,185)**	(85,065,887)
	1,047,340,813	83,960,626

25.2 Salaries, wages and benefits include Rs. 4.117 million (2023: Rs. 1.685 million) in respect of the provident fund contribution.

26. DISTRIBUTION COST			
Selling commission		**329,488**	450,664
27. ADMINISTRATIVE EXPENSES			
Director's remuneration		**6,000,000**	6,000,000
Staff salaries and benefits	27.1	**17,944,209**	18,483,771
Postage and telecommunication		**636,469**	666,619
Electricity and water		**1,693,773**	1,385,246
Printing and stationery		**143,700**	235,140
Traveling and conveyance		**625,256**	646,096
Fee and subscriptions		**1,033,605**	1,340,002
Rent, rates and taxes		**839,250**	322,439
Legal and professional		**533,574**	573,574
Entertainment		**192,722**	361,336
Repairs and maintenance		**124,677**	135,010
Vehicle running and maintenance		**7,561,458**	6,762,562
Auditors' remuneration	27.2	**850,000**	850,000
Insurance		**1,274,066**	897,047
Advertisement		**131,625**	52,650
Depreciation	6.3	**2,144,695**	1,318,423
Others		**244,390**	438,346
		41,973,469	40,468,261

27.1 Salaries, wages and benefits include Rs. 0.502 million (2023: Rs. 0.460 million) in respect of the provident fund contribution.

27.2 Auditors' remuneration

Statutory audit fee	**800,000**	800,000
Half yearly review	**50,000**	50,000
	850,000	850,000

	Note	2024 Rupees	2023 Rupees
28. OTHER OPERATING EXPENSES			
Balances written off		**67,000**	-
Exchange loss on foreign currency translation		**14,232**	-
Realized loss on investment in mutual funds		**1,467,898**	-
Charity and donation	**28.1**	**-**	1,650,979
		1,549,130	1,650,979

28.1 There is no interest of any director or his / her spouse in donees' funds.

29. FINANCE COST			
Interest on workers' profit participation fund		**-**	69,396
Bank charges and commission		**101,868**	70,036
		101,868	139,432
30. OTHER INCOME			
Income from financial assets			
Profit on deposit accounts		**18,398,502**	27,093,135
Dividend income on investment in mutual funds		**3,273,265**	-
Unrealized gain on investment in mutual funds		**49,352**	-
Realized gain on investment in mutual funds		**-**	2,689,859
Exchange gain on foreign currency translation		**-**	134,430
Profit on deposit with SNGPL		**822,977**	632,021
Income from non-financial assets			
Gain on disposal of property, plant and equipment		**5,386,587**	1,022,899
Balances written back		**-**	1,180,505
		27,930,683	32,752,849
31. LEVIES			
Minimum tax		**22,898,888**	4,519,369
Final tax		**490,990**	-
	32.1	**23,389,878**	4,519,369

31.1 This represents minimum tax under section 113 and final tax under section 150 of the Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37.

32. INCOME TAX			
Current year	**32.1**	-	-
Deferred tax			
Deferred tax relating to the origination and reversal of temporary differences		**(36,129,048)**	(16,233,429)
		(36,129,048)	(16,233,429)

32.1 Reconciliation of current tax as per tax laws for the year, with current tax recognized in statement of profit or loss is as follows

Current tax liability for the year as per applicable tax laws	**23,389,878**	4,519,369
Current tax liability as per tax laws, representing income tax under IAS 12	-	-
Current tax liability as per tax laws, representing levies in terms of requirements of IFRIC 21/IAS 37	**(23,389,878)**	(4,519,369)
	-	-

32.1.1 The aggregate of minimum tax and final tax, amounting to Rs. 23,389,878/- represents tax liability of the Company calculated in terms of provision of the Income Tax Ordinance, 2001.

32.2 The reconciliation between accounting profit and tax expense is meaningless in view of the tax provision made under minimum tax and final tax regime as mentioned in notes 31.1 and 32.1 above.

33. LOSS PER SHARE - BASIC AND DILUTED	2024	2023
33.1 Loss per share - basic		
Loss for the year (Rupees)	**(26,560,318)**	(29,508,907)
Weighted average number of ordinary shares outstanding during the year	**15,177,000**	15,177,000
Loss per share - basic (Rupees)	**(1.75)**	(1.94)

33.2 Loss per share - diluted

A diluted loss per share have not been presented as the Company does not have any convertible instruments in issue as at June 30, 2024 and 2023 which would have any effect on the loss per share if the option to convert is exercised.

34. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2024		
	Chief Executive	Directors	Executives
	[Rupees]		
Managerial remuneration	2,400,000	3,600,000	2,026,663
House rent allowance	-	-	810,665
Utilities allowance	-	-	202,666
Provident Fund	-	-	16,660
	2,400,000	3,600,000	3,056,655
Number of persons	1	2	2

	2023		
	Chief Executive	Directors	Executives
	[Rupees]		
Managerial remuneration	2,400,000	3,600,000	1,440,000
House rent allowance	-	-	576,000
Utilities allowance	-	-	144,000
	2,400,000	3,600,000	2,160,000
Number of persons	1	2	1

35. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, entities under common directorship, directors, major shareholders, key management personnel and retirement benefit fund. The Company in the normal course of business carries out transactions with these related parties. Amounts due from and due to related parties, if any, are shown under relevant notes to financial statements. Remuneration to chief executive, directors and key management personnel is disclosed in note 34. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name	Nature of transactions	2024 Rupees	2023 Rupees
Zeeshan Energy Limited	Purchase of electricity	82,768,323	-
Asim Textile Mills Limited, Employees' Provident Fund Trust	Company's contribution to the fund	4,620,013	2,144,314
CEO/directors/members	Expenses paid - net	2,981,652	4,626,523

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

Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
J.A. Textile Mills Limited	Associated Undertaking	Common Directors	JK House, 32-W, Susan Road, Madina Town, Faisalabad, Pakistan.
Zeeshan Energy Limited	Associated Undertaking	Common Directors	JK House, 32-W, Susan Road, Madina Town, Faisalabad, Pakistan.
Asim Textile Mills Limited, Employees' Provident Fund Trust	Trustees	N/A	JK House, 32-W, Susan Road, Madina Town, Faisalabad, Pakistan.

36. PLANT CAPACITY AND ACTUAL PRODUCTION

	[UOM]	2024	2023
Installed capacity after conversion into 20/s	[KGs]	11,407,803	11,407,803
Actual production after conversion into 20/s	[KGs]	5,191,813	411,154

36.1 Reasons for shortfall

The decrease in actual production during the year when compared with capacity is mainly on account of:

- Overall unfavorable industry's condition and increase in cost of raw material, fuel and power cost.

37. NUMBER OF EMPLOYEES

	2024	2023
Average number of employees during the year	324	157
Number of employees at end of the year	222	377

38. SHARIAH SCREENING DISCLOSURE

	Note	2024 Rupees	2023 Rupees
Loans/advances as per Islamic mode			
Short term borrowings	22	**417,590,707**	417,590,707
Shariah compliant bank deposits/bank balances			
Bank balances		**93,061,838**	193,369,900
Profit earned from shariah compliant bank deposits / bank balances		**15,448,246**	21,398,541
Revenue earned from a shariah compliant business		**1,812,689,595**	354,678,335
Gain/loss or dividend from shariah compliant investments			
Unrealized gain / (loss) on short term investments		**49,352**	(137,310)
Realized (loss) / gain on short term investments		**(1,467,898)**	2,689,859
Dividend income		**3,273,265**	-
Exchange gain earned		-	-
Mark up on Islamic mode of financing	21	**194,161,422**	194,161,422
Profits or interest on any conventional loan or advance			
Profit on deposit accounts	30	**2,950,256**	5,694,594
Profit on deposit with SNGPL	30	**822,977**	632,021

Relationship with shariah compliant banks

Name of institutions	Relationship with institutions
Al Barka Bank Pakistan Limited	Bank balance
Meezan Bank Limited	Bank balance
Faysal Bank Limited	Short term borrowings

39. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value hierarchy

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

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

Level 1 : Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

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

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

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	2024							
	Carrying Amount				Fair Value			
	Fair value through profit or loss	Amortized cost	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total
		[	R U	P E	E S	]		
Financial assets measured at fair value								
Short term investments	18,531,627	-	-	18,531,627	18,531,627	-	-	18,531,627
Financial assets not measured at fair value								
Long term deposits	-	33,956,795	-	33,956,795	-	-	-	-
Trade debts	-	22,877,301	-	22,877,301	-	-	-	-
Accrued income	-	3,131,479	-	3,131,479	-	-	-	-
Cash and bank balances	-	-	148,778,968	148,778,968	-	-	-	-
	18,531,627	**59,965,575**	**148,778,968**	**227,276,170**	**18,531,627**	-	-	**18,531,627**
Financial liabilities measured at fair value	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	74,874,451	-	74,874,451	-	-	-	-
Accrued markup	-	194,161,422	-	194,161,422	-	-	-	-
Short term borrowings	-	417,590,707	-	417,590,707	-	-	-	-
	-	**686,626,580**	-	**686,626,580**	-	-	-	-

	2023							
	Carrying Amount				Fair Value			
	Fair value through other comprehensive income	Amortized cost	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Short term investments	6,198,441	-	-	6,198,441	6,198,441	-	-	6,198,441
Financial assets not measured at fair value								
Long term deposits	-	22,560,795	-	22,560,795	-	-	-	-
Trade debts	-	1,818,063	-	1,818,063	-	-	-	-
Accrued income	-	1,729,525	-	1,729,525	-	-	-	-
Cash and bank balances	-	-	202,517,759	202,517,759	-	-	-	-
	6,198,441	**26,108,383**	**202,517,759**	**234,824,583**	**6,198,441**	-	-	**6,198,441**
Financial liabilities measured at fair value	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	64,437,342	-	64,437,342	-	-	-	-
Accrued markup	-	194,161,422	-	194,161,422	-	-	-	-
Short term borrowings	-	417,590,707	-	417,590,707	-	-	-	-
	-	**676,189,471**	-	**676,189,471**	-	-	-	-

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Company follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Company through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Company has exposures to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

40.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and other price risk such as equity risk. The sensitivity analysis in the following sections relate to the position as at June 30, 2024 and 2023.

40.1.1 Interest rate risk:

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from deposit with SNGPL and balances in deposit accounts.

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

	2024 Rupees	2023 Rupees
Variable rate instruments		
Security deposit with SNGPL	**24,036,417**	12,640,417
Bank balances in deposit accounts	**124,939,058**	201,314,170

Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the sensitivity to a change in interest rates of 1%, with all other variables held constant, of the Company's profit before tax. This analysis is prepared assuming the amounts of floating rate instruments outstanding at reporting date were outstanding for the whole year.

	2024 Rupees	2023 Rupees
Effect on profit and loss of an increase in interest rate for deposit with SNGPL	**240,364**	126,404
Effect on profit and loss of an increase in interest rate for balances in deposit accounts	**1,249,391**	2,013,142
	1,489,755	2,139,546

Decrease in interest rates at June 30 would have had the equal but opposite effect of these amounts. Sensitivity analysis has been prepared on symmetric basis.

40.1.2 Currency risk / Foreign Exchange risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument, will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to foreign currency transactions.

Exposure to Currency Risk

The Company's exposure to currency risk is restricted to the balance in foreign currency bank account. The Company's exposure to currency risk is as follows:

Particulars	Currency	2024		2023	
		F.Currency	Rupees	F.Currency	Rupees
Bank balance	**US $**	**1,000**	**278,250**	1,000	286,600
	SAR	**2,461**	**182,409**	2,461	188,291
			460,659		474,891

The following significant exchange rates have been applied as at reporting date:

Foreign Currency	2024		2023	
	Selling	Buying	Selling	Buying
	[R U P E E S]		[R U P E E S]	
US $	**278.80**	**278.25**	287.10	286.60
SAR	**74.25**	**74.12**	78.90	76.51

Currency rate sensitivity analysis

If the functional currency, at reporting date, had weakened by 5% against the foreign currencies with all other variables held constant, the profit before taxation would have increased for the year 2024 and 2023 by the following amounts:

Foreign Currency	2024 Rupees	2023 Rupees
US $	**13,913**	13,341
SAR	**9,120**	8,765
	23,033	22,106

A 5% strengthening of the functional currency against foreign currencies at June 30 would have had the equal but opposite effect of these amounts.

Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The analysis assumes that all other variables remained constant.

40.1.3 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 market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is exposed to price risk, because of the investments held by the Company in mutual funds, and classified on the statement of financial position as fair value through other comprehensive income. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio.

Short term investments include fair value through other comprehensive income of Rs. 18,531,627/- (2023: Rs. 6,198,441/-) which were subject to price risk.

If redemption price on mutual funds, at the year end date, fluctuate by 5% higher / lower with all other variables held constant, profit before tax for the year would have been Rs. 926,581/- (2023: Rs. 309,922/-) higher / lower, mainly as a result of higher / lower redemption price on units of mutual funds.

40.2 Credit risk:

Credit risk is the risk representing accounting loss that would be recognized at the reporting date if one party to a financial instrument will fail to discharge an obligation or its failure to perform duties under the contract as contracted. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations that is susceptible to changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry. The maximum exposure to credit risk at the reporting date is as follows :

	2024 Rupees	2023 Rupees
Long term deposits	**33,956,795**	22,560,795
Trade debts	**22,877,301**	1,818,063
Short term investments	**18,531,627**	6,198,441
Accrued income	**3,131,479**	1,729,525
Bank balances	**148,639,490**	201,988,341
	227,136,692	234,295,165

Long term deposits have been mainly placed with suppliers of electricity, gas and telecommunication services and bank guarantee margin. Considering the financial position and credit quality of the institutions, the Company's exposure to credit risk is not significant.

For trade debts, internal risk assessment process determines the credit quality of the customers, taking into account their financial positions, past experiences and other factors. Moreover, the management regularly monitors and reviews customers' credit exposure. Accordingly, the Company is not exposed to any significant credit risk.

Short term investments are investment in mutual funds. The credit risk on liquid funds is limited because counter party is bank with reasonably high credit ratings.

	2024 [Credit Ratings	2023]
NBP Fund Management Limited	**AM1**	AM1
JS Investments Limited	**AM2**	AM2

Accrued income constitute accrued profits receivable from SNGPL and banks. Considering the financial position and credit quality of the institutions, the Company's exposure to credit risk is not significant.

The credit quality of the Company's bank balances can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

Name of Bank	Date	Long term	Short term	Outlook	Agency
Al-Barka Bank (Pakistan) Limited	30-Jun-24	A+	A-1	Stable	JCR-VIS
Dubai Islamic Bank Pakistan Limited	27-Jun-24	AA	A-1+	Stable	JCR-VIS
Faysal Bank Limited	24-Jun-24	AA	A1+	Stable	JCR-VIS
Habib Bank Limited	28-Jun-24	AAA	A1+	Stable	JCR-VIS
JS Bank Limited	28-Jun-24	AA	A1+	Stable	PACRA
MCB Bank Limited	22-Jun-24	AAA	A1+	Stable	PACRA
Meezan Bank Limited	22-Jun-24	AAA	A-1+	Stable	PACRA
National Bank of Pakistan	22-Jun-24	AAA	A1+	Stable	PACRA
United Bank Limited	26-Jun-24	AAA	A-1+	Stable	JCR-VIS

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

40.3 Liquidity risk

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

The Company's approach to manage liquidity risk is to maintain sufficient level of liquidity by holding highly liquid assets and the availability of funding through an adequate amount of committed credit facilities. This includes maintenance of balance sheet liquidity ratios through working capital management. Further, liquidity position of the Company is closely monitored through budgets, cash flow projections and comparison with actual results by the Board. The management believes that the Company is not exposed to any liquidity risk.

The following are the contractual maturity analysis of financial liabilities as at June 30, 2024 and 2023:

	2024				
	Carrying amount	Contractual cash flows	Within 6 months	More than 6 months and up to 1 year	More than 1 year and up to 5 years
	[R u p e e s]				
Financial Liabilities :					
Trade and other payables	**74,874,451**	**74,874,451**	**74,874,451**	-	-
Accrued markup	**194,161,422**	**194,161,422**	**194,161,422**	-	-
Short term borrowings	**417,590,707**	**417,590,707**	**417,590,707**	-	-
	686,626,580	**686,626,580**	**686,626,580**	-	-

	2023				
	Carrying amount	Contractual cash flows	Within 6 months	More than 6 months and up to 1 year	More than 1 year and up to 5 years
	[R u p e e s]				
Financial Liabilities :					
Trade and other payables	64,437,342	64,437,342	64,437,342	-	-
Accrued markup	194,161,422	194,161,422	194,161,422	-	-
Short term borrowings	417,590,707	417,590,707	417,590,707	-	-
	676,189,471	676,189,471	676,189,471	-	-

41. CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern, maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, so that it can continue to provide returns for shareholders thereby maximizing their wealth, benefits for other stakeholders and reduce the cost of capital.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

As at June 30, 2024 and 2023, the Company had surplus reserves to meet its requirements.

42. DATE OF AUTHORIZATION FOR ISSUE

The financial statements were authorized for issue on 07 OCT 2024 ---------- by the Board of Directors of the Company.

43. GENERAL

43.1 Corresponding figures

Corresponding figures have been rearranged and reclassified wherever necessary for the purpose of better presentation. During the year following reclassifications are made in the corresponding figures.

Particulars	From	To	2023 Rupees
Advances from customers	Trade and other payables	Contract liabilities	39,514,241
Minimum and final tax	Income tax	Levies	4,519,369

43.2 Following nomenclatures have been changed during the year.

Current year nomenclature	Previous year nomenclature
Taxation	Income tax

43.3 Rounding

Figures have been rounded off to the nearest Rupee.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

ASIM TEXTILE MILLS LIMITED
PATTERN OF SHAREHOLDING
Consolidated (CDC & Non-CDC)
As at June 30, 2024

Number of shareholders	Shareholding		Shares held
	From	To	
121	1	100	10,142
1624	101	500	768,700
63	501	1000	59,714
78	1001	5000	204,870
25	5001	10000	198,263
8	10001	15000	99,211
3	15001	20000	57,500
1	20001	25000	23,500
1	25001	30000	26,000
1	45001	50000	50,000
1	50001	55000	54,500
2	60001	65000	125,400
1	80001	85000	82,700
2	95001	100000	200,000
2	100001	105000	202,300
1	140001	145000	145,000
1	195001	200000	197,500
2	245001	250000	500,000
1	420001	425000	425,000
1	770001	775000	771,300
1	1130001	1135000	1,130,038
1	1255001	1260000	1,257,937
2	2035001	2040000	4,077,350
1	4510001	4515000	4,510,075
1,944	<----------	---------->	**15,177,000**

ASIM TEXTILE MILLS LIMITED
DETAIL CATEGORIES OF SHAREHOLDERS
AS ON 30-06-2024

	CATEGORIES OF SHAREHOLDERS	TOTAL SHARES	%
5.1	**Directors/Chief Executive Officer and their spouse and minor Children**		
1	Mr. Zahid Anwar	4,510,075	29.72
2	Mr. Imran Zahid	2,140,175	14.10
3	Mr. Zeeshan Zahid	2,038,675	13.43
4	Ms. Noorulain Zahid	1,257,938	8.29
5	Mr. Muhammad Anwar Ul Haq	500	0.00
6	Mr. Muhammad Zulqarnan	500	0.00
7	Mr. Ali Raza Zafar	500	0.00
	TOTAL:	**9,948,363**	**65.55**
5.2	**Associated Companies, Undertakings and related parties**		
	TOTAL:	**0**	**0.00**
5.3	**NIT and ICP**		
1	INVESTMENT CORP.OF PAKISTAN	23,500	0.15
	TOTAL:	**23,500**	**0.15**
5.4	**Banks, DFIs, NBFIs**		
1	SAUDI PAK IND.& AGRI. INV. CO. (PVT.) LTD.	12,700	0.08
2	NATIONAL BANK OF PAKISTAN	642	0.00
3	NATIONAL BANK OF PAKISTAN	121	0.00
4	FAYSAL BANK LIMITED	7,500	0.05
5	THE BANK OF KHYBER	26,000	0.17
6	THE BANK OF PUNJAB	400	0.00
7	NATIONAL BANK OF PAKISTAN - TRUSTEE WING	100,800	0.66
	TOTAL:	**148,163**	**0.98**
5.5	**Insurance Companies**		
	TOTAL:	**0**	**0.00**
5.6	**Modarabas and Mutual Funds**		
1	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	771,300	5.08
	TOTAL:	**771,300**	**5.08**
5.7	**Shareholding 5% or more**		
1	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	771,300	5.08
2	MR. IMRAN ZAHID	2,038,675	13.43
3	MISS NOORULAIN ZAHID	1,257,937	8.29

ASIM TEXTILE MILLS LIMITED
DETAIL CATEGORIES OF SHAREHOLDERS
AS ON 30-06-2024

	CATEGORIES OF SHAREHOLDERS	TOTAL SHARES	%
4	MISS Q. A. ZAHID	1,130,038	7.45
5	MR. ZAHID ANWAR	4,510,075	29.72
6	MR.ZEESHAN ZAHID	2,038,675	13.43
	TOTAL:	**11,746,700**	**77.40**

5.8 **General Public**

1,996	a- Local	4,179,672	27.54
	b- Foreign		0.00
	TOTAL:	4,179,672	**27.54**

5.9 **Others - Joint Stock Companies**

1	MAPLE LEAF CAPITAL LIMITED	1	0.00
2	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	1	0.00
3	NH HOLDINGS (PVT) LTD	1,000	0.01
4	TRUST SECURITIES & BROKERAGE LIMITED - MF	54,500	0.36
	TOTAL:	**55,502**	**0.37**

5.9 **Others - Trust**

	TOTAL:	**0**	**0.00**

5.9 **Others**

1	INKAGA CONSULTANTS (PVT.) LTD.	500	0.00
2	BROADAXIS TECHNOLOGIES (PRIVATE) LIMITED	50,000	0.33
	TOTAL:	**50,500**	**0.33**

Grand Total:	**15,177,000**	**100.00**

* Shareholders having 5% or above shares exist in other categories therefore not included in total.

GENDER PAY GAP STATEMENT

UNDER CIRCULAR NO. 10 DATED APRIL 17, 2024

Following is gender pay gap calculated for the year ended June 30, 2024.

1-	Mean Gender Pay Gap	NIL
2-	Median Gender Pay Gap	NIL

MUHAMMAD ANWAR UL HAQ

Chairman / Director

ASIM TEXTILE MILLS LIMITED

ANNUAL GENERAL MEETING

FORM OF PROXY

IMPORTANT

This Form of Proxy, in order to be effective, must be deposited duly completed at the Company's Registered Office JK House, 32-W, Susan Road, Madina Town, Faisalabad, not less than 48 hours before the time of holding the meeting.

A poxy must be a member of the Company. Signature should agree with the specimen registered with the company

Please quote Registered Folio Number -

I/We----------

of----------

being a member of the Asim Textile Mills Limited----------and holder

of----------ordinary shares, hereby appoint

----------of----------

who is also a member of the company as my/our proxy in my/our absence to attend and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held at registered office of the Company, JK House, 32-W, Susan Road, Madina Town, Faisalabad, on **28.10.2024** at 9:30 a.m or at any adjournment thereof.

As witness my/our hand this ----------day of ----------2024

Signed by the said----------in the presence of

Date: _____ (Member's Signature)

Place _____ (Witness's Signature)

Affix Rs. 5/- revenue stampwhich must be cancelled either by signature over it or by some other means

پراکسی فارم (مختار عامہ)

کمپنی سیکرٹری
عاصم ٹیکسٹائل ملز لمیٹڈ
w-32 سوساں روڈ مدینہ ٹاؤن فیصل آباد

میں/ہم _____

ساکن _____

بحیثیت رکن عاصم ٹیکسٹائل ملز لمیٹڈ اور حامل _____ عام حصص بمطابق شیئر رجسٹر فولیو نمبر _____

(بصورت سنٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر نمبر _____ پارٹیسپینٹ آئی ڈی نمبر _____)

بذریعہ ہذا

محترم/محترمہ _____ ساکن _____

جو کمپنی کا ممبر ہے بمطابق شیئر رجسٹر فولیو نمبر _____ یا (اسکی غیر موجودگی میں محترم/محترمہ _____

ساکن _____ جو کمپنی کا ہے بمطابق شیئر رجسٹر فولیو نمبر _____ کو

مورخہ 28 اکتوبر 2024ء (بروز جمعرات) صبح 09:30 منعقد ہونے والے کمپنی کے صدر دفتر w-32 سوساں روڈ مدینہ ٹاؤن فیصل آباد میں اجلاس عام میں حق رائے دہی استعمال کرنے، تقریری اور شرکت کرنے کیلئے اپنا/ہمارا بطور مختار نامہ یا پروکسی فارم مقرر کرتا ہوں/ کرتے ہیں۔

بطور گواہ میرے دستخط ---------- آج بروز ---------- بتاریخ ---------- 2024

دستخط گواہ ---------- دستخط گواہ ----------

نوٹ:

1۔ پراکسیاں تانکہ موثر ہوسکیں کمپنی کا رجسٹرڈ دفتر/صدر دفتر میں باقاعدہ مہر، دستخط اور گواہی شدہ اجلاس سے کم از کم 48 گھنٹے قبل پہنچ جانی چاہیں۔

2۔ دستخط کمپنی کے ہاں رجسٹرڈ نمونہ دستخطوں کے مطابق ہونے چاہئیں۔

5 روپے کا رسیدی ٹکٹ چسپاں کریں

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