



*Annual Report*

**2026**

**NAGINA COTTON  
MILLS LIMITED**



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## COMPANY INFORMATION

### BOARD OF DIRECTORS

|                                   |                                    |
|-----------------------------------|------------------------------------|
| Mr. Shahzada Ellahi Shaikh        | Non-Executive Director / Chairman  |
| Mr. Naweed Akhter Sharif          | Independent Non-Executive Director |
| Miss. Zoe Khurshid Khan           | Independent Non-Executive Director |
| Ms. Tosheeba Sarwar               | Independent Non-Executive Director |
| Mr. Hasan Ahmad                   | Non-Executive Director             |
| Mr. Shafqat Ellahi Shaikh         | Non-Executive Director             |
| Mr. Raza Ellahi Shaikh            | Non-Executive Director             |
| Mr. Haroon Shahzada Ellahi Shaikh | Non-Executive Director             |
| Mr. Shaukat Ellahi Shaikh         | Executive Director                 |
| Mr. Amin Ellahi Shaikh            | Executive Director                 |

### CHIEF EXECUTIVE OFFICER

Mr. Amin Ellahi Shaikh

### AUDIT COMMITTEE

|                                   |             |
|-----------------------------------|-------------|
| Miss. Zoe Khurshid Khan           | Chairperson |
| Mr. Raza Ellahi Shaikh            | Member      |
| Mr. Haroon Shahzada Ellahi Shaikh | Member      |
| Mr. Syed Mohsin Gilani            | Secretary   |

### HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE

|                                   |             |
|-----------------------------------|-------------|
| Miss. Zoe Khurshid Khan           | Chairperson |
| Mr. Amin Ellahi Shaikh            | Member      |
| Mr. Haroon Shahzada Ellahi Shaikh | Member      |
| Mr. Muhammad Azam                 | Secretary   |

### EXECUTIVE COMMITTEE

|                                   |           |
|-----------------------------------|-----------|
| Mr. Amin Ellahi Shaikh            | Chairman  |
| Mr. Shaukat Ellahi Shaikh         | Member    |
| Mr. Raza Ellahi Shaikh            | Member    |
| Mr. Haroon Shahzada Ellahi Shaikh | Member    |
| Mr. Muhammad Azam                 | Secretary |

### CORPORATE SECRETARY

Mr. Syed Mohsin Gilani

### CHIEF FINANCIAL OFFICER (CFO)

Mr. Tariq Zafar Bajwa

### HEAD OF INTERNAL AUDIT

Mrs. Saira Saman

### AUDITORS

Messrs Yousuf Adil  
Chartered Accountants

### LEGAL ADVISOR

Makhdoom & Makhdoom Advocates

### LEAD BANKERS

Allied Bank Ltd.  
Askari Bank Ltd.  
Bank Alfalah Ltd.  
Faysal Bank Ltd.  
Habib Bank Ltd.  
Meezan Bank Ltd.  
MCB Bank Ltd.  
National Bank of Pakistan  
Pakistan Kuwait Investment Company (Pvt) Ltd.  
The Bank of Punjab  
United Bank Ltd.

### REGISTERED OFFICE

2nd Floor, Shaikh Sultan Trust Bldg. No.2  
26, Civil Lines, Beaumont Road,  
Karachi - 75530

### REGIONAL OFFICE

Nagina House, 91-B-1, M.M. Alam Road,  
Gulberg-III, Lahore-54660.

### WEB REFERENCE

[www.nagina.com](http://www.nagina.com)

### SHARE REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Ltd.  
5<sup>th</sup> Floor, Karachi Chambers,  
Hasrat Mohani Road, Karachi.  
Phone # 021-32412754, 32424826  
Fax # 021-32424835

### MILLS

Aminabad, A-16, S.I.T.E., National Highway, Kotri

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 59<sup>th</sup> Annual General Meeting (AGM) of members of Nagina Cotton Mills Limited will be held on **Wednesday, October 28, 2026** at 12:00 noon at the Registered Office of the Company situated at 2<sup>nd</sup> Floor, Shaikh Sultan Trust Bldg. No. 2, 26-Civil Lines, Beaumont Road, Karachi-75530 and virtually through video conference facility to transact the following business:-

#### **ORDINARY BUSINESS**

- 1) To read and confirm minutes of the Extraordinary General Meeting held on January 28, 2026.
- 2) To receive, consider and adopt the Audited Financial Statements of the Company together with the Chairman's Review Report, Directors' and Auditors' reports thereon for the year ended June 30, 2026.

| LINK                                                                                                                                                                                                                                                                                                                                                                                              | QR CODE                                                                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| As required under Section 223(6) of the Companies Act, 2017 (the "Act"), Financial Statements of the Company have been uploaded on the website of the Company, which can be downloaded from the following link and/or QR enabled code:<br><br><a href="https://nagina.com/wp-content/uploads/2026/10/NCML-ANNUAL-2026.pdf">https://nagina.com/wp-content/uploads/2026/10/NCML-ANNUAL-2026.pdf</a> |  |

- 3) To consider, approve and declare final cash dividend at Rs. 6/- per share i.e. 60% for the year ended June 30, 2026, as recommended by the Board of Directors.
- 4) To appoint Statutory Auditors of the Company for the year ending on June 30, 2027 and to fix their remuneration.

#### **SPECIAL BUSINESS**

- 5) To consider, ratify and approve transactions carried out with Related Parties for the year ended June 30, 2026 and authorize the Board of Directors of the Company to approve transactions with related parties by passing the following special resolutions with or without modifications:
  - a) **RESOLVED** that the transactions carried out in normal course of business with Related Parties as disclosed in Note 39 of the financial statements for the year ended June 30, 2026 be and are hereby ratified, approved and confirmed.
  - b) **FURTHER RESOLVED** that the Board of Directors of the Company be and is hereby authorized to approve all related party transactions carried out and to be carried out in normal course of business during the financial year 2027. These transactions shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next AGM for their formal ratification/approval.
- 6) To transact any other ordinary business with the permission of the Chair.

Statements under Section 134 (3) of the Companies Act, 2017 pertaining to the special business and under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 are annexed.

By Order of the Board



**Syed Mohsin Gilani**  
Corporate Secretary

September 29, 2026

**NOTES**

1. The Share Transfer Books of the Company will remain closed from October 22, 2026 to October 28, 2026 (both days inclusive). Transfers received in order by our Shares Registrar, M/s Hameed Majeed Associates (Pvt.) Limited, 5th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi by the close of business on October 21, 2026 will be considered in time to entitle the transferees for payment of dividend and to attend the AGM.
2. A member of the Company entitled to attend and vote at the General Meeting may appoint another member as his/her proxy to attend and vote in place of him/her at the meeting. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the time of meeting. A proxy must be a member of the Company. Proxy Forms in Urdu and English languages are attached to the notice circulated to the shareholders.
3. Members who have deposited their shares into Central Depository Company of Pakistan Limited (CDC) will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan in Circular No 1 of 2000.
4. Members are encouraged to attend the AGM proceedings via video-conferencing facility, which shall be made available by the Company.

All Shareholders/Members interested in attending the AGM, through video-conferencing facility are requested to register their Name, Folio Number, Cell Number, CNIC/Passport number at [azam@nagina.com](mailto:azam@nagina.com) Confirmation email for video link and login credentials will be shared with only those Shareholders whose registration is received at least 48 hours before the time of AGM.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address [azam@nagina.com](mailto:azam@nagina.com).

5. In compliance with section 223(6) of the Act, the Company has electronically transmitted the Annual Report through email to Shareholders whose email addresses are available with the Company's Share Registrar. The shareholders are encouraged to send / update their email addresses on the above mentioned email address or postal address. The annual report has also been uploaded at the Company's website <https://nagina.com> and is readily accessible to the shareholders.

**A. For Attending the Meeting**

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

**B. For Appointing Proxies**

- a) In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
  - b) The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
  - c) Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
  - d) The proxy shall produce his original CNIC or original passport at the time of the Meeting.
  - e) In case of corporate entity, the Board's resolution power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.
6. The members can also participate in the General Meeting through video link facility. To attend the Annual General meeting through video link, members and their proxies are requested to register their following particulars by sending an e-mail at [azam@nagina.com](mailto:azam@nagina.com).

| Folio/CDC Account No. | No. of Shares held | Name | CNIC No. | Cell No. | Email address |
|-----------------------|--------------------|------|----------|----------|---------------|
|                       |                    |      |          |          |               |

The video link and login credentials will be shared with the shareholders whose e-mails, containing all the requested particulars, are received at the given e-mail address by or before the close of business hours (5:00 p.m.) on October 27, 2026.

7. The Securities and Exchange Commission of Pakistan, vide S.R.O. 451(I)/2025 dated March 13, 2025, has notified that in general meetings, members attending physically shall cast their votes for special business only through postal ballot, and voting by show of hands shall not be permitted.

#### 8. Voting Through Postal Ballot / E-voting

Pursuant to Companies (Postal Ballot) Regulations 2018 and read with Sections 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right to vote through voting by post or electronic voting facility for the special business agenda item # 5 in its forthcoming Annual General Meeting to be held on October 28, 2026, at 12:00 noon in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

- a) E-Voting will start from October 24, 2026 and shall close on October 27, 2026 at 5:00 pm. Details of e-voting facility will be shared through e-mail with those members of the Company who have their valid CNIC numbers, Cell Numbers, and e-mail addresses available in the Register of Member by the close of business on October 21, 2026.
  - b) Members of the Company who want to opt for voting through postal ballot are requested to ensure that duly filled and signed ballot paper along with clear copy of valid CNIC should reach at the address, The Chairman, NCML, 2nd Floor, Shaikh Sultan Trust Bldg. No. 2, 26-Civil Lines, Beaumont Road, Karachi or email at [azam@nagina.com](mailto:azam@nagina.com) one day before the Annual General Meeting i.e, on October 27, 2026 before 5:00 p.m. during working hours. The signature on the ballot paper shall match with their signature on CNIC. The Ballot paper has also been placed on the Company's website [https:// www.nagina.com](https://www.nagina.com) to download. A postal ballot received after this time/date shall not be considered for voting.
9. In accordance with the provisions of Section 242 of the Companies Act, 2017 and Companies (Distribution of Dividends) Regulation 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into their bank account designated by the entitled shareholders instead of issuing physical dividend warrants. Therefore, shareholders are requested to provide the particulars relating to name, folio number, bank account number, IBAN Number, title of account and complete mailing address of the bank directly to the Company's Share Registrar in case of physical shareholders and directly to the relevant Participant / CDC Investor Account Service in case of maintaining shareholding under Central Depository System (CDS).

In case of non-receipt of above information, the dividend shall be withheld.

10. The rates of deduction of income tax from dividend payments under Section 150 of the Income Tax Ordinance, 2001 shall be as follows:

- |                                                                                                    |     |
|----------------------------------------------------------------------------------------------------|-----|
| i) Rate of Withholding Income Tax deduction for the persons whose names are appearing on ATL.      | 15% |
| ii) Rate of Withholding Income Tax deduction for the persons whose names are not appearing on ATL. | 30% |

To enable the company to make tax deduction on the amount of cash dividend @15% instead of 30%, shareholders whose names are not appearing on Active Taxpayers' List (ATL) available on the website of FBR are advised to immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @30% instead of 15%.

Further, according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on "Filer/ Non-Filer" status of principal shareholder as well as joint-holders (s) based on their shareholding proportions, in case of joint accounts. In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of principal shareholder and joint-holder(s) in respect of shares held by them to our Share Registrar, in writing, within 10 days of this notice, otherwise it will be assumed that the shares are equally held by principal shareholder and joint-holder(s).

11. The financial statements for the year ended June 30, 2026 shall be uploaded on the Company's website [www.nagina.com](http://www.nagina.com) twenty-one days prior to the date of holding of annual general meeting.
12. Members can exercise their right to demand a poll subject to meeting requirements of Section 143 -145 of Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018.
13. If the Company receives consent from the members holding at least 10% shareholding residing in a city, to participate in the meeting through video-link at least 07 days prior to date of the meeting, the Company will arrange facility of video-link in that city subject to availability of such facility in that city.
14. As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act, i.e. May 30, 2017.

The shareholders having physical shareholding are encouraged to open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Ltd.

15. The Securities and Exchange Commission of Pakistan (the "SECP"), through its Circular 2 of 2018, dated February 9, 2018 read with SRO 452(I) of 2025, has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens/coupons/lunches/takeaway packages) in any form or manner, to shareholders at or in connection with general meetings.
16. Members are requested to promptly notify the Company of any change in their registered address.
17. For any query/ information, the investors may contact the Shares Registrar and / or the Company: Mr. Syed Mohsin Gilani, Phone No. 042-35756270 Ext. 337, email address: [mohsin.gilani@nagina.com](mailto:mohsin.gilani@nagina.com)

## STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of the Company to be held on October 28, 2026.

### 1. Agenda item No. 5 (a) - Ratification and Approval of Related Party Transactions

All the transactions carried out by the Company with related parties during the financial year ended June 30, 2026 given in the related party note 39 of the Annual Financial Statements of the Company for the year ended June 30, 2026.

The Company carried out transactions with Related Parties on arm's length basis as per the approved Related Party Transactions Policy in the normal course of business and periodically reviewed by the Board Audit Committee pursuant to Clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2019.

The transactions with related parties have been approved by the Board in the quarterly / annual financial statements during the fiscal year 2025-26, however, the Board decided to place above related party transaction concluded during the fiscal year 2025-26 before the shareholders in AGM for ratification and approval due to the interests/concerns of some of the directors due to common directorship.

### 2. Agenda item No. 5 (b) - Authorization for the Board of Directors to approve related party transactions during the financial year ending June 30, 2027

The Company shall be conducting transactions with the related parties during the year ending June 30, 2027 in the ordinary course of business and at arm's length basis under the policy of the Company for related party transactions. All transactions entered into or to be entered into with related parties require the approval of the Audit Committee of the Board. Upon recommendation of the Audit Committee, such transactions shall be placed before the Board of Directors for approval. In order to promote transparent business practices, the shareholders are recommended to authorize the Board of Directors of the Company to approve transactions with the related parties for the year ending June 30, 2027, which transactions shall be deemed to be approved by the shareholders. These transactions shall be placed before the shareholders in the next AGM for their formal ratification/approval. The Directors are interested in the resolutions only to the extent of their common directorship and shareholding in such related parties and the privileges attached thereto only.

**STATEMENT UNDER RULE 4(2) OF THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2017**

|                                                                                                                                                            |                                                                                                                                                                                              |                   |                                                                       |             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------------------------------------------------------------|-------------|
| a) Total investment approved;                                                                                                                              | Rs.200,000,000/= (Rupees two hundred million only) to each of the following associated company:<br><br>i) Prosperity Weaving Mills Ltd. (PWML)<br>ii) Ellcot Spinning Mills Ltd. (ESML)      |                   |                                                                       |             |
| b) Amount of investment made to date;                                                                                                                      | Nil                                                                                                                                                                                          |                   |                                                                       |             |
| c) Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time; and                 | Due to better cash flows, the associated companies did not need funds envisaged u/s 199 of the Companies Act, 2017. Therefore, no investment transaction took place during the year 2025-26. |                   |                                                                       |             |
| d) Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment. | <b>Present Financial Position as on June 30, 2026</b>                                                                                                                                        |                   | <b>Financial Position at the time of Approval as on June 30, 2025</b> |             |
|                                                                                                                                                            | <b>PWML</b>                                                                                                                                                                                  | <b>ESML</b>       | <b>PWML</b>                                                           | <b>ESML</b> |
|                                                                                                                                                            | <b>Rupees in Millions</b>                                                                                                                                                                    |                   |                                                                       |             |
|                                                                                                                                                            | Net sales                                                                                                                                                                                    | <b>17,543.549</b> | <b>16,225.620</b>                                                     | 18,191.084  |
|                                                                                                                                                            | Gross profit                                                                                                                                                                                 | <b>1,310.793</b>  | <b>1,128.202</b>                                                      | 1,186.197   |
|                                                                                                                                                            | Profit before tax                                                                                                                                                                            | <b>589.854</b>    | <b>443.770</b>                                                        | 390.853     |
|                                                                                                                                                            | Profit after tax                                                                                                                                                                             | <b>261.666</b>    | <b>206.175</b>                                                        | 91.123      |
|                                                                                                                                                            |                                                                                                                                                                                              |                   |                                                                       | 76.618      |

**BALLOT PAPER FOR VOTING THROUGH POST**

In person and virtual Annual General Meeting to be held on Wednesday, October 28, 2026 at 12:00 noon, 2nd Floor, Shaikh Sultan Trust Bldg. No. 2, 26-Civil Lines, Beaumont Road, Karachi-75530, Phone :021-35688123, Website: [www.nagina.com](http://www.nagina.com)

Designated email address of the Chairman at which the duly filled in ballot paper may be sent: [chairman@nagina.com](mailto:chairman@nagina.com).

|                                                                                                                         |  |
|-------------------------------------------------------------------------------------------------------------------------|--|
| Name of shareholder/joint shareholders                                                                                  |  |
| Registered Address                                                                                                      |  |
| Number of Shares held (on close of October 21, 2026) and folio number                                                   |  |
| CNIC No/Passport No (in case of foreigner) (Copy to be attached)                                                        |  |
| Additional information and enclosures (in case of representative of body corporate, Corporation and Federal Government) |  |

I / we hereby exercise my/our vote in respect of the following resolution through postal ballot by conveying my/our assent or dissent to the following resolution by picking tick (v) mark in the appropriate box below:

**Resolution for Agenda No.05**

**RESOLVED** that the transactions conducted with Related Parties as disclosed in Note 39 of the financial statements for the year ended June 30, 2026 be and are hereby ratified, approved and confirmed'

**FURTHER RESOLVED** that the Board of Directors of the Company be and is hereby authorized to approve all related party transactions to be carried out during the financial year 2027. These transactions shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next AGM for their formal ratification/approval.

| Resolution                   | No. of Ordinary shares for which Votes Cast | I/We dissent to the resolution (AGAINST) | I/We assent to the resolution (FOR) |
|------------------------------|---------------------------------------------|------------------------------------------|-------------------------------------|
| Resolution for Agenda No: 05 |                                             |                                          |                                     |

Signature of shareholder(s): \_\_\_\_\_ Place: \_\_\_\_\_ Date: \_\_\_\_\_

**NOTES / PROCEDURE FOR SUBMISSION OF BALLOT PAPER:**

1. Duly filled and signed original postal ballot should be sent to the Chairman, Nagina Cotton Mills Ltd., at 2<sup>nd</sup> Floor Sheikh Sultan Trust Bldg. No. 2, 26-Civil Lines, Beaumont Road, Karachi or a scanned copy of the original postal ballot to be emailed at: [chairman@nagina.com](mailto:chairman@nagina.com).
2. Copy of CNIC / Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Postal Ballot forms should reach chairman of the meeting on or before October 27, 2026 during working hours. Any Postal Ballot received after this date, will not be considered for voting.
4. Signature on Postal Ballot should match the signature on CNIC / Passport (in case of foreigner).
5. Incomplete, unsigned, in correct, defaced, torn, mutilated, over written ballot papers will be rejected.
6. In case of representative of body corporate and corporation, Postal Ballot must be accompanied with copy of CNIC of authorized person, along with a duly attested copy of Board resolution, Power of Attorney, or Authorization Letter in accordance with Section(s) 138 or 139 of the Companies Act 2017, as applicable, unless these have already been submitted along with Proxy Form. In case of foreign body corporate etc. all documents must be attested from the Pakistani Embassy having jurisdiction over the member.
7. Ballot paper has also been placed on the website of the Company [www.nagina.com](http://www.nagina.com). Members may download the ballot paper from the website or use original/photocopy published in newspapers.

## **Vision:**

To strive for excellence through commitment, integrity, honesty and team work.

## **Mission:**

The mission of Company is to operate state of the art spinning machinery capable of producing high quality carded and combed, cotton, core spun and blended yarn for knitting and weaving.

The Company will conduct its operations prudently assuring customer satisfaction and will provide profits and growth to its shareholders through;

- Providing quality products and services to our customers mainly engaged in the manufacturing of textile products.
- Manufacturing of cotton, core spun and blended yarn as per the customers' requirements and market demand.
- Exploring the global market with special emphasis on Europe and USA.
- Keeping pace with the rapidly changing technology by continuously balancing, modernization and replacement (BMR) of plant and machinery.
- Enhancing the profitability by improved efficiency and cost controls.
- Recruiting, developing, motivating and retaining the personnel having exceptional ability and dedication by providing them good working conditions, performance based compensation, attractive benefit program and opportunity for growth.
- Protecting the environment and contributing towards the economic strength of the country and function as a good corporate citizen.

## REVIEW REPORT BY THE CHAIRMAN ON THE OVERALL PERFORMANCE OF BOARD AND EFFECTIVENESS OF THE ROLE PLAYED BY THE BOARD IN ACHIEVING THE COMPANY'S OBJECTIVES

The Board of Directors (the Board) of Nagina Cotton Mills Limited (NCML) has performed their duties diligently in upholding the best interest of shareholders of the Company and has managed the affairs of the Company effectively and efficiently. The Board has exercised its powers and has performed its duties in compliance with Companies Act 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Code). During the financial year 2025-26 the Board achieved its objectives by performing the following functions:

- Actively participated in the strategic planning process, enterprise risk management system, policy development, and financial structure, monitoring and approval;
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process and particularly all the related party transactions executed by the Company were approved by the Board on the recommendation of the Audit Committee. In case the majority of the Directors either directly, or indirectly becomes interested in related party transactions due to Group's structure; accordingly, additional approval from shareholders in respect of transactions with a related party shall be obtained in the Annual General Meeting so that the Company can carry its business smoothly;
- Reviewed the effectiveness of internal control system through self-assessment mechanism and / or internal audit activities;
- Approved the director's report, quarterly and annual financial statements and ensured that the content of the directors' report are in accordance with the requirement of applicable laws and regulations;
- Ensured the hiring, evaluation and compensation of quality professionals with focus on creating a work environment with equal opportunity for all.
- Ensured the timely dissemination of information among its members and that the Board members are kept abreast of developments between meetings;
- Exercised its powers in light of the power assigned to the Board as per the relevant laws and regulations applicable on the Company and the Board has always prioritized the Compliance with all the applicable laws and regulations in terms of their conduct as directors and exercising their powers and decision making; and
- Necessary Board agenda and related supporting documents were duly made available to the board in sufficient time before the Board and its Committee Meetings. The non-executive and independent directors are equally involved in important decisions of the board.

The Board's annual self-evaluation for the fiscal year 2025-26 reflected satisfactory results. The annual evaluation of the Board's performance is based on the key areas where the Board requires clarity to provide high level oversight, including the strategic process; key business drivers and performing milestones, the global economic environment and competitive context in which the Company operates; the risks faced by the Company's business; Board dynamics; capability and information flows. Based on the aforementioned, it can reasonably be stated that the Board of NCML has played a key role in ensuring that the Company objectives are not only achieved but also exceeded expectations through a joint effort with the management team and guidance and oversight by the Board and its members.



**Shahzada Ellahi Shaikh**  
Chairman

September 29, 2026

## بورڈ کی مجموعی کارکردگی اور کمپنی کے مقاصد کے حصول میں بورڈ کے منوثر کردار پر چیئرمین کی جائزہ رپورٹ

نگینہ کاٹن ملز لمیٹڈ (NCML) کے بورڈ آف ڈائریکٹرز (بورڈ) نے کمپنی کے حصہ داروں کے بہترین مفاد کو برقرار رکھنے میں اپنی ذمہ داریاں تندہی سے انجام دیئے ہیں اور کمپنی کے امور کو منوثر اور بروقت انداز سے منظم کیا ہے۔ بورڈ نے یکم اپریل 2017 اور سیکسٹھ اگست 2019 (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 (کوڈ) کی تعمیل میں اپنے فرائض سرانجام دیئے ہیں۔ مالی سال 2025-26 کے دوران بورڈ نے درج ذیل کام سرانجام دے کر اپنے مقاصد حاصل کئے:

- اسٹریٹجک منصوبہ بندی کے عمل، ادارے کو لاحق خطرات کا انتظامی نظام، پالیسی ڈیولپمنٹ، اور مالیاتی ساخت کی نگرانی اور منظوری میں فعال طور پر حصہ لیا ہے۔
  - سال بھر میں تمام اہم مسائل بورڈ یا اس کی کمیٹیوں کے روبرو کاروباری فیصلہ سازی کے عمل کو مضبوط بنانے کے لئے پیش کئے گئے اور خاص طور پر کمپنی کی طرف سے کئے گئے تمام متعلقہ پارٹی کے ساتھ لین دین کو آڈٹ کمیٹی کی سفارشات پر بورڈ نے منظوری دی۔ اگر ڈائریکٹرز کی اکثریت براہ راست یا بالواسطہ طور پر گروپ کے سٹرکچر کی وجہ سے متعلقہ فریق کے لین دین میں دلچسپی رکھتی ہے، اس کے مطابق، متعلقہ فریق کے ساتھ لین دین کے سلسلے میں حصص یافتگان سے اضافی منظوری سالانہ اجلاس عام میں حاصل کی جائے گی تاکہ کمپنی اپنے کاروبار کو آسانی سے چلا سکے۔
  - اس بات کو یقینی بنایا ہے کہ اندرونی کنٹرول کا مناسب نظام موجود ہے اور خود تشخیصی طریقہ کار اور/یا انٹرنل آڈٹ سرگرمیوں کے ذریعے اس کی باقاعدگی سے جانچ پڑتال کی جاتی ہے۔
  - ڈائریکٹرز کی رپورٹ، سہ ماہی اور سالانہ مالیاتی گوشواروں کی منظوری دی اور اس بات کو یقینی بنایا کہ ڈائریکٹرز کی رپورٹ کا مواد قابل اطلاق قوانین اور ضوابط کے تقاضوں کے مطابق ہے۔
  - سب کے لیے یکساں مواقع کے ساتھ کام کا ماحول بنانے پر توجہ کے ساتھ پیشہ ور افراد کی معیاری خدمات حاصل کرنے، تشخیص اور معاوضے کو یقینی بنایا۔
  - اپنے اراکین کے درمیان بروقت طریقے سے تسلی بخش معلومات کے تبادلے کو یقینی بنایا اور بورڈ کے ممبران کو اجلاس کے درمیان ڈیولپمنٹ بارے میں لمحہ بہ لمحہ باخبر رکھا گیا ہے۔
  - کمپنی پر قابل اطلاق متعلقہ قوانین اور قواعد و ضوابط کی روشنی میں دئے گئے اختیارات کے مطابق اپنے اختیارات کا استعمال کیا ہے اور بورڈ نے ہمیشہ بحیثیت ڈائریکٹرز اپنے اختیارات کے استعمال اور فیصلہ سازی کرنے کے برتاؤ میں تمام قابل اطلاق قوانین اور قواعد و ضوابط کی تعمیل کو ترجیح دی ہے اور
  - بورڈ اور اس کی ذیلی کمیٹی کی میٹنگ سے مناسب قبل از وقت، ضروری ایجنڈا اور اس سے متعلق دستاویزات مہیا کیے گئے۔ نان ایگزیکٹو اور آزاد ڈائریکٹرز بورڈ کے اہم فیصلوں میں برابر کے شریک ہیں۔
- بورڈ کی سالانہ کارکردگی برائے مالی سال 2025-26 کے نتائج اطمینان بخش رہے۔ بورڈ کی سالانہ کارکردگی اہم شعبوں پر مبنی ہے جہاں بورڈ کو اعلیٰ درجے کی نگرانی مہیا کرنے بشمول اسٹریٹجک عمل، کلیدی کاروباری امور، سٹاک میگز کی تکمیل، عالمی معاشی ماحول اور مسابقتی سیاق و سباق جس میں کمپنی کام کرتی ہے، کمپنی کے کاروبار کو درپیش خطرات، بورڈ کے محرکات، صلاحیت اور معلومات مہیا کرنے کے لئے وضاحت دینے کی ضرورت ہوتی ہے۔ مذکورہ بالا کی بنیاد پر، یہ مناسب طور پر کہا جاسکتا ہے کہ NCML کے بورڈ نے اس بات کو یقینی بنانے میں اہم کردار ادا کیا ہے کہ کمپنی کے مقاصد کو نہ صرف حاصل کیا جاسکتا ہے، بلکہ بورڈ اور اس کے اراکان کی راہنمائی اور نگرانی کے ذریعہ انتظامیہ ٹیم کی مشن کو کوششوں کے ساتھ توقعات سے بھی آگے بڑھایا جاسکتا ہے۔



شہزادہ الہی شیخ

چیئرمین

29 ستمبر 2026

## DIRECTORS' REPORT TO THE MEMBERS

The Directors of your Company take pleasure in presenting 59<sup>th</sup> Annual Report of your Company together with Audited Financial Statements and Auditors' Report thereon for the year ended June 30, 2026. Figures for the previous year ended June 30, 2025 are included for comparison.

### Company Performance

Despite the challenging macroeconomic environment and continued pressures confronting the textile sector, particularly the spinning segment, the Company delivered improved financial results during the year under review. Profit after tax increased significantly to Rs.281,585,054, representing 1.31% of sales, compared with Rs. 50,416,692, or 0.25% of sales, in the previous year. This substantial improvement in profitability resulted in a corresponding increase in Earnings Per Share (EPS) to Rs. 15.06, compared with Rs. 2.70 in the preceding year.

Sales revenue for the year under review increased by 8.59% over the SPLY and stood at Rs. 21,563,746,338 compared to Rs. 19,857,881,186. The increase in sales value was primarily driven by higher sales volumes. Higher sales volumes offset the impact of lower per-unit selling prices. The cost of sales, as a percentage of revenue, decreased to 91.62% compared to 91.90% during SPLY. This reduction was primarily driven by lower raw material costs, lower fuel and power expenses, and reduced stores and spares consumption. Consequently, gross profit margin increased to 8.38% compared to 8.10% during SPLY.

Overall operating expenses increased to 3.13% of sales as compared to 3.08% of sales during SPLY primarily driven by inflationary pressure on administrative and selling costs. However, the Company maintained stable operational cash flows, ensuring the timely settlement of its liabilities and scheduled repayments of long-term debt. Driven by reduced overall debt levels and monetary policy easing, finance costs eased to 2.70% of revenue from 3.63% in the previous year. The Company acknowledges the release of long-pending Technology Upgradation Fund (TUF) claims during the year.

According to the figures issued by the Pakistan Cotton Ginners Association, for the crop year 2026-27, Kapas, (seed cotton) arrivals up to September 15, 2026, at the Ginneries totalled 2.389 million bales compared to 2.004 million bales for the year 2025-26 showing increase in arrival of 19.17%.

### Capital Assets Investment

In line with strategic plans for enhancing spinning productivity, quality and efficiency, your Company has invested Rs. 758.977 million (2025: Rs. 216.150 million) in BMR/Expansion. In line with its commitment to reducing its carbon footprint and promoting sustainable energy solutions, the Company is also evaluating the addition of further solar power capacity.

## Future Outlook

The global economy continues to face heightened volatility amid ongoing geopolitical tensions and conflicts in the Middle East. Regional disruptions have placed pressure on global supply chains and contributed to inflationary pressures, particularly through elevated energy costs. At the same time, cotton prices have started to ease, which may place downward pressure on yarn selling prices; margins will remain dependent on raw material costs, inventory positioning and market demand. Against this backdrop, the Company remains cautiously optimistic about its near-term prospects and expects to maintain profitability during the first half of the current financial year, subject to prevailing market conditions and other economic factors.

Exchange rates remained reasonably stable during the year, supporting greater predictability in sales revenue and the landed cost of imported materials. Geopolitical tensions, however, continue to pose inflationary and interest-rate risks.

To address rising energy costs and strengthen long-term operational efficiency, the Company is actively solarizing its energy base. We hope that the Government will continue to provide un-interrupted energy at concessional rates in line with regional competing countries.

The cotton crop for the 2026–27 crop year is expected to show only a modest increase over the previous year, at around 6.0 million bales. At the same time, consumption by the domestic spinning industry is expected to increase during the current year. As a result, the relatively limited domestic crop is expected to necessitate substantial cotton imports, particularly during the second half of the financial year, to meet the requirements of the textile industry.

It is hoped that the Government will bring in business friendly policies such as uninterrupted energy supplies in cost effective manner, refund of outstanding taxes, reduction in the corporate tax rate, elimination of super tax and reducing the financial costs. Government policies should encourage the completion of the value chain in the textile sector so that the country can export finished products.

## Dividend

The Board of Directors has recommended final cash dividend @ 60% i.e., Rs.6/- (2025: Rs.1/=) per ordinary share for the year ended June 30, 2026. The dividend will amount to Rs. 112,200,000.

## Principal Activity

The principal activity of the Company is the manufacturing and sale of yarn.

## Principal Risks and Uncertainties

The Board of Directors is responsible to oversee the Company's operations and to devise an effective strategy to mitigate any potential adverse impact of risks.

The Company's principal financial liabilities comprise long term finances, trade and other payables and short-term borrowings. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company's principal financial assets

comprise of trade receivables, advances, short-term deposits, other receivables and cash and bank balances that arise directly from its operations.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

### **Material Changes and Commitments**

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the Director's Report.

### **Corporate Social Responsibility**

The Company strongly believes in the integration of Corporate Social Responsibility into its business, and consistently endeavors to uplift communities that are influenced directly or indirectly by our business.

### **Environment, Health and Safety**

The Company maintains safe working conditions avoiding the risk to the health of employees and public at large. The management has maintained safe environment in all its operations throughout the year and is constantly upgrading their safety and living facilities.

Safety is a matter of concern for machinery as well as the employees working at plant. Fire extinguishers and other fire safety equipments have been placed at sites as well as registered head office of the Company. Regular drills are performed to ensure efficiency of fire safety equipments.

### **Sustainability Risks**

The Board of Directors is committed to ensuring the sustainability of the Company's operations, considering environmental, social, and governance (ESG) factors that can impact the long-term success of the business. As part of this commitment, your management provides insights into the assessment of sustainability-related risks, how these risks are managed or mitigated.

The Company has implemented a robust risk management framework to address sustainability-related risks. This framework integrates ESG considerations into the Company's risk assessment and decision-making processes, ensuring that sustainability issues are proactively managed and mitigated. The Company is committed to fostering a diverse, equitable, and inclusive workplace where all employees feel valued and respected.

### **Diversity, Equity and Inclusion (DE & I)**

We believe that promoting diversity, equity, and inclusion (DE & I) is a key priority for the Company and is integral for driving innovation, improving decision-making, and enhancing the overall performance of the Company. The Company promotes diversity

and inclusion in Board and management composition, provides equal opportunities to all employees irrespective of culture, race, gender, caste or religion, and promotes a work environment free from discrimination, harassment and intimidation of any nature.

### **Internal Financial Controls**

A system of sound internal control is established and implemented at all levels of the Company by the Board of Directors. The system of internal control is sound in design for ensuring achievement of Company's objectives and operational effectiveness and efficiency, reliable financial reporting and compliance with laws, regulations and policies.

### **Related Parties**

All related party transactions were conducted on an arm's length basis in accordance with approved transfer pricing methods and Board approved policy on related parties' dealings. All related party transactions were duly approved by the internal audit followed by the approval of the audit committee and placed before the Board for their consideration and approval. However, the Board of Directors in their meeting decided that the related party transactions approved by the Board shall also be placed before the general meeting of the company for member's approval.

Furthermore, the Board of Directors also decided to avail the approval of members in the general meeting of the company for the transactions to be carried out during the fiscal year ending June 30, 2027 and same shall be placed before the shareholders in the next general meeting for their formal ratification/approval.

### **Shareholding Pattern**

The pattern of shareholding of the Company as at June 30, 2026 for ordinary shares is annexed. This statement is prepared in accordance with section 227 (2) (f) of the Companies Act, 2017

### **Gender Pay gap**

Gender Pay-gap disclosure for the year ended June 30, 2026 is annexed.

### **Appointment of Auditors**

The present External Auditors, M/s. Yousuf Adil, Chartered Accountants, Karachi, are due to retire and being eligible, have offered themselves for re-appointment as Auditors for the financial year 2026-27. Audit Committee and Board of Directors have also recommended their appointment as auditors of the Company for the year ending June 30, 2027.

### **Financial Statements Audit**

Financial statements of the Company have been audited without any qualification by Messrs. Yousuf Adil, Chartered Accountants, the statutory external auditors of the Company.

### **Corporate Governance & Financial Reporting Framework**

Further, Directors are pleased to report that:

- a) The financial statements prepared by the management of the Company present fair state of the Company's operations, cash flows and changes in equity.
- b) Proper books of account of the Company have been maintained.
- c) Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based upon reasonable and prudent judgment.
- d) International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in the preparation of financial statements any departures therefrom have been adequately disclosed and explained. The internal control system is well-designed, effectively implemented and monitored.
- e) The internal control system is well-designed, effectively implemented and monitored.
- f) There are no concerns regarding the Company's ability to continue as a going concern.
- g) A summary of key operating and financial data for the last six years is annexed.
- h) During the year 2025-26, one (1) Corporate Briefing Session (CBS) was held.
- i) There are no statutory payments on account of taxes, duties, levies and charges that are outstanding as on June 30, 2026 except for those disclosed in the financial statements.

### Composition of Board

The Board of Directors as at June 30, 2026 consisted of:

#### Total number of Directors:

- a) Male: 8 (Eight)
- b) Female: 2 (Two)

#### Composition:

- (i) Independent Directors: 3 (Three)
- (ii) Other Non-Executive Directors 5 (Five)
- (iii) Executive Director 2 (Two)

#### Name of Directors

|                                   |                                    |
|-----------------------------------|------------------------------------|
| Mr. Shahzada Ellahi Shaikh        | Chairman                           |
| Miss. Zoe Khurshid Khan           |                                    |
| Ms. Tosheeba Sarwar               |                                    |
| Mr. Hasan Ahmad                   |                                    |
| Mr. Naweed Akhter Sharif          |                                    |
| Mr. Shafqat Ellahi Shaikh         |                                    |
| Mr. Raza Ellahi Shaikh            |                                    |
| Mr. Haroon Shahzada Ellahi Shaikh |                                    |
| Mr. Shaukat Ellahi Shaikh         |                                    |
| Mr. Amin Ellahi Shaikh            | Director / Chief Executive Officer |

Election of Directors was held in January, 2026. Miss. Zoe Khurshid Khan was elected as Director in place of Mr. Shafiq ur Rehman.

### Committees of the Board:

The Board has made following sub-committees:

#### Audit Committee

|                                   |             |
|-----------------------------------|-------------|
| Miss. Zoe Khurshid Khan           | Chairperson |
| Mr. Raza Ellahi Shaikh            | Member      |
| Mr. Haroon Shahzada Ellahi Shaikh | Member      |

#### Human Resource and Remuneration (HR&R) Committee

|                                   |             |
|-----------------------------------|-------------|
| Miss. Zoe Khurshid Khan           | Chairperson |
| Mr. Amin Ellahi Shaikh            | Member      |
| Mr. Haroon Shahzada Ellahi Shaikh | Member      |

#### Executive Committee

|                                   |          |
|-----------------------------------|----------|
| Mr. Amin Ellahi Shaikh            | Chairman |
| Mr. Shaukat Ellahi Shaikh         | Member   |
| Mr. Raza Ellahi Shaikh            | Member   |
| Mr. Haroon Shahzada Ellahi Shaikh | Member   |

### Significant Features of Directors' Remuneration

The Board of Directors has approved a formal policy for remuneration of executive and non-executive directors depending upon their responsibility in affairs of the Company. The remuneration is commensurate with their level of responsibility and expertise needed to govern the Company successfully and to encourage value addition from them.

Non-executive directors including the independent director are entitled only for fee for attending the Board and its committees' meetings. Remuneration of executive and non-executive directors shall be approved by the Board, as recommended by the Human Resource and Remuneration Committee. For information on remuneration and meeting fee of Directors and CEO in 2025-26, please refer notes to the Financial Statements.

### Acknowledgment

Continued diligence and devotion of the staff and workers of the Company and good human relations at all levels deserve acknowledgement. The Directors also wish to place on record their thanks to the bankers and other stakeholders for their continued support to the Company.

On behalf of the Board



**Amin Ellahi Shaikh**  
Chief Executive Officer



**Raza Ellahi Shaikh**  
Director

September 29, 2026

## ممبران کے لئے ڈائریکٹرز کی رپورٹ

مجلس نظامہ 30 جون 2026ء کو ہفتہ سال کے لئے کمپنی کی 59 ویں سالانہ رپورٹ معہ نظر ثانی شدہ مالیاتی حسابات اور اس پر محاسب کی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہی ہے۔ 30 جون 2025ء کو ختم ہونے والے گزشتہ سال کے اعداد و شمار بھی موازنہ کے لئے شامل کئے گئے ہیں۔

### کمپنی کی کارکردگی

میکرو اکنامک کے مشکل حالات اور ٹیکسٹائل کے شعبے، بالخصوص اسپننگ سیکٹور کو درپیش مسلسل دباؤ کے باوجود، کمپنی نے زیر جائزہ مالی سال کے دوران مالیاتی نتائج میں بہتری حاصل کی۔ ٹیکس کے بعد منافع نمایاں اضافے کے ساتھ 281,585,054 روپے ہو گیا، جو فروخت کا 1.31 فیصد بنتا ہے، جبکہ گزشتہ سال یہ منافع 50,416,692 روپے، یعنی فروخت کا 0.25 فیصد تھا۔ منافع میں اس نمایاں بہتری کے نتیجے میں فی حصص آمدنی (EPS) بھی گزشتہ سال کے 2.70 روپے کے مقابلے میں بڑھ کر 15.06 روپے ہو گئی۔

زیر جائزہ مالی سال کے دوران فروخت سے حاصل ہونے والی آمدنی گزشتہ سال کی اسی مدت کے مقابلے میں 8.59 فیصد اضافے کے ساتھ 21,563,746,338 روپے رہی، جبکہ گزشتہ سال کی اسی مدت میں یہ 19,857,881,186 روپے تھی۔ فروخت کی مالیت میں یہ اضافہ بنیادی طور پر فروخت کے حجم میں اضافے کے باعث ہوا۔ فروخت کے زیادہ حجم نے فی یونٹ فروختی قیمت میں کمی کے اثرات کو زائل کر دیا۔ آمدنی کے تناسب سے فروخت کی لاگت گزشتہ سال کی اسی مدت کے 91.90 فیصد کے مقابلے میں کم ہو کر 91.62 فیصد رہی۔ اس کمی کی بنیادی وجوہات میں خام مال کی لاگت میں کمی، ایندھن اور بجلی کے اخراجات میں کمی، اور اسٹورز و سپلائرز کے استعمال میں کمی شامل ہیں۔ نتیجتاً، مجموعی منافع کا مارجن گزشتہ سال کی اسی مدت کے 8.10 فیصد کے مقابلے میں بڑھ کر 8.38 فیصد ہو گیا۔

مجموعی آپریٹنگ اخراجات فروخت کے 3.08 فیصد کے مقابلے میں بڑھ کر 3.13 فیصد ہو گئے، جس کی بنیادی وجہ انتظامی اور فروخت کے اخراجات پر افراط زر کے دباؤ میں اضافہ تھا۔ تاہم، کمپنی نے آپریشنل نقد بہاؤ کو مستحکم رکھا، جس کے باعث اپنی واجبات کی بروقت ادائیگی اور طویل مدتی قرضوں کی مقررہ اقساط کی بروقت ادائیگی کو یقینی بنایا گیا۔ مجموعی قرض کی سطح میں کمی اور مالیاتی پالیسی میں نرمی کے باعث مالیاتی اخراجات بھی گزشتہ سال کے 3.63 فیصد کے مقابلے میں کم ہو کر آمدنی کے 2.70 فیصد رہ گئے۔ کمپنی زیر جائزہ مالی سال کے دوران طویل عرصے سے زیر التوا ٹیکنالوجی اپ گریڈیشن فنڈ (TUF) کے کلچر بالآخر جاری کرنے پر حکومت کا تہدیل سے شکریہ ادا کرتے ہیں۔

پاکستان کاٹن جنرل ایسوسی ایشن کی جانب سے جاری کردہ اعداد و شمار کے مطابق، فصل سال 2026-27 کے دوران 15 ستمبر 2026 تک جنٹل فیکٹریوں میں کپاس (روٹی) کی آمد مجموعی طور پر 2.389 ملین گانٹھیں رہی، جبکہ فصل سال 2025-26 کے دوران یہ 2.004 ملین گانٹھیں تھیں، جو کپاس کی آمد میں 19.17 فیصد اضافہ ظاہر کرتی ہے۔

### طویل مدتی اثاثوں کی سرمایہ کاری

اسپننگ کی پیداواری صلاحیت، معیار اور کارکردگی میں بہتری کے لیے اپنی حکمت عملی پر مبنی منصوبہ بندی کے مطابق، کمپنی نے زیر جائزہ مالی سال کے دوران BMR/توسیع کے لیے 758.977 ملین روپے (2025 میں 216.150 ملین روپے) کی سرمایہ کاری کی۔ کاربن فٹ پرنٹ میں کمی اور پائیدار توانائی کے حل کے فروغ کے لیے اپنے عزم کے مطابق، کمپنی مزید ترقی توانائی کی پیداواری استعداد میں اضافے کا بھی جائزہ لے رہی ہے۔

### مستقبل کے امکانات

مشرق وسطیٰ میں جاری جغرافیائی سیاسی کشیدگی اور تنازعات کے باعث عالمی معیشت کو بدستور شدید اتار چڑھاؤ کا سامنا ہے۔ خطے میں پیدا ہونے والی صورتحال نے عالمی سپلائی چینیز پر دباؤ بڑھایا ہے اور بالخصوص توانائی کی بڑھتی ہوئی لاگت کے باعث افراط زر کے دباؤ میں اضافہ ہوا ہے۔ دوسری جانب، کپاس کی قیمتوں میں کمی کارخانہ شروع ہو گیا ہے، جس کے باعث دھماکے کی فروختی قیمتوں پر بھی دباؤ پڑ سکتا ہے؛ منافع کے مارجن کا انحصار خام مال کی لاگت، انوینٹری کی پوزیشن اور مارکیٹ کی طلب پر بدستور رہے گا۔ اس پس منظر میں، کمپنی قلیل مدتی امکانات کے حوالے سے محتاط طور پر پُر امید ہے اور توقع رکھتی ہے کہ موجودہ مالی سال کی پہلی ششماہی کے دوران موجودہ مارکیٹ حالات اور دیگر معاشی عوامل کو مد نظر رکھتے ہوئے منافع برقرار رہے گا۔

زیر جائزہ مالی سال کے دوران شرح تبادلہ معقول حد تک مستحکم رہی، جس سے فروخت سے حاصل ہونے والی آمدنی اور درآمد شدہ خام مال کی لینڈ ڈاگت کے حوالے سے زیادہ بہتر پیش بینی میں معاونت ملی۔ تاہم، جغرافیائی سیاسی کشیدگی بدستور افراط زر اور شرح سود سے متعلق خطرات کا باعث بن رہی ہے۔

توانائی کی بڑھتی ہوئی لاگت سے نمٹنے اور طویل مدتی آپریشنل کارکردگی کو مستحکم بنانے کے لیے، کمپنی اپنے توانائی کے بنیادی ڈھانچے کو بخشی توانائی پر منتقل کرنے کے لیے فعال اقدامات کر رہی ہے۔ ہمیں امید ہے کہ حکومت خطے کے مسابقتی ممالک کے مطابق رعایتی نرخوں پر بلا تعطل توانائی کی فراہمی جاری رکھے گی۔

فصل سال 2026-27 کے دوران کپاس کی پیداوار گزشتہ سال کے مقابلے میں معمولی اضافے کے ساتھ تقریباً 6 ملین گانٹھیں رہنے کی توقع ہے۔ اسی دوران، رواں سال مقامی اسپننگ صنعت کی جانب سے کپاس کے استعمال میں اضافے کی بھی توقع ہے۔ نتیجتاً، مقامی سطح پر کپاس کی نسبتاً محدود پیداوار کے باعث ٹیکسٹائل کی صنعت کی ضروریات پوری کرنے کے لیے، بالخصوص مالی سال کی دوسری ششماہی کے دوران، کپاس کی خاطر خواہ مقدار میں درآمد کی ضرورت پیش آنے کی توقع ہے۔

یہ امید کی جاتی ہے کہ حکومت کاروبار میں مؤثر لاگتی بلا تعطل توانائی کی فراہمی، بقایا ٹیکس کی واپسی، کارپوریٹ ٹیکس کی شرح میں کمی، سپرنٹنڈنٹ کاغذات کی شرح کو کنٹرول کرنا اور مالیاتی اخراجات میں کمی جیسی دوستانہ پالیسیاں لائے گی۔ حکومتی پالیسیاں ٹیکسٹائل شعبہ میں ویلیو چین کی مکمل حوصلہ افزاء ہونی چاہئیں تاکہ ملک تیار مصنوعات برآمد کر سکے۔

### منافع منقسمہ

بورڈ آف ڈائریکٹرز نے 30 جون 2026 کو ختم ہونے والے سال کے لئے حتمی نقد منافع منقسمہ بشرح 60 فیصد یعنی 6/6 روپے فی عام شیئر کی منظوری دی ہے۔ منافع منقسمہ کی رقم 112,200,000 روپے

### اصل سرگرمی

کمپنی کی اصل سرگرمی سوت کی تیاری اور فروخت کرنا ہے۔

### نمایاں خطرات اور غیر یقینی حالات

بورڈ آف ڈائریکٹرز کمپنی کے آپریشنز کی نگرانی اور خطرات کے کسی ممکنہ منفی اثر کا سدباب کرنے کے لئے مؤثر حکمت عملی وضع کرنے کے ذمہ دار ہیں۔

کمپنی کی اصل مالی ادائیگیوں میں طویل مدتی قرضے، تجارتی اور دیگر قابل ادائیگیاں اور مختصر مدتی قرضے شامل ہیں۔ ان مالی ادائیگیوں کا اہم مقصد کمپنی کے آپریشنز کے لئے فنڈز کا بندوبست کرنا ہے۔ کمپنی کے اصل مالیاتی اثاثوں میں تجارتی قرضے، بینکنگ ادائیگیاں، مختصر مدتی ڈیپازٹس، دیگر وصولیاں اور نقدی اور بینک بیلنسز شامل ہیں جو اس کے آپریشنز سے براہ راست حاصل ہوتے ہیں۔ کمپنی کی سرگرمیوں کو کسی قسم کے مالیاتی خطرات کا سامنا ہے جس میں مارکیٹ خطرہ (بشمول کرنی خطرہ، شرح سود کا خطرہ اور قیمت کا خطرہ)، ادھار کا خطرہ اور لیویڈیٹی کا خطرہ شامل ہے۔ کمپنی کا مجموعی رسک منجمنٹ پروگرام مالیاتی مارکیٹوں کی غیر متوقعات پر توجہ مرکوز اور مالی کارکردگی پر ممکنہ منفی اثرات کو کم کرنے کی کوشش کرتا ہے۔

### اہم تبدیلیاں اور معاہدات

اس بیلنس شیٹ سے متعلق مالی سال کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان، کمپنی کی مالی حیثیت پر اثر انداز ہونے والی کوئی اہم منفی تبدیلیاں اور معاہدات رونما نہیں ہوئے۔

### کاروباری سماجی ذمہ داری

کمپنی اپنے کاروبار میں کاروباری سماجی ذمہ داری کے انضمام پر پختہ یقین رکھتی ہے، اور وہ کمیونٹیز جو ہمارے کاروبار سے براہ راست یا بالواسطہ طور پر متاثر ہو رہی ہیں ان کی ترقی کے لئے مسلسل کوشاں ہیں۔

### ماحول، صحت اور تحفظ

کمپنی اپنے ملازمین اور عوام کی صحت کو درپیش خطرات سے بچانے کے لئے محفوظ کام کے حالات کو برقرار رکھتی ہے۔ انتظامیہ نے سال بھر اپنے تمام انتظامات میں محفوظ ماحول کو برقرار رکھا ہے اور مسلسل ان کی حفاظت اور زندگی کی سہولیات کو بہتر بنا رہی ہے۔

مشینری اور ساتھ میں پلانٹ پر کام کرنے والے ملازمین کا تحفظ ایک تشریحات کی بات ہے۔ آگ بجھانے والے آلات اور آگ سے بچاؤ کے دیگر آلات کمپنی کی سائٹس کے ساتھ ساتھ اس کے رجسٹرڈ اور مرکزی دفتر میں نصب کئے گئے ہیں۔ آگ سے بچاؤ کے آلات کی کارکردگی کو یقینی بنانے کے لئے باقاعدہ مشقیں کی جاتی ہیں۔

### پائیداری خطرات

بورڈ آف ڈائریکٹرز ماحولیاتی، سماجی اور گورننس (ای ایس جی) عوامل جو کاروبار کی طویل مدتی کامیابی کو متاثر کر سکتے ہیں پر غور کرتے ہوئے کمپنی کے آپریشنز کی پائیداری کو یقینی بنانے کے لئے پُر عزم ہے۔ اس عزم کے ایک حصہ کے طور پر، آپ کی انتظامیہ پائیداری سے متعلق خطرات کی درست تشخیص کرتی ہے کہ، ان خطرات کو کس طرح منظم یا کم کیا جاسکتا ہے۔

کمپنی نے پائیداری سے متعلق خطرات سے نمٹنے کے لئے ایک مضبوط رسک مینجمنٹ فریم ورک نافذ کیا ہے۔ یہ فریم ورک کمپنی کے خطرات کی تشخیص اور فیصلہ سازی کے عمل میں ای ایس جی کے خیالات کو ضم کرتا اور اس بات کو یقینی بناتا ہے کہ پائیداری کے مسائل کو فعال طور پر منظم اور کم کیا جائے۔ کمپنی ایک متنوع، منصفانہ اور جامع کام کی جگہ کو فروغ دینے کے لئے پُر عزم ہے جہاں تمام ملازمین قدر و احترام محسوس کرتے ہیں۔

#### تنوع، مساوات اور شمولیت (ڈی ای آئی)

ہم سمجھتے ہیں کہ تنوع، مساوات اور شمولیت (DE & I) کا فروغ کمپنی کی اہم ترجیحات میں شامل ہے اور یہ جدت کو فروغ دینے، فیصلہ سازی کے عمل کو بہتر بنانے اور کمپنی کی مجموعی کارکردگی میں بہتری کے لیے بنیادی اہمیت رکھتا ہے۔ کمپنی بورڈ آف ڈائریکٹرز اور انتظامیہ میں متنوع اور جامع نمائندگی کو فروغ دیتی ہے، تمام ملازمین کو ان کی ثقافت، نسل، جنس، ذات اور مذہب سے قطع نظر مساوی مواقع فراہم کرتی ہے، اور ایسا کام کا ماحول فروغ دیتی ہے جو کسی بھی نوعیت کے امتیازی سلوک، ہراسانی اور جسمی آمیزروپوں سے پاک ہو۔

#### اندرونی مالیاتی کنٹرول

بورڈ آف ڈائریکٹرز کی طرف سے کمپنی کی تمام سطحوں پر مضبوط اندرونی کنٹرول کا ایک نظام قائم اور نافذ کیا گیا ہے۔ اندرونی کنٹرول کا نظام کمپنی کے مقاصد اور آپریشنل موثرگی اور کارکردگی کے حصول، قابل اعتماد مالیاتی رپورٹنگ اور قوانین، قواعد و ضوابط اور پالیسیوں کی تعمیل کو یقینی بنانے کے لئے ڈیزائن میں مستحکم ہے۔

#### متعلقہ پارٹیاں

تمام متعلقہ فریقوں کے ساتھ لین دین قابل رسائی کی بنیاد پر منتقلی قیمتوں کے تعین کے طریقوں اور بورڈ سے منظور شدہ متعلقہ فریقوں کی پالیسی کے مطابق تھے۔ تمام متعلقہ پارٹی لین دین کو اندرونی آڈٹ کے ذریعے باضابطہ طور پر منظور کیا گیا جس کی بعد میں آڈٹ کمیٹی نے منظوری دی اور ان پر غور و خوض اور منظوری کے لیے بورڈ کے روبرو رکھا گیا۔ تاہم، بورڈ آف ڈائریکٹرز نے اپنے اجلاس میں فیصلہ کیا کہ بورڈ کے منظور شدہ متعلقہ پارٹی ٹرانزیکشنز کو کمپنی کی بھی منظوری کے لیے کمپنی کے اجلاس عام کے روبرو رکھا جائے گا۔

مزید برآں، بورڈ آف ڈائریکٹرز نے یہ بھی فیصلہ کیا کہ کمپنی کے اجلاس عام میں 30 جون 2027ء کو ختم ہونے والے مالی سال کے دوران کیے جانے والے لین دین کی ممبران کی منظوری حاصل کی جائے گی اور اسے اگلے اجلاس عام میں ان کی رسمی توثیق/منظوری کے لیے شیئر ہولڈرز کے روبرو رکھا جائے گا۔

#### نمونہ حصص داری

30 جون 2026ء کے مطابق عام شیئرز کے لئے نمونہ حصص داری منسلک کیا گیا ہے۔

#### صنعتی پے گیپ

30 جون 2026ء کو ختم ہونے والے سال کے لیے صنعتی پے گیپ کا انکشاف منسلک کیا گیا ہے۔

#### آڈیٹرز کی تقرری

ریٹائر ہونے والے میسرز یوسف عادل، چارٹرڈ اکاؤنٹنٹس، کراچی نے اہل ہونے کی بناء پر مالی سال 2026-27 کے لئے بحیثیت آڈیٹرز دوبارہ تقرری کے لئے خود کو پیش کیا ہے۔ آڈٹ کمیٹی کی تجویز کے مطابق، بورڈ نے موجودہ آڈیٹرز کو ختم ہونے والے سال 30 جون 2027ء میں دوبارہ تقرری کی منظوری دے دی ہے۔

#### مالیاتی حسابات کا آڈٹ

کمپنی کے مالی حسابات، کمپنی کے قانونی ایکٹریٹل آڈیٹرز میسرز یوسف عادل، چارٹرڈ اکاؤنٹنٹس کی طرف سے کسی کو الیکٹیشن کے بغیر نظر ثانی شدہ ہیں۔

کاروباری نظام اور مالیاتی رپورٹنگ کا طریقہ کار

مزید ڈائریکٹرز جو خوشی بیان کرتے ہیں کہ:

a- کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات میں کمپنی کے امور، نقدی بہاؤ اور سرمائے میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔

b- کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔

- c مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- d مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات (IFRS) کی پیروی کی گئی ہے، اور کسی بھی انحراف کا موزوں انکشاف اور وضاحت کی گئی ہے۔
- e اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- f کمپنی کے رواں دواں ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- g گزشتہ چھ سال کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا منسلک ہے۔
- h مالی سال 2025-2026 کے دوران ایک (1) ایک کارپوریٹ بریفنگ سیشن (CBS) منعقد کیا گیا۔
- i ٹیکس، ڈیویڈنڈ، لیویز اور چارجز کی مد میں کوئی قانونی ادائیگی واجب الادا نہیں ہے جو 30 جون 2026ء کو بقیہ ہوں، سوائے ان کے جو مالی حسابات میں ظاہر کر دیئے گئے ہیں۔

#### بورڈ کی ترتیب

30 جون 2026ء کو بورڈ آف ڈائریکٹرز مشتمل ہے:

ڈائریکٹرز کی کل تعداد:

(a) مرد (آٹھ) 8

(b) خاتون (دو) 2

ترتیب:

i۔ آزاد ڈائریکٹرز (تین) 3

ii۔ دیگر نان ایگزیکٹو ڈائریکٹرز (پانچ) 5

iii۔ ایگزیکٹو ڈائریکٹرز (دو) 2

ڈائریکٹرز کے نام

جناب شہزادہ الہی شیخ

محترمہ نوشیہ سرور

محترمہ زونے خورشید خان

جناب حسن احمد

جناب نوید اختر شریف

جناب شفقت الہی شیخ

جناب رضا الہی شیخ

جناب ہارون شہزادہ الہی شیخ

جناب شوکت الہی شیخ

جناب امین الہی شیخ ڈائریکٹر/چیف ایگزیکٹو آفیسر

ڈائریکٹرز کا انتخاب جنوری 2026ء میں منعقد ہوا۔ مس زونے خورشید خان کو مسٹر شفیق الرحمن کی جگہ ڈائریکٹر منتخب کیا گیا۔

بورڈ کی کمیٹیاں

بورڈ آف ڈائریکٹرز نے مندرجہ ذیل کمیٹیاں تشکیل دی ہیں:

### • آؤٹ کمیٹی

محترمہ زوے خورشید خان چیئر پرسن

جناب رضا الہی شیخ رکن

جناب ہارون شہزادہ الہی شیخ رکن

### • ہیومن ریسورس اینڈ ریمزیشن (HR&R) کمیٹی

محترمہ زوے خورشید خان چیئر پرسن

جناب امین الہی شیخ رکن

جناب ہارون شہزادہ الہی شیخ رکن

### • ایگزیکٹو کمیٹی

جناب امین الہی شیخ چیئر مین

جناب شوکت الہی شیخ رکن

جناب رضا الہی شیخ رکن

جناب ہارون شہزادہ الہی شیخ رکن

### ڈائریکٹرز کے معاوضے کی نمایاں خصوصیات

بورڈ آف ڈائریکٹرز نے کمپنی کے امور میں ان کی ذمہ داری پر منحصر ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے معاوضے کے لئے رسی پالیسی کی منظوری دی ہے۔ معاوضہ کامیابی سے کمپنی کو منظم طریقہ سے چلانے کے لئے ان کی ذمہ داری اور ضروری مہارت اور ان سے ویلیو ایڈیشن حوصلہ افزائی کی سطح کے مطابق ہے۔

آزاد ڈائریکٹر سمیت نان ایگزیکٹو ڈائریکٹرز فقط بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کی فیس کے اہل ہیں۔ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کا معاوضہ ہیومن ریسورس اینڈ ریمزیشن کمیٹی کی سفارشات پر، بورڈ کی طرف سے منظور کیا گیا ہے۔ 2025-26 میں ڈائریکٹرز اور سی ای او کے معاوضہ کی معلومات کیلئے، براہ مہربانی مالی گوشواروں کے نوٹس ملاحظہ کریں۔

اظہار تشکر

کمپنی کے عملے اور کارکنوں کی مسلسل محنت اور جذبہ اور تمام سطحوں پر اچھے تعلقات کا اعتراف کرتے ہیں۔ ڈائریکٹرز کمپنی کی مسلسل حمایت پر بینکوں اور دیگر حصہ داروں کا بھی شکریہ ادا کرتے ہیں۔

### منجانب بورڈ



رضا الہی شیخ

ڈائریکٹر



امین الہی شیخ

چیف ایگزیکٹو آفیسر (سی ای او)

29 ستمبر 2026ء

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

**Name of Company: Nagina Cotton Mills Limited**

**Year ended: June 30, 2026**

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

1. The total number of directors are ten as per the following:

- a) Male: Eight
- b) Female: Two

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

| Category                    | Names                                                                                                                                     |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| i. Independent Directors    | Miss Zoe Khurshid Khan (w.e.f Jan 28, 2026)<br>Ms. Tosheeba Sarwar<br>Mr. Naweed Akhtar Sharif                                            |
| ii. Non-Executive Directors | Mr. Shahzada Ellahi Shaikh<br>Mr. Hasan Ahmad<br>Mr. Shafqat Ellahi Shaikh<br>Mr. Raza Ellahi Shaikh<br>Mr. Haroon Shahzada Ellahi Shaikh |
| iii. Executive Directors    | Mr. Shaukat Ellahi Shaikh<br>Mr. Amin Ellahi Shaikh                                                                                       |
| iv. Female Directors        | Ms. Tosheeba Sarwar<br>Ms. Zoe Khurshid Khan                                                                                              |

*\* The Company has three independent directors out of ten directors. Fractional requirement for Independent directors have not been rounded up as all independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently as per laws and regulations under which hereby fulfill the necessary requirements; therefore, not warrant the appointment of a fourth independent director.*

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this, Company.
- 4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- 5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company.

6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations).
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Out of the ten directors, nine have obtained Directors Training Program (DTP) certification. The one director who did not complete the training has over 30 years of experience and qualifies for an exemption. The Board is considered compliant with the requirement.
10. No new Company Secretary and Chief Financial Officer (CFO) were appointed during the year; however, the Board approved their remuneration and terms of employment, ensuring compliance with the relevant regulatory requirements. The Board approved the appointment of the Head of Internal Audit, along with her remuneration and terms of employment, in accordance with applicable 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**  
Miss. Zoe Khurshid Khan, Chairperson  
Mr. Raza Ellahi Shaikh, Member  
Mr. Haroon Shahzada Ellahi Shaikh, Member  
Mrs. Saira Saman, Head of Internal Audit
  - b. **Human Resource and Remuneration (HR & R) Committee**  
Miss. Zoe Khurshid Khan, Chairperson  
Mr. Amin Ellahi Shaikh, Member  
Mr. Haroon Shahzada Ellahi Shaikh, Member  
Mr. Muhammad Azam, Secretary
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

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

| <b>Committee</b>              | <b>No. of meetings</b> |
|-------------------------------|------------------------|
| Audit Committee               | 04 quarterly meetings  |
| HR and Remuneration Committee | 01 annual meeting      |

15. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

Explanation as required under the Regulations is mentioned below:

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

| <b>S #</b> | <b>Requirement</b>                                                                                                                                                                                                                                                                          | <b>Regulation No.</b> | <b>Explanation of Non-compliance</b>                                                                                                                                                  |
|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.         | <b>Nomination Committee</b><br>The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances                                                                                | 29                    | The responsibilities as prescribed for the nomination committee are being taken care of at board level as and when needed, so a separate committee is not considered to be necessary. |
| 2.         | <b>Risk Management Committee</b><br>The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board. | 30                    | Currently, the Board has assigned additional responsibilities relating to Risk Management under Regulation 30 to the HR & R committee.                                                |

| S # | Requirement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Regulation No.                    | Explanation of Non-compliance                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.  | <b>Directors Training Program for Female Executive and Head of Departments</b><br>It is encouraged to obtain DTP certification for female executive and one head of department every year starting from July 2020 and July 2022 respectively.                                                                                                                                                                                                                                                                                                                                                         | 19 (3)                            | The Company has not arranged any training under Directors' Training Program for female executives or head of the department during the year. However, the Company plans to arrange such trainings in the near future                                                                                                                                                                                                                      |
| 4.  | <b>Governance and Oversight of Opportunities</b><br>The board oversees sustainability risks and opportunities, including ESG considerations, by setting strategies, priorities and targets for long-term corporate value, and is encouraged to adopt SECP's ESG Disclosure Guidelines. This includes proactively addressing principal and emerging sustainability and climate-related risks, assessing their financial and operational impacts, and implementing mitigation strategies. Directors' reports are also encouraged to disclose sustainability risks, their management, and DE&I measures. | 10A.1 (3) & 10A.3 (3) & 10A.6 (3) | The Company is working towards compliance with sustainability disclosure guidelines and developing its sustainability strategies and targets. While a formal risk-identification and mitigation process is not yet in place, the Board is actively addressing relevant sustainability and climate risks and working towards assessing their impact and mitigation and will include related disclosures in its upcoming Director's report. |

on behalf of the Board



**Amin Ellahi Shaikh**  
Chief Executive Officer



**Shahzada Ellahi Shaikh**  
Chairman

September 29, 2026

## **SHAREHOLDERS' INFORMATION**

### **Annual General Meeting (AGM)**

The 59<sup>th</sup> Annual General Meeting (AGM) of members of Nagina Cotton Mills Limited will be held on **Wednesday, October 28, 2026** at 12:00 noon at the Registered Office of the Company situated at 2<sup>nd</sup> Floor, Shaikh Sultan Trust Bldg. No. 2, 26-Civil Lines, Beaumont Road, Karachi-75530 and virtually through video conference facility.

Eligible shareholders are encouraged to participate and vote.

### **Participation in AGM through video link facility**

The Shareholders can also participate in the General Meeting through video link facility

To attend the Annual General meeting through video link, members and their proxies are requested to register their following particulars by sending an e-mail at [azam@nagina.com](mailto:azam@nagina.com).

| Folio/CDC<br>Account<br>No. | No. of<br>Shares<br>held | Name | CNIC No. | Cell No. | Email<br>address |
|-----------------------------|--------------------------|------|----------|----------|------------------|
|                             |                          |      |          |          |                  |

The video link and login credentials will be shared with the shareholders whose e-mails, containing all the requested particulars, are received at the given e-mail address by or before the close of business hours (5:00 p.m.) on October 27, 2026.

**Eligible shareholders are encouraged to participate and vote.**

### **Ownership**

On June 30, 2026, the Company has 944 Shareholders.

### **Web Reference**

The Company maintains a functional website. Annual, half-yearly and quarterly reports are regularly posted at the Company's website: <http://www.nagina.com>

### **Dividend**

The Board of Directors in its meeting held on September 29, 2026 has recommended, payment of the final cash dividend at the rate of Rs.6/- per share i.e. 60% for the year ended June 30, 2026.

### **Closure of Share Transfer Books**

The Share Transfer Books of the Company will remain closed from October 22, 2026 to October 28, 2026 (both days inclusive). Transfers received in order by our Shares Registrar, M/s Hameed Majeed Associates (Pvt.) Limited, 5th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi, by the close of business on October 21, 2026 will be considered in time to entitle the transferees for payment of dividend and to attend the AGM.

### PAYMENT OF CASH DIVIDEND ELECTRONICALLY (E DIVIDEND MECHANISM)

As per the provisions of Section 242 of the Companies Act, 2017 and Companies (Distribution of Dividends) Regulation 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into their bank account designated by the entitled shareholders instead of issuing physical dividend warrants. Therefore, shareholders are requested to provide the following particulars directly to the Company's Share Registrar in case of physical shareholders and directly to the relevant Participant / CDC Investor Account Service in case of maintaining shareholding under Central Depository System (CDS):

| <i>Detail of Bank Mandate</i>                               |                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Shareholder                                         |                                                                                                                                                                                                                                                                           |
| Folio No. / CDC Account No.                                 |                                                                                                                                                                                                                                                                           |
| Cell Number of Shareholder                                  |                                                                                                                                                                                                                                                                           |
| Landline Number of Shareholder                              |                                                                                                                                                                                                                                                                           |
| E-mail address                                              |                                                                                                                                                                                                                                                                           |
| Title of Bank Account of shareholder                        |                                                                                                                                                                                                                                                                           |
| International Bank Account Number (IBAN) <b>"Mandatory"</b> | PK _____ (24 digits)<br>(kindly provide you accurate IBAN after consulting with your respective bank branch, in case of any error or omission in given IBAN, the company will not be held responsible in any manner for any loss or delay in your cash dividend payment). |
| Bank's Name                                                 |                                                                                                                                                                                                                                                                           |
| Branch Name and Address                                     |                                                                                                                                                                                                                                                                           |
| Branch Code                                                 |                                                                                                                                                                                                                                                                           |
| CNIC No. (Copy attached)                                    |                                                                                                                                                                                                                                                                           |
| NTN (in case of Corporate Entity)                           |                                                                                                                                                                                                                                                                           |

it is stated that the above-mentioned information is correct, that I will intimate the changes in the above-mentioned information to the Company and the concerned Share Registrar as soon as these occur.

\_\_\_\_\_  
Signature of the Shareholder

In case of non-receipt of the above information, the dividend shall be withheld.

### **Restriction on Distribution of Gifts to Members:**

The Securities and Exchange Commission of Pakistan (the "SECP"), through its Circular 2 of 2018, dated February 9, 2018, has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens/coupons/lunches/takeaway packages) in any form or manner, to shareholders at or in connection with general meetings. Under Section 185 of the Act, any violation of this directive is considered an offense, and companies failing to comply may face penalties and in accordance with the directive issued by the SECP, vide its S.R.O. 452(I)/2025 dated 17 March 2025 the Company would like to inform all the shareholders that no gifts will be distributed at the AGM.

### **Requirement of CNIC Number / National Tax Number (NTN) Certificate.**

Individual Members who have not yet submitted a copy of their valid Computerized Identity Card (CNIC) to the Company are once again requested to send a copy of their valid CNIC at the earliest directly to the office of Share Registrar of the Company, M/s. Hameed Majeed Associates (Pvt) Ltd., 5th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi. Corporate Members are requested to provide their National Tax Number (NTN) and folio number thereon while sending the copies to the Share Registrar of the Company. In case of non-receipt of the copy of a valid CNIC or NTN (as the case may be), the Company would be unable to comply with the requirements of the Companies Act, 2017 and SROs issued there under.

### **Deposit of Physical Shares into CDC Accounts**

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act, i.e. May 30, 2017.

The shareholders having physical shareholding are encouraged to open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Ltd.

### **Deduction of Withholding Tax on Dividend**

1. The rates of deduction of income tax from dividend payments under Section 150 of the Income Tax Ordinance, 2001 shall be as follows:
  - i) Rate of Withholding Income Tax deduction for the persons whose names are appearing on ATL. 15%
  - ii) Rate of Withholding Income Tax deduction for the persons whose names are not appearing on ATL. 30%

To enable the company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not appearing on Active Taxpayers' List (ATL) available on the website of FBR are advised to immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

2. Withholding tax will be determined separately on persons names appearing on ATL/persons names not appearing on ATL status of Principal Shareholder as well as Joint-holder(s) based on their shareholding proportions, in case of joint accounts. In this regard, all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to our Share Registrar, in writing within 10 days of this notice; otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint-holder(s).
3. As per FBR Circulars C.No.1(29)WHT/2006 dated 30 June 2010 and C.No. 1(43)DG(WHT)/2008-Vol.II-66417-R dated May 12, 2015, the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance, 2001 (tax on dividend amount) where the statutory exemption under Clause 47B of Part-IV of Second Schedule is available. The shareholders who fall in the category mentioned in above clause and want to avail exemption U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to our Share Registrar before book closure otherwise tax will be deducted on dividend as per applicable rates.

#### **Zakat Declaration (Form CZ-50)**

The Shareholders claiming exemption from deduction of Zakat are advised to submit their Zakat Declaration Form CZ-50 under Zakat and Usher Ordinance, 1980 & Rule 4 of Zakat (Deduction & Refund Rules), 1981 to our Share Registrar, M/s Hameed Majeed Associates (Pvt.) Limited, 5<sup>th</sup> Floor, Karachi Chambers, Hasrat Mohani Road, Karachi. The Shareholders while sending the Zakat Declarations must quote the company name and their respective Folio Nos and /or CDC A/c Nos.

#### **Delivery of the Unclaimed / Undelivered Shares & Dividend**

Shareholders, whose dividends still remain unclaimed and / or undelivered share certificates, are hereby once again requested to approach the Company's Share Registrar, M/s Hameed Majeed Associates (Pvt.) Limited, 5<sup>th</sup> Floor, Karachi Chambers, Hasrat Mohani Road, Karachi to claim their outstanding dividend amounts and/ or undelivered share certificates.

### **Consent For Video Conference Facility**

Pursuant to Section 134(1)(b) of the Act, shareholders residing in a city holding aggregate 10% or more shareholding may demand to participate in the meeting through video conference. The request for video-link facility shall be received by the Share Registrar at their address at least seven days prior to the date of the meeting on the Standard Form available on the website of the Company

### **Investor Relations Contact**

For any query / problem / information, the investors may contact Mr. Syed Mohsin Gilani, Corporate Secretary, email address: [mohsin.gilani@nagina.com](mailto:mohsin.gilani@nagina.com), Ph # (+92-42) 35756270.

**NAGINA COTTON MILLS LTD.**  
**PATTERN OF SHAREHOLDING**  
**AS AT JUNE 30, 2026**  
**CUIN (INCORPORATION NUMBER) 0002500**

| No. of<br>Shareholders | Shareholding   |           | Total<br>Shares Held |
|------------------------|----------------|-----------|----------------------|
|                        | From           | To        |                      |
| 456                    | 1              | 100       | 13,756               |
| 252                    | 101            | 500       | 71,601               |
| 64                     | 501            | 1,000     | 51,671               |
| 108                    | 1,001          | 5,000     | 260,303              |
| 34                     | 5,001          | 10,000    | 243,843              |
| 8                      | 10,001         | 15,000    | 96,282               |
| 3                      | 15,001         | 20,000    | 52,998               |
| 3                      | 20,001         | 25,000    | 63,193               |
| 2                      | 30,001         | 35,000    | 64,868               |
| 1                      | 40,001         | 45,000    | 41,750               |
| 1                      | 115,001        | 120,000   | 118,736              |
| 1                      | 230,001        | 235,000   | 233,735              |
| 1                      | 410,001        | 415,000   | 413,734              |
| 2                      | 695,001        | 700,000   | 1,400,000            |
| 3                      | 1,015,001      | 1,020,000 | 3,051,542            |
| 1                      | 1,395,001      | 1,400,000 | 1,400,000            |
| 1                      | 1,400,001      | 1,405,000 | 1,400,500            |
| 2                      | 3,225,001      | 3,230,000 | 6,454,419            |
| 1                      | 3,265,001      | 3,270,000 | 3,267,069            |
| <b>944</b>             | <b>Total:-</b> |           | <b>18,700,000</b>    |

**NAGINA COTTON MILLS LTD.**  
**CATEGORIES OF SHAREHOLDERS**  
**AS AT JUNE 30, 2026**

| Sr #      | Categories of Shareholders                                                       | Shares Held       | Percentage   |
|-----------|----------------------------------------------------------------------------------|-------------------|--------------|
| <b>1)</b> | <b>Directors, Chief Executive Officer, and their Spouse and Minor Children</b>   |                   |              |
| i)        | MR. SHAHZADA ELLAHI SHAIKH                                                       | 3,227,350         | 17.26        |
| ii)       | MR. SHAUKAT ELLAHI SHAIKH                                                        | 3,267,069         | 17.47        |
| iii)      | MR. SHAFQAT ELLAHI SHAIKH                                                        | 3,227,069         | 17.26        |
| iv)       | MR. RAZA ELLAHI SHAIKH                                                           | 1,400,500         | 7.49         |
| v)        | MR. AMIN ELLAHI SHAIKH                                                           | 1,400,000         | 7.49         |
| vi)       | MR. HAROON SHAHZADA ELLAHI SHAIKH                                                | 700,000           | 3.74         |
| vii)      | MR. HASAN AHMED                                                                  | 500               | 0.00         |
| viii)     | MS. TOSHEEBA SARWAR                                                              | 500               | 0.00         |
| ix)       | MR. NAVEED AKHTER SHARIF                                                         | 500               | 0.00         |
| x)        | MISS. ZOE KHURSHID KHAN                                                          | 500               | 0.00         |
| xi)       | MRS. HUMERA SHAHZADA ELLAHI SHEIKH                                               | 4,248             | 0.02         |
| xii)      | MRS. MONA SHAUKAT SHAIKH                                                         | 4,248             | 0.02         |
| xiii)     | MRS. SHAISTA SHAFQAT                                                             | 4,248             | 0.02         |
|           |                                                                                  | <b>13,236,732</b> | <b>70.78</b> |
| <b>2)</b> | <b>Associated Companies, Undertakings and Related Parties</b>                    |                   |              |
| i)        | HAROON OMER ( PVT ) LIMITED                                                      | 1,017,147         | 5.44         |
| ii)       | MONELL (PVT) LIMITED                                                             | 1,017,147         | 5.44         |
| iii)      | ICARO (PVT) LIMITED                                                              | 1,017,248         | 5.44         |
| iv)       | ELLAHI INTERNATIONAL ( PVT ) LIMITED                                             | 9,000             | 0.05         |
|           |                                                                                  | <b>3,060,542</b>  | <b>16.37</b> |
| <b>3)</b> | <b>NIT and ICP</b>                                                               | <b>1,430</b>      | <b>0.01</b>  |
| <b>4)</b> | <b>Banks, Development Finance Institutions, Non Banking Finance Institutions</b> |                   |              |
| i)        | NATIONAL DEVELOPMENT FINANCE CORP.                                               | 5,560             | 0.03         |
| ii)       | ESCORTS INVESTMENT BANK LIMITED                                                  | 30                | 0.00         |
|           |                                                                                  | <b>5,590</b>      | <b>0.03</b>  |
| <b>5)</b> | <b>Insurance Companies</b>                                                       | <b>Nil</b>        | <b>Nil</b>   |
| <b>6)</b> | <b>Modarabas and Mutual Funds</b>                                                | <b>Nil</b>        | <b>Nil</b>   |
| <b>7)</b> | <b>Shareholders Holding 10% or more</b>                                          |                   |              |
| i)        | SHAUKAT ELLAHI SHAIKH                                                            | 3,267,069         | 17.47        |
| ii)       | SHAHZADA ELLAHI SHAIKH                                                           | 3,227,350         | 17.26        |
| iii)      | SHAFQAT ELLAHI SHAIKH                                                            | 3,227,069         | 17.26        |
|           |                                                                                  | <b>9,721,488</b>  | <b>51.99</b> |
| <b>8)</b> | <b>General Public</b>                                                            |                   |              |
| i)        | a. Local                                                                         | 2,387,918         | 12.77        |
| ii)       | b. Foreign                                                                       | -                 | -            |
| <b>9)</b> | <b>Others (Joint Stock Companies)</b>                                            | <b>7,788</b>      | <b>0.04</b>  |



# NAGINA COTTON MILLS LTD.

2ND FLOOR, SHEIKH SULTAN TRUST BLDG. NO. 2, 26, CIVIL LINES BEAUMONT ROAD, KARACHI-75530, PAKISTAN.  
 TELE : (92-21) 35688123 - 35680364 - 35688219 - 35686263 - 35686560 FAX : (92-21) 35683215  
 E-MAIL : karachi@nagina.com

## NAGINA COTTON MILL LIMITED

### GENDER PAY GAP STATEMENT UNDER CIRCULAR 10 OF 2024

Following is gender pay gap calculated for the year ended June 30, 2026

|      |                                                                                                                                                                                                                                                                                                                                           |         |
|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| i)   | Mean Gender Pay Gap                                                                                                                                                                                                                                                                                                                       | 28.10%  |
| ii)  | Median Gender Pay Gap                                                                                                                                                                                                                                                                                                                     | -22.74% |
| iii) | We are committed to fostering an inclusive workplace that ensures fair and equitable representation at all levels, regardless of gender. The mean and median gender pay gaps are 28.10% and (22.74%), respectively. These pay differences are influenced by factors such as individual performance, experience, education, and skill set. |         |

  
 Amin Ellahi Shaikh  
 Chief Executive Officer

REGIONAL OFFICE : Nagina House 91-B-1, M.M. Alam Road, Gulberg-III, Lahore - 54660, Pakistan. Tel: (92-42) 35756270-77, 35754811-16  
 Fax : (92-42) 35711856 & 35753820  
 MILLS : A-16, National Highway, Aminabad, S.I.T.E., Kotri, Pakistan. Telephone : (92-22) 3870072, 3870073, 3870037  
 Fax : (92-22) 3870192 Email : ncmlsite@nagina.com  
 Power House Telephone : (92-22) 3870036 Email : gmncmlpower@nagina.com

## KEY FINANCIAL INFORMATION

|                                         |         | YEAR ENDED 30TH JUNE |            |            |            |            |           |
|-----------------------------------------|---------|----------------------|------------|------------|------------|------------|-----------|
|                                         |         | 2026                 | 2025       | 2024       | 2023       | 2022       | 2021      |
| Sales                                   | Rs.'000 | 21,563,746           | 19,857,881 | 20,448,120 | 12,818,758 | 11,235,579 | 7,184,635 |
| Gross profit                            | Rs.'000 | 1,807,722            | 1,609,201  | 1,613,829  | 1,339,638  | 2,507,668  | 1,419,328 |
| Operating profit                        | Rs.'000 | 1,220,690            | 1,163,708  | 1,161,608  | 1,062,882  | 2,069,802  | 1,144,400 |
| Profit / (loss) before tax              | Rs.'000 | 638,205              | 442,262    | 311,055    | 803,518    | 1,826,779  | 988,876   |
| Profit after tax                        | Rs.'000 | 281,585              | 50,417     | 77,025     | 589,947    | 1,812,562  | 743,498   |
| Share capital - paid up                 | Rs.'000 | 187,000              | 187,000    | 187,000    | 187,000    | 187,000    | 187,000   |
| Shareholders' equity                    | Rs.'000 | 5,020,104            | 4,759,531  | 4,728,369  | 4,667,040  | 4,307,501  | 2,568,397 |
| Total assets                            | Rs.'000 | 13,561,778           | 14,597,793 | 12,730,252 | 12,588,753 | 10,172,038 | 6,389,585 |
| Earnings (loss) per share - pre tax     | Rs.     | 34.13                | 23.65      | 16.63      | 42.97      | 97.69      | 52.88     |
| Earnings / (loss) per share - after tax | Rs.     | 15.06                | 2.70       | 4.12       | 31.55      | 96.93      | 39.76     |
| Cash Dividend per share                 | Rs.     | 6.00                 | 1.00       | 1.50       | 6.00       | 10.00      | 10.00     |
| Market value per share                  | Rs.     | 80.05                | 61.05      | 52.50      | 62.95      | 78.80      | 74.65     |
| Gross profit to Sales                   | %       | 8.38                 | 8.10       | 7.89       | 10.45      | 22.32      | 19.76     |
| Operating profit to sales               | %       | 5.66                 | 5.86       | 5.68       | 7.08       | 18.40      | 15.93     |
| Profit / (loss) before tax to Sales     | %       | 2.96                 | 2.23       | 1.52       | 6.27       | 16.26      | 13.76     |
| Profit / (loss) after tax to Sales      | %       | 1.31                 | 0.25       | 0.38       | 4.60       | 16.13      | 10.35     |
| Current ratio                           |         | 1.86 : 1             | 1.72 : 1   | 2.28 : 1   | 2.10 : 1   | 2.40 : 1   | 2.35 : 1  |
| Total debt to total assets ratio        | %       | 80.73                | 88.17      | 89.86      | 82.12      | 57.65      | 59.80     |
| Debt Equity Ratio                       | %       | 48.03                | 50.81      | 53.13      | 52.23      | 45.54      | 47.08     |

**Yousuf Adil**

Chartered Accountants

Cavish Court, A-35, Block 7 & 8  
 KCHSU, Shahrah-e-Faisal  
 Karachi-75350  
 Pakistan

Tel: +92 (021) 3454 6494-7

www.yousufadil.com

## INDEPENDENT AUDITOR'S REVIEW REPORT To the Members of Nagina Cotton Mills Limited

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

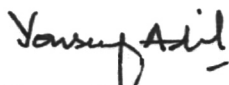
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Nagina Cotton Mills Limited** (the Company) for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance with 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, 2026.



Chartered Accountants

Place: Karachi

Date: October 03, 2026

UDIN: CR202610186VoCuvZ3kU



**Yousuf Adil**  
Chartered Accountants

Cavish Court, A-35, Block 7 & 8  
KCHSU, Shahrah-e-Faisal  
Karachi-75350  
Pakistan

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## INDEPENDENT AUDITOR'S REPORT

To the members of Nagina Cotton Mills Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the annexed financial statements of **Nagina Cotton Mills Limited** (the Company), which comprise the statement of financial position as at June 30, 2026, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2026 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

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

#### Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current year. This matter was 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 this matter.

Following is the key audit matter:

| S. No. | Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | How the matter was addressed<br>In our audit                                                                                                                                                                                                                                        |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | <b>Revenue recognition from Contracts with Customers</b><br><br>The Company is engaged in manufacturing and sale of yarn. Revenue recognition policy has been explained in note 4.12 to the financial statements, and the related amounts of revenue recognized during the year are disclosed in note 26 to the financial statements. The Company's revenue for the year ended June 30, 2026 was Rs. 21,563 million. The Company generates revenue by exporting and selling locally. | Our audit procedures to address the revenue recognition amongst others included the following: <ul style="list-style-type: none"> <li>Assessed the appropriateness of revenue recognition policy and compared it with the applicable accounting and reporting standards;</li> </ul> |

| S. No. | Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                        | How the matter was addressed<br>In our audit                                                                                                                                                                                                                                                                                                                                          |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | We considered revenue recognition as key audit matter as it is one of the key performance indicators of the Company. In addition, given the volume and timing of transactions, the correct application of the point of revenue recognition for export sales, and the occurrence and recognition of revenue in the correct accounting period, were considered significant risks and an area of significant audit effort. | <ul style="list-style-type: none"> <li>Obtained an understanding and assessed the design and implementation of controls established for recognition of revenue;</li> <li>Inspected on sample basis invoices, sales contracts, delivery notes, bill of lading for ensuring that management has complied with the revenue recognition criteria as per the accounting policy.</li> </ul> |

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

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

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

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

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

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

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

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

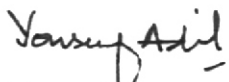
From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes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

#### Report on Other Legal and Regulatory Requirements

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

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is **Shafqat Ali**.

  
 Chartered Accountants

**Place:** Karachi  
**Date:** October 03, 2026  
**UDIN:** AR202610186yCw8djGe3

## STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2026

|                                                              | Note | 2026<br>Rupees        | 2025<br>Rupees |
|--------------------------------------------------------------|------|-----------------------|----------------|
| <b>EQUITY AND LIABILITIES</b>                                |      |                       |                |
| <b>SHARE CAPITAL AND RESERVES</b>                            |      |                       |                |
| Authorised share capital                                     |      |                       |                |
| 50,000,000 (2025: 50,000,000) ordinary shares of Rs. 10 each |      | <b>500,000,000</b>    | 500,000,000    |
| Issued, subscribed and paid-up capital                       | 5    | <b>187,000,000</b>    | 187,000,000    |
| Capital reserves                                             | 6    | <b>266,914,334</b>    | 265,704,614    |
| Revenue reserve - unappropriated profit                      |      | <b>4,566,189,605</b>  | 4,306,826,606  |
| <b>TOTAL EQUITY</b>                                          |      | <b>5,020,103,939</b>  | 4,759,531,220  |
| <b>LIABILITIES</b>                                           |      |                       |                |
| <b>NON CURRENT LIABILITIES</b>                               |      |                       |                |
| Long term finances                                           | 7    | <b>3,836,156,853</b>  | 4,181,862,874  |
| Deferred tax                                                 | 8    | <b>143,638,227</b>    | 122,612,114    |
| Employee retirement benefits                                 | 9    | <b>375,260,881</b>    | 294,457,333    |
|                                                              |      | <b>4,355,055,961</b>  | 4,598,932,321  |
| <b>CURRENT LIABILITIES</b>                                   |      |                       |                |
| Current portion of long-term finances                        | 7    | <b>803,113,782</b>    | 733,852,872    |
| Trade and other payables                                     | 10   | <b>1,826,260,566</b>  | 1,519,750,487  |
| Contract liability - advance from customers                  | 11   | <b>17,752,362</b>     | 10,151,772     |
| Unclaimed dividend                                           |      | <b>12,213,318</b>     | 12,091,680     |
| Accrued interest / mark-up                                   | 12   | <b>89,234,539</b>     | 159,648,160    |
| Short-term borrowings                                        | 13   | <b>1,438,043,940</b>  | 2,803,834,134  |
|                                                              |      | <b>4,186,618,507</b>  | 5,239,329,105  |
| <b>TOTAL LIABILITIES</b>                                     |      | <b>8,541,674,468</b>  | 9,838,261,426  |
| <b>CONTINGENCIES AND COMMITMENTS</b>                         |      |                       |                |
|                                                              | 14   |                       |                |
| <b>TOTAL EQUITY AND LIABILITIES</b>                          |      | <b>13,561,778,407</b> | 14,597,792,646 |

The annexed notes from 1 to 50 form an integral part of these financial statements.

September 29, 2026

  
**Raza Ellahi Shaikh**  
Director

  
**Tariq Zafar Bajwa**  
Chief Financial Officer

|                               | Note | 2026<br>Rupees        | 2025<br>Rupees |
|-------------------------------|------|-----------------------|----------------|
| <b>ASSETS</b>                 |      |                       |                |
| <b>NON CURRENT ASSETS</b>     |      |                       |                |
| Property, plant and equipment | 15   | 5,746,720,894         | 5,575,305,428  |
| Investment properties         | 16   | 12,494,240            | 12,675,412     |
| Intangible assets             | 17   | -                     | -              |
| Long-term deposits            |      | 1,229,858             | 1,121,858      |
|                               |      | <b>5,760,444,992</b>  | 5,589,102,698  |
| <b>CURRENT ASSETS</b>         |      |                       |                |
| Stores and spares             | 18   | 201,158,308           | 205,763,297    |
| Stock-in-trade                | 19   | 1,932,776,681         | 4,643,518,733  |
| Trade receivables             | 20   | 3,042,526,851         | 2,893,912,720  |
| Advances                      | 21   | 1,061,083,290         | 509,205,152    |
| Prepayments                   | 22   | 2,542,082             | 3,193,993      |
| Other receivables             | 23   | 97,498,219            | 66,536,305     |
| Tax refundable                | 24   | 527,685,453           | 412,815,861    |
| Other financial assets        | 25   | 401,015,636           | 166,687,329    |
| Cash and bank balances        | 26   | 535,046,895           | 107,056,558    |
|                               |      | <b>7,801,333,415</b>  | 9,008,689,948  |
| <b>TOTAL ASSETS</b>           |      | <b>13,561,778,407</b> | 14,597,792,646 |

The annexed notes from 1 to 50 form an integral part of these financial statements.


  
**Amin Ellahi Shaikh**  
Chief Executive Officer

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2026

|                                                                           | Note | 2026<br>Rupees       | 2025<br>Rupees       |
|---------------------------------------------------------------------------|------|----------------------|----------------------|
| Revenue from contracts with customers                                     | 27   | 21,563,746,338       | 19,857,881,186       |
| Cost of goods sold                                                        | 28   | (19,756,024,021)     | (18,248,680,028)     |
| Gross profit                                                              |      | 1,807,722,317        | 1,609,201,158        |
| Distribution cost                                                         | 29   | (356,875,718)        | (321,474,078)        |
| Administrative expenses                                                   | 30   | (272,695,651)        | (250,655,739)        |
| Other expenses                                                            | 31   | (46,204,923)         | (39,656,298)         |
|                                                                           |      | (675,776,292)        | (611,786,115)        |
| Other income                                                              | 32   | 88,743,675           | 166,293,330          |
| <b>Operating profit</b>                                                   |      | <b>1,220,689,700</b> | <b>1,163,708,373</b> |
| Finance cost                                                              | 33   | (582,484,382)        | (721,446,442)        |
| <b>Profit before levies and taxation</b>                                  |      | <b>638,205,318</b>   | <b>442,261,931</b>   |
| Levies                                                                    | 34   | (204,193,947)        | (210,594,684)        |
| <b>Profit before taxation</b>                                             |      | <b>434,011,371</b>   | <b>231,667,247</b>   |
| Taxation                                                                  | 35   | (152,426,317)        | (181,250,555)        |
| <b>Profit for the year</b>                                                |      | <b>281,585,054</b>   | <b>50,416,692</b>    |
| <b>Other comprehensive income</b>                                         |      |                      |                      |
| <b>Items that will not be reclassified subsequently to profit or loss</b> |      |                      |                      |
| Remeasurement (loss) / gain on defined benefit liability                  | 9.4  | (4,960,641)          | 6,916,317            |
| Deferred tax recognised                                                   | 8    | 1,438,586            | (1,586,880)          |
| Fair value gain on investment in equity instruments designated at FVTOCI  | 25.5 | 1,423,200            | 5,472,000            |
| Deferred tax recognised                                                   | 8    | (213,480)            | (2,005,732)          |
|                                                                           |      | (2,312,335)          | 8,795,705            |
| <b>Total comprehensive income for the year</b>                            |      | <b>279,272,719</b>   | <b>59,212,397</b>    |
| <b>Earnings per share - basic and diluted</b>                             | 36   | <b>15.06</b>         | <b>2.70</b>          |

The annexed notes from 1 to 50 form an integral part of these financial statements.

  
Raza Ellahi Shaikh  
Director

September 29, 2026

  
Tariq Zafar Bajwa  
Chief Financial Officer

  
Amin Ellahi Shaikh  
Chief Executive Officer

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026

|                                                                          | Note    | 2026<br>Rupees       | 2025<br>Rupees         |
|--------------------------------------------------------------------------|---------|----------------------|------------------------|
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>                           |         |                      |                        |
| Cash generated from / (used in) operations                               | 37      | 4,182,894,355        | (1,482,700,456)        |
| Payments made:                                                           |         |                      |                        |
| Employee retirement benefits                                             | 9.2     | (27,863,747)         | (24,050,576)           |
| Finance cost                                                             |         | (652,898,003)        | (712,377,798)          |
| Advance income tax and levies paid                                       | 24.1    | (515,282,711)        | (389,605,780)          |
| <b>Net cash generated from / (used in) operating activities</b>          |         | <b>2,986,849,894</b> | <b>(2,608,734,610)</b> |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>                           |         |                      |                        |
| Purchase of property, plant and equipment                                |         | (758,977,297)        | (216,150,388)          |
| Proceeds from disposal of operating fixed assets                         |         | 24,206,500           | 15,148,876             |
| Addition in long term deposits                                           |         | (108,000)            | (100,000)              |
| Purchase of other financial assets                                       |         | (3,190,617,991)      | (6,418,615,392)        |
| Proceeds from sale of other financial assets                             |         | 2,968,080,944        | 7,513,054,945          |
| Profit received on term deposit receipts                                 |         | 12,546,135           | 15,178,222             |
| Rental income received                                                   |         | 40,599,825           | 37,374,456             |
| Dividend received                                                        |         | 1,800,000            | 2,213,452              |
| <b>Net cash (used in) / generated from investing activities</b>          |         | <b>(902,469,884)</b> | <b>948,104,171</b>     |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>                           |         |                      |                        |
| Long-term finances obtained                                              |         | 454,575,615          | 115,508,429            |
| Repayment of long-term finances                                          |         | (731,020,726)        | (559,817,410)          |
| Obtained short-term borrowings excluding running finance                 |         | 6,667,731,935        | 10,994,676,364         |
| Repayment of short-term borrowings                                       |         | (7,137,765,659)      | (9,824,712,233)        |
| Dividend paid                                                            |         | (18,578,362)         | (27,862,974)           |
| <b>Net cash (used in) / generated from financing activities</b>          |         | <b>(765,057,197)</b> | <b>697,792,176</b>     |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>    |         | <b>1,319,322,813</b> | <b>(962,838,263)</b>   |
| <b>Cash and cash equivalents at beginning of the year</b>                |         | <b>(994,538,743)</b> | <b>(32,154,515)</b>    |
| Effect of unrealized exchange (loss) / gain on cash and cash equivalents | 31 & 32 | (368,730)            | 454,035                |
| <b>Cash and cash equivalents at end of the year</b>                      |         | <b>324,415,340</b>   | <b>(994,538,743)</b>   |
| <b>Cash and cash equivalents</b>                                         |         |                      |                        |
| Cash and bank balances                                                   | 26      | 535,046,895          | 107,056,558            |
| Other financial assets - term deposits with banks                        | 25      | 76,903,615           | 76,903,615             |
| Short-term running finances                                              | 13      | (287,535,170)        | (1,178,498,916)        |
|                                                                          |         | <b>324,415,340</b>   | <b>(994,538,743)</b>   |

The annexed notes from 1 to 50 form an integral part of these financial statements.

  
Raza Ellahi Shaikh  
Director

  
Tariq Zafar Bajwa  
Chief Financial Officer

  
Amin Ellahi Shaikh  
Chief Executive Officer

September 29, 2026

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2026

| Issued,<br>subscribed<br>and paid up<br>capital | Capital reserves                        |                                |                       |                           | Revenue<br>reserve       | Total |
|-------------------------------------------------|-----------------------------------------|--------------------------------|-----------------------|---------------------------|--------------------------|-------|
|                                                 | Capital<br>redemption<br>reserve<br>6.1 | Amalgamation<br>reserve<br>6.2 | Fair value<br>reserve | Total capital<br>reserves | Unappropriated<br>profit |       |

(Rupees)

**Balance as at June 30, 2024** 187,000,000 241,860,000 12,104,417 8,273,929 262,238,346 4,279,130,477 4,728,368,823

**Comprehensive income**

Profit for the year

|                                                                         |   |   |             |             |             |             |
|-------------------------------------------------------------------------|---|---|-------------|-------------|-------------|-------------|
| -                                                                       | - | - | -           | -           | 50,416,692  | 50,416,692  |
| <b>Other comprehensive income</b>                                       |   |   |             |             |             |             |
| Remeasurement of defined benefit liability                              | - | - | -           | -           | 6,916,317   | 6,916,317   |
| Deferred tax recognised                                                 | - | - | -           | -           | (1,586,880) | (1,586,880) |
| Fair value gain on investment in equity instrument designated at FVTOCI | - | - | 5,472,000   | 5,472,000   | -           | 5,472,000   |
| Deferred tax recognised                                                 | - | - | (2,005,732) | (2,005,732) | -           | (2,005,732) |

**Total comprehensive income for the year**

- - - 3,466,268 3,466,268 55,746,129 59,212,397

**Transactions with owners**

Final dividend for the year ended June 30, 2024 @ 15% i.e. Rs. 1.5 per ordinary share

- - - - - (28,050,000) (28,050,000)

**Balance as at June 30, 2025** 187,000,000 241,860,000 12,104,417 11,740,197 265,704,614 4,306,826,606 4,759,531,220

**Comprehensive income**

Profit for the year

|                                                                         |   |   |           |           |             |             |
|-------------------------------------------------------------------------|---|---|-----------|-----------|-------------|-------------|
| -                                                                       | - | - | -         | -         | 281,585,054 | 281,585,054 |
| <b>Other comprehensive income</b>                                       |   |   |           |           |             |             |
| Remeasurement of defined benefit liability                              | - | - | -         | -         | (4,960,641) | (4,960,641) |
| Deferred tax recognised                                                 | - | - | -         | -         | 1,438,586   | 1,438,586   |
| Fair value gain on investment in equity instrument designated at FVTOCI | - | - | 1,423,200 | 1,423,200 | -           | 1,423,200   |
| Deferred tax recognised                                                 | - | - | (213,480) | (213,480) | -           | (213,480)   |

**Total comprehensive income for the year**

- - - 1,209,720 1,209,720 278,062,999 279,272,719

**Transactions with owners**

Final dividend for the year ended June 30, 2025 @ 10% i.e. Rs. 1 per ordinary

- - - - - (18,700,000) (18,700,000)

**Balance as at June 30, 2026** 187,000,000 241,860,000 12,104,417 12,949,917 266,914,334 4,566,189,605 5,020,103,939

The annexed notes from 1 to 50 form an integral part of these financial statements.

  
**Raza Ellahi Shaikh**  
Director

September 29, 2026

  
**Tariq Zafar Bajwa**  
Chief Financial Officer

  
**Amin Ellahi Shaikh**  
Chief Executive Officer

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

### 1. LEGAL STATUS AND OPERATIONS

Nagina Cotton Mills Limited (the Company) was incorporated in Pakistan on May 16, 1967 as a public limited company under the Companies Act, 1913 (repealed) now the Companies Act, 2017 and is listed on Pakistan Stock Exchange Limited. The principal business of the Company is manufacturing and sale of yarn.

Following is the geographical location and addresses of all business units of the Company:

#### Head office:

2nd Floor, Shaikh Sultan Trust Building No.2, 26-Civil Lines, Beaumont Road, Karachi, Sindh.

#### Manufacturing facility:

A-16, National Highway, Aminabad, S.I.T.E Kotri, Sindh.

#### Regional office:

Nagina House 91 – B-1, M.M. Alam Road, Gulberg-III, Lahore, Punjab.

### 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:

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

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications 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 otherwise stated in these financial statements.

#### 2.3 Functional and presentation currency

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

#### 2.4 Changes in accounting standards

##### 2.4.1 Amendments that are effective for the year ended June 30, 2026

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability is effective for the year ended June 30, 2026. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

##### 2.4.2 New standards and amendments to IFRS Accounting Standards that are not yet effective

The following standards and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These standards and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures except those mentioned in note 2.4.3.

|                                                                                                                                                                                                                                                                | Effective from accounting period beginning on or after |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| - IFRS 17 – 'Insurance Contracts' (including the amendments made in June 2020 and December 2021)                                                                                                                                                               | January 01, 2027                                       |
| - Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)                                                                                                                                                      | January 01, 2026                                       |
| - Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments; Disclosures' - Classification and measurement of financial instruments                                                                                                       | January 01, 2026                                       |
| - Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments; Disclosures' - Regarding power purchase arrangements                                                                                                                         | January 01, 2027                                       |
| - IFRS 18 'Presentation and Disclosures in Financial Statements'                                                                                                                                                                                               | January 01, 2027                                       |
| - IFRS 19 'Subsidiaries without Public Accountability: Disclosures'                                                                                                                                                                                            | January 01, 2027                                       |
| <b>2.4.3</b> IFRS 18 'Presentation and Disclosure in Financial Statements', issued by the IASB and replaces IAS 1 'Presentation of Financial Statements'. The standard introduces significant changes to the presentation of financial information as follows: |                                                        |
| - present specified categories and defined subtotals in the statement of profit or loss.                                                                                                                                                                       |                                                        |
| - provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements.                                                                                                                                              |                                                        |
| - improve aggregation and disaggregation.                                                                                                                                                                                                                      |                                                        |
| <b>2.4.4</b> Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:                                                                      |                                                        |
| - IFRS 1 - First Time Adoption of International Financial Reporting Standards                                                                                                                                                                                  |                                                        |
| - IFRS 20 - Regulatory Assets and Regulatory Liabilities                                                                                                                                                                                                       |                                                        |

### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

|                                                                   | Note  |
|-------------------------------------------------------------------|-------|
| a) Residual values and useful lives of the operating fixed assets | 4.1   |
| b) Lease liability and right-of-use asset                         | 4.2   |
| c) Residual values and useful lives of the investment properties  | 4.3   |
| d) Useful lives of the intangible assets                          | 4.4   |
| e) Provision for slow moving and obsolete items                   | 4.5   |
| f) Net realisable value of stock-in-trade                         | 4.6   |
| g) Provision for impairment of financial and non financial assets | 4.8.5 |
| h) Provision for retirement benefit obligation                    | 4.9   |
| i) Provision for levies, current and deferred taxation            | 4.13  |

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION

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

##### 4.1 Property, plant and equipment

###### Owned

Property, plant and equipment except freehold land, leasehold land and capital work in progress are stated at cost less accumulated depreciation and impairment loss, if any. Freehold land, lease hold land and capital work in progress are stated at cost, less impairment, if any.

Assets' residual values and their useful lives are reviewed and adjusted at each financial year end, if significant.

Depreciation is charged to statement of profit or loss and other comprehensive income applying the reducing balance method at the rates specified in the note 15.1. Depreciation on all additions is charged from the month in which the asset is available for use and no depreciation is charged in the month of disposal.

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

Assets are derecognised when disposed or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of assets, if any, are recognised in the statement of profit or loss and other comprehensive income, as and when incurred.

###### Capital work in progress

These are stated at cost less accumulated impairment losses, if any. All expenditures connected with specific assets incurred and advances made during installation and construction period are carried under this head. These are transferred to specific asset as and when the asset is available for its intended use.

##### 4.2 Right of use assets and lease liabilities

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The right of use assets is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain re-measurements of the lease liability. The right of use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for operating fixed asset. In addition, the right of use asset is reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to statement of profit or loss and other comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Company has elected to apply the practical expedient not to recognise right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

#### 4.3 Investment properties

Investment properties are properties held to earn rentals and / or capital appreciation. The investment properties of the Company comprise of land and buildings which are valued using the cost method i.e. at cost less accumulated depreciation and impairment loss, if any.

Depreciation on buildings is charged to the statement of profit or loss and other comprehensive income applying the reducing balance method at the rates specified in the note 16.

#### 4.4 Intangible assets

An intangible asset is recognised as an asset if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of such asset can be measured reliably.

Generally costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. However, costs that are directly associated with identifiable software and have probable economic benefits exceeding one year, are recognised as an intangible asset. Direct costs include the purchase cost of software and related overhead cost. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any, thereon.

Intangible asset with a definite useful life is amortised on a straight line basis over its useful life. Amortisation on all additions in intangibles is charged from the month in which the asset is available for use and on disposals up to the month of disposal. Amortisation charge is recognised in the statement of profit or loss and other comprehensive income.

#### 4.5 Stores and spares

These are valued at lower of moving average cost and net realisable value less impairment, if any, for obsolete items. Items in transit are valued at cost incurred up to the reporting date.

#### 4.6 Stock in trade

These are valued at lower of cost and net realisable value. Costs are determined using the following basis:

|                   |                              |
|-------------------|------------------------------|
| - Raw material    | Moving weighted average cost |
| - Work in process | Average manufacturing cost   |
| - Finished goods  | Average manufacturing cost   |
| - Waste           | Net realisable value         |

Average manufacturing cost in relation to work in process and finished goods represents manufacturing cost which consists of prime cost and proportion of manufacturing overheads.

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

#### 4.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Short term finance facilities availed by the Company, which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of statement of cashflows.

#### 4.8 Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### 4.8.1 Financial assets

##### Classification

The Company classifies its financial assets into following three categories:

IFRS 9 contains three principle classification categories for financial assets at:

- i) Amortised cost,
- ii) Fair value through other comprehensive income (FVTOCI) and
- iii) Fair value through profit or loss (FVTPL).

##### i) Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

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

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

##### ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI only if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

FVTOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in Other Comprehensive Income (OCI).

##### iii) Financial assets at fair value through profit or loss (FVTPL)

All other financial assets are classified as FVTPL (for example: equity held for trading and debt securities not classified either as amortised cost or FVTOCI).

In addition, on initial recognition, the Company may designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

##### Derecognition of financial assets

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

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

#### 4.8.2 Subsequent measurement of financial assets

##### Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

##### Financial assets at FVTOCI

All financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in Other Comprehensive Income (OCI).

For debt instruments classified as financial assets at FVTOCI, the amounts in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVTOCI, where there is no reclassification on derecognition.

##### Financial assets at FVTPL

All financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the statement of profit or loss and other comprehensive income.

#### 4.8.3 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

##### Basis of valuation of equity securities

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

##### Basis of valuation of investment in mutual funds

The fair value of units of Funds is based on the net assets value per unit announced on the basis of net assets value communicated by the Asset Management Company on daily basis.

#### 4.8.4 Financial liabilities

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

##### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where 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 a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

#### 4.8.5 Impairment

##### Financial assets

The Company recognises a loss allowance for expected credit loss "ECL" on trade receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

The Company always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

#### **Non-financial assets**

The carrying amounts of non-financial assets are reviewed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the statement of profit or loss and other comprehensive income, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is determined through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been 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 amortisation, if no impairment loss had been recognised.

#### **4.8.6 Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to off set the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

#### **4.9 Employee retirement benefits**

##### **Defined benefit plan**

The Company operates an unfunded gratuity scheme for its confirmed employees who have completed the minimum qualifying period of service as defined under the scheme. The Company's obligation under the scheme is determined through actuarial valuation carried out at each reporting date under the Projected Unit Credit Method. The most recent valuation of the scheme was carried out as at June 30, 2026.

Remeasurements which comprise actuarial gains and losses on defined benefit obligations are recognised immediately in other comprehensive income.

#### **4.10 Contract liabilities**

A contract liability is recognised when the Company receives advance payments from customers before the transfer of control of goods or services. Such amounts are presented as contract liability until the related performance obligation is satisfied.

#### **4.11 Provisions**

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

#### **4.12 Revenue recognition**

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

For each sale transaction, purchase order forms a contract between the Company and a customer and the goods to be delivered under that contract are the Company's identified performance obligation, the contract contains determined and allocated transaction price. The Company satisfies a performance obligation on delivery of goods to the customer and recognises the revenue.

Dividend income is recognised on the date on which the Company's right to receive the dividend is established.

Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the applicable effective interest rate.

Rental income is recognised on accrual basis.

#### 4.13 Taxation

##### Current

Provision for current taxation is based on taxable income at the enacted / corporate tax rate after taking into account tax credits and rebates available, if any, as per the Income Tax Ordinance, 2001.

##### Deferred

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at effective tax rate that are expected to apply to the period when the asset is realised or the liability is settled.

##### Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income is classified as levies in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

As per the guide issued by ICAP, the Company has selected Approach B, according to which, 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 levies falling under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. For calculation of deferred tax, enacted rate of tax is required to be used.

#### 4.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added in the carrying amount of the borrowing.

##### 4.14.1 Borrowing cost

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

All other borrowing costs are recognised in statement of profit or loss and other comprehensive income in the period in which they are incurred.

**4.15 Dividend and other appropriations**

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

**4.16 Earnings per share (EPS)**

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

**4.17 Segment Reporting**

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker (CODM). The Company considers Chief Executive as its CODM who is responsible for allocating resources and assessing performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment; however, certain information about the Company's products, as required by the accounting and reporting standards, is presented in note 46 these financial statements.

**5. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**

| 2026                         | 2025              |                    | 2026               | 2025               |
|------------------------------|-------------------|--------------------|--------------------|--------------------|
| Number of ordinary shares of |                   |                    | Rupees             | Rupees             |
| Rs.10 each                   |                   |                    |                    |                    |
| 3,133,000                    | 3,133,000         | Fully paid in cash | 31,330,000         | 31,330,000         |
| 15,567,000                   | 15,567,000        | As bonus shares    | 155,670,000        | 155,670,000        |
| <b>18,700,000</b>            | <b>18,700,000</b> |                    | <b>187,000,000</b> | <b>187,000,000</b> |

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

5.2 Shares held by associated undertakings of the Company as at the reporting date are as follows :

**Associated undertakings - due to common directorship and shareholding in the Company**

|                                        | 2026             | 2025             |
|----------------------------------------|------------------|------------------|
|                                        | Number of shares |                  |
| Monell (Private) Limited               | 1,017,147        | 1,017,147        |
| Haroon Omer (Private) Limited          | 1,017,147        | 1,017,147        |
| ICARO (Private) Limited                | 1,017,248        | 1,017,248        |
| Ellahi International (Private) Limited | 9,000            | 9,000            |
|                                        | <b>3,060,542</b> | <b>3,060,542</b> |

**6. CAPITAL RESERVES**

|                                                                                                  | Note | 2026               | 2025               |
|--------------------------------------------------------------------------------------------------|------|--------------------|--------------------|
|                                                                                                  |      | Rupees             | Rupees             |
| Capital redemption reserve                                                                       | 6.1  | 241,860,000        | 241,860,000        |
| Amalgamation reserve                                                                             | 6.2  | 12,104,417         | 12,104,417         |
| Remeasurement for the investments designated as at fair value through other comprehensive income |      | 12,949,917         | 11,740,197         |
|                                                                                                  |      | <b>266,914,334</b> | <b>265,704,614</b> |

6.1 This represents capital reserve created for the redemption of preference shares.

6.2 This represents capital reserve created on amalgamation of Ellahi Electric Company Limited with the Company.

|                                                                   | Note | 2026<br>Rupees       | 2025<br>Rupees |
|-------------------------------------------------------------------|------|----------------------|----------------|
| <b>7. LONG-TERM FINANCES</b>                                      |      |                      |                |
| From banking companies and other financial institutions - secured |      |                      |                |
| Term finances                                                     |      |                      |                |
| - conventional                                                    | 7.2  | 2,463,866,668        | 2,521,778,491  |
| - shariah compliant                                               | 7.2  | 361,546,220          | 115,508,429    |
|                                                                   |      | <b>2,825,412,888</b> | 2,637,286,920  |
| Long-term financing facilities (LTFF)                             |      |                      |                |
| - conventional                                                    | 7.3  | 1,811,025,592        | 2,275,596,671  |
| - shariah compliant                                               |      | -                    | -              |
| Custom debentures                                                 | 7.4  | 2,832,155            | 2,832,155      |
|                                                                   |      | <b>4,639,270,635</b> | 4,915,715,746  |
| Less: Current portion shown in current liabilities                |      |                      |                |
| Term finance                                                      |      |                      |                |
| - conventional                                                    |      | 334,244,255          | 266,449,642    |
| - shariah compliant                                               |      | 15,500,031           | -              |
| Long-term financing facilities (LTFF)                             |      |                      |                |
| - conventional                                                    |      | 450,537,341          | 464,571,075    |
| - shariah compliant                                               |      | -                    | -              |
| Custom debentures                                                 |      | 2,832,155            | 2,832,155      |
|                                                                   |      | <b>803,113,782</b>   | 733,852,872    |
|                                                                   |      | <b>3,836,156,853</b> | 4,181,862,874  |

#### 7.1 Reconciliation of liabilities arising from long term financing activities

The table below details changes in the Company's liabilities arising from the financing activities, including both cash and non-cash changes, if any. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

|                                     | Note | July 01, 2025        | Cash flows         |                      | June 30, 2026        |
|-------------------------------------|------|----------------------|--------------------|----------------------|----------------------|
|                                     |      |                      | Obtained           | Repaid               |                      |
|                                     |      |                      | (Rupees)           |                      |                      |
| Term finances                       | 7.2  | 2,637,286,920        | 454,575,615        | (266,449,647)        | <b>2,825,412,888</b> |
| Long-term financing facility (LTFF) | 7.3  | 2,275,596,671        | -                  | (464,571,079)        | <b>1,811,025,592</b> |
| Custom debentures                   | 7.4  | 2,832,155            | -                  | -                    | <b>2,832,155</b>     |
| <b>2026</b>                         |      | <b>4,915,715,746</b> | <b>454,575,615</b> | <b>(731,020,726)</b> | <b>4,639,270,635</b> |
| <b>2025</b>                         |      | <b>5,360,024,727</b> | <b>115,508,429</b> | <b>(559,817,410)</b> | <b>4,915,715,746</b> |

## 7.2 Term Finances

| Name of financial institution / bank            | Limit          |                | Outstanding amount |                | Details of financing, security and repayment terms                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------|----------------|----------------|--------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                 | 2026<br>Rupees | 2025<br>Rupees | 2026<br>Rupees     | 2025<br>Rupees |                                                                                                                                                                                                                                                                                                                                                                       |
| Habib Bank Limited                              | 1,700,000,000  | 1,700,000,000  | 533,407,931        | 616,202,443    | Facility is secured against first joint pari passu charge on all present and future fixed assets of the Company with 25% margin. The loan is subject to mark-up at the rate of 3 month offer rate of KIBOR plus 125 bps (2025 : 3 months offer rate of KIBOR plus 125 bps) repayable in 32 equal quarterly installments commenced from June 2024 to April 2025.       |
| The Bank of Punjab                              | 850,000,000    | 850,000,000    | 717,187,500        | 823,437,501    | 'Facility is secured against first joint pari passu charge over fixed assets (land, building, plant and machinery) of the Company with 25% margin. The loan is subject to mark-up at the rate of 3 months KIBOR plus 125 bps (2025: 3 months KIBOR plus 125 bps ) repayable in 32 equal quarterly installments commenced from May 2025.                               |
| Pak Kuwait Investment Company (Private) Limited | 1,500,000,000  | 1,500,000,000  | 1,004,733,413      | 1,082,138,547  | Facility is secured against first joint pari passu charge on all present and future fixed assets of the Company with 25% margin. The loan is subject to mark-up at the rate of 3 months offer rate of KIBOR plus 150 bps (2025: 3 months offer rate of KIBOR plus 150 bps) repayable in 32 equal quarterly installments commenced from September 2024 to August 2026. |
| Pak Kuwait Investment Company (Private) Limited | 160,000,000    | -              | 78,537,824         | -              | Facility is secured against first joint pari passu charge on all present and future fixed assets of the Company with 25% margin. The loan is subject to mark-up at the rate of 3 months offer rate of KIBOR plus 130 bps repayable in 32 equal quarterly installments commencing from April 2028.                                                                     |
| Meezan Bank Limited                             | 200,000,000    | 200,000,000    | 115,508,429        | 115,508,429    | Facility is secured against first joint pari passu charge over fixed assets (land, building, plant and machinery) of the Company with 25% margin. The loan is subject to mark-up at the rate of 3 months KIBOR plus 100 bps (2025: 3 months KIBOR plus 100 bps) repayable in 32 equal quarterly installments commencing from November 2026.                           |
| Meezan Bank Limited                             | 26,000,000     | -              | 24,912,616         | -              | Facility is secured against first joint pari passu charge over fixed assets (land, building, plant and machinery) of the Company with 25% margin. The loan is subject to mark-up at the rate of 3 months KIBOR plus 100 bps repayable in 6 equal quarterly installments commencing from December 2026.                                                                |

| Name of financial institution / bank | Limit          |                | Outstanding amount   |                      | Details of financing, security and repayment terms                                                                                                                                                                                                                                                                                       |
|--------------------------------------|----------------|----------------|----------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                      | 2026<br>Rupees | 2025<br>Rupees | 2026<br>Rupees       | 2025<br>Rupees       |                                                                                                                                                                                                                                                                                                                                          |
| Allied Bank Limited                  | 130,000,000    | -              | 130,000,000          | -                    | Facility is secured against first joint pari passu charge over fixed assets (land, building, plant and machinery) of the Company with 25% margin. The loan is subject to mark-up at the rate of 3 months KIBOR plus 100 bps repayable in 36 equal quarterly installments commencing from December 2026, including one year grace period. |
| Faysal Bank Limited                  | 300,000,000    | -              | 221,125,175          | -                    | Facility is secured against first joint pari passu charge over fixed assets (land, building, plant and machinery) of the Company with 25% margin. The loan is subject to mark-up at the rate of 3 months KIBOR plus 100 bps repayable in 32 equal quarterly installments commencing from April 2028, including two years grace period.   |
|                                      |                |                | <b>2,825,412,888</b> | <b>2,637,286,920</b> |                                                                                                                                                                                                                                                                                                                                          |

### 7.3 Long Term Finance Facilities (LTFF)

| Name of financial institution / bank | Limit          |                | Outstanding amount |                | Details of financing, security and repayment terms                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------|----------------|----------------|--------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                      | 2026<br>Rupees | 2025<br>Rupees | 2026<br>Rupees     | 2025<br>Rupees |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| United Bank Limited                  | 149,693,155    | 149,693,155    | 4,677,911          | 23,389,557     | Facility is secured against joint pari passu charge by way of equitable mortgage over fixed assets (land, building and machinery) of the Company. The loan is subject to mark-up at the rate of 3.5 % (2025: 3.5%) per annum. In 2015, the loan was transferred from NIDF to LTFF Scheme under SBP's LTFF scheme and SMEFD Circular No.14 of 2015 and is repayable in 32 equal quarterly instalments commenced from November 2017 initially (after deferment commenced from May 2021) and ending in August 2026. |
| United Bank Limited                  | 142,813,663    | 142,813,663    | 17,851,708         | 35,703,415     | Facility is secured against joint pari passu charge by way of equitable mortgage over fixed assets (land, building and machinery) of the Company. The loan is subject to mark-up at the rate of 2.5 % (2025: 2.5%) per annum. In 2016, the loan was transferred from NIDF to LTFF Scheme under SBP's LTFF scheme and SMEFD Circular No.18 of 2015 and is repayable in 32 equal quarterly instalments commenced from July 2018 initially (after deferment commenced from April 2021) and ending in August 2027.   |

| Name of financial institution / bank | Limit          |                | Outstanding amount |                | Details of financing, security and repayment terms                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------|----------------|----------------|--------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                      | 2026<br>Rupees | 2025<br>Rupees | 2026<br>Rupees     | 2025<br>Rupees |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| United Bank Limited                  | 149,628,405    | 149,628,405    | 28,055,317         | 46,758,870     | Facility is secured against joint pari passu charge by way of equitable mortgage over fixed assets (land, building and machinery) of the Company. The loan is subject to mark-up at the rate of 2.5 % (2025: 2.5%) per annum. In 2016, the loan was transferred from NIDF to LTFF Scheme under SBP's LTFF scheme and SMEFD Circular No.18 of 2015 repayable in 32 equal quarterly instalments commenced from March 2019 initially (after deferment commenced from June 2021) and ending in August 2027. |
| United Bank Limited                  | 122,869,575    | 122,869,575    | 30,717,399         | 46,076,095     | Facility is secured against joint pari passu charge by way of equitable mortgage over fixed assets (land, building and machinery) of the Company. The loan is subject to mark-up at the rate of 2.5 % (2025: 2.5%) per annum. In 2017, the loan was transferred from NIDF to LTFF Scheme under SBP's LTFF scheme and SMEFD Circular No.18 of 2015 repayable in 32 equal quarterly instalments commenced from September 2019 initially (after deferment commenced from June 2021).                       |
| United Bank Limited                  | 27,502,020     | 27,502,020     | 4,718,432          | 6,605,809      | Facility is secured against joint pari passu charge by way of equitable mortgage over fixed assets (land, building and machinery) of the Company. The loan is subject to mark-up at the rate of 2.5 % (2025: 2.5%) per annum. In 2017, the loan was transferred from NIDF to LTFF Scheme under SBP's LTFF scheme and SMEFD Circular No.18 of 2015 repayable in 32 equal quarterly instalments initially commenced from March 2020 after deferment repayments commenced from June 2021.                  |
| Habib Bank Limited                   | 850,000,000    | 850,000,000    | 246,880,000        | 329,164,000    | Facility is secured against first joint pari passu charge on all present and future fixed assets of the Company with 25% margin. The loan is subject to mark-up at the rate of 3% (2025: 3%) per annum. In 2021, the loan was transferred from Term Finance Facility to LTFF Scheme under SBP's LTFF scheme and SMEFD Circular No.18 of 2015 repayable in 32 equal quarterly instalments commenced from July 2021 and August 2021.                                                                      |

| Name of financial institution / bank            | Limit          |                | Outstanding amount   |                      | Details of financing, security and repayment terms                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------|----------------|----------------|----------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                 | 2026<br>Rupees | 2025<br>Rupees | 2026<br>Rupees       | 2025<br>Rupees       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Habib Bank Limited                              | 1,700,000,000  | 1,700,000,000  | 704,308,800          | 832,233,600          | Facility is secured against first joint pari passu charge on all present and future fixed assets of the Company with 25% margin. The loan is subject to mark-up at the rate of 3.25% and 5.25% (2025 : 3.25% and 5.25% ) repayable in 32 equal quarterly instalments commenced from October 2023 to July 2024.                                                                                                                                                                                |
| Pak Kuwait Investment Company (Private) Limited | 1,500,000,000  | 1,500,000,000  | 278,937,900          | 327,204,700          | Facility is secured against first joint pari passu charge on all present and future fixed assets of the Company with 25% margin. The loan is subject to mark-up at the rate of 3.50% and 5.50% (2025 : 3.50% and 5.50%) repayable in 32 equal quarterly instalments commenced from February 2024 to August 2024.                                                                                                                                                                              |
| Allied Bank Limited                             | 350,000,000    | 350,000,000    | 139,209,120          | 181,635,625          | Facility is secured against first joint pari passu charge over fixed assets (land, building, plant and machinery) of the Company with 25% margin. The loan is subject to mark-up at the rate of 2.5% (2025: 2.5%) per annum. In 2020, the loan was transferred from Term Finance Facility to LTFF Scheme under SBP's LTFF scheme and SMEFD Circular No.18 of 2015 repayable in 32 equal quarterly instalments commenced from October 2021 and January 2022, including two years grace period. |
| Allied Bank Limited                             | 100,000,000    | 100,000,000    | 43,342,005           | 51,222,000           | Facility is secured against first joint pari passu charge over fixed assets (land, building, plant and machinery) of the Company with 25% margin. The loan is subject to mark-up at the rate of 3.25%. The loan was transferred from Term finance facility to LTFF under SBP's renewable energy scheme IH & SMEFD Circular no. 10 of 2019, repayable in 34 equal quarterly instalments initially commenced from September 2023.                                                               |
| Bank Alfalah Limited                            | 750,000,000    | 750,000,000    | 312,327,000          | 395,603,000          | Facility is secured against first joint pari passu charge over fixed assets (land, building, plant and machinery) of the Company with 25% margin. The loan is subject to mark-up at the rate of 3% (2025: 3 %) per annum repayable in 32 equal quarterly instalments commenced from April 2022, including two years grace period.                                                                                                                                                             |
|                                                 |                |                | <b>1,811,025,592</b> | <b>2,275,596,671</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

7.4 Debentures have been issued in favor of Collector of Customs of Karachi to cover deferred payment of custom duty on imported machinery.

## 8. DEFERRED TAX

|                                                                                         | Deferred tax recognised in |                |                            |
|-----------------------------------------------------------------------------------------|----------------------------|----------------|----------------------------|
|                                                                                         | Balance at July 01, 2025   | Profit or loss | Other comprehensive income |
|                                                                                         | ----- (Rupees) -----       |                |                            |
| <b>Movement for the year ended June 30, 2026</b>                                        |                            |                |                            |
| <b>Deferred tax liabilities on taxable temporary differences arising in respect of:</b> |                            |                |                            |
| - Property, plant and equipment                                                         | 513,101,003                | 91,734,565     | -                          |
| - Foreign debtors                                                                       | 995,474                    | 674,149        | -                          |
| - Other financial assets                                                                | 820,982                    | (768,738)      | 213,480                    |
| - Short term borrowings                                                                 | (655,286)                  | 2,036,038      | -                          |
|                                                                                         |                            |                | 604,835,568                |
| <b>Deferred tax assets on deductible temporary differences arising in respect of:</b>   |                            |                |                            |
| - Investment properties                                                                 | (4,035,602)                | 4,035,602      | -                          |
| - Local debtors                                                                         | (3,301,868)                | (1,140,781)    | -                          |
| - Employee retirement benefits                                                          | (85,392,627)               | (21,994,442)   | (1,438,586)                |
| - Bank balances                                                                         | 131,670                    | (238,602)      | -                          |
| - Turnover tax (Note 8.1)                                                               | (299,051,632)              | (52,086,572)   | -                          |
|                                                                                         | 122,612,114                | 22,251,219     | (1,225,106)                |
|                                                                                         |                            |                | 143,638,227                |

- 8.1 The deferred tax asset recognised for turnover tax as on June 30, 2026 comprises of Rs 160.124 million pertaining to tax year 2026 and Rs 191.013 million pertaining to tax year 2025. These will expire in 2028 and 2027 respectively.

|                                                                                         | Deferred tax recognised in |                             |                            |
|-----------------------------------------------------------------------------------------|----------------------------|-----------------------------|----------------------------|
|                                                                                         | Balance at July 01, 2024   | Statement of profit or loss | Other comprehensive income |
|                                                                                         | ----- (Rupees) -----       |                             |                            |
| <b>Movement for the year ended June 30, 2025</b>                                        |                            |                             |                            |
| <b>Deferred tax liabilities on taxable temporary differences arising in respect of:</b> |                            |                             |                            |
| - Property, plant and equipment                                                         | -                          | 513,101,003                 | -                          |
| - Foreign debtors                                                                       | -                          | 995,474                     | -                          |
| - Other financial assets                                                                | -                          | (765,898)                   | 1,586,880                  |
| - Bank Balances                                                                         | -                          | 131,670                     | -                          |
|                                                                                         |                            |                             | 513,101,003                |
| <b>Deferred tax assets on deductible temporary differences arising in respect of:</b>   |                            |                             |                            |
| - Investment properties                                                                 | -                          | (4,035,602)                 | -                          |
| - Local debtors                                                                         | -                          | (3,301,868)                 | -                          |
| - Employee retirement benefits                                                          | -                          | (87,398,359)                | 2,005,732                  |
| - Short term borrowings                                                                 | -                          | (655,286)                   | -                          |
| - Turnover tax (Note 8.2)                                                               | -                          | (299,051,632)               | -                          |
|                                                                                         | -                          | 119,019,502                 | 3,592,612                  |
|                                                                                         |                            |                             | 122,612,114                |

- 8.2 The deferred tax asset recognised for turnover tax as on June 30, 2025 comprises of Rs 191.826 million pertaining to tax year 2025 and Rs 107.225 million pertaining to tax year 2024. These will expire in 2027 and 2026 respectively.

| 9. EMPLOYEE RETIREMENT BENEFITS       | Note | 2026 Rupees | 2025 Rupees |
|---------------------------------------|------|-------------|-------------|
| Defined benefit plan - staff gratuity | 9.2  | 375,260,881 | 294,457,333 |

The Company operates an unfunded gratuity scheme for all its confirmed employees who have completed the minimum qualifying period of service of one year as defined under the respective scheme. Provision is made to cover the obligations under the scheme on the basis of actuarial assumptions and is determined using Projected Unit Credit Method. Details of actuarial assumption and amounts charged in these financial statements are as follows:

| 9.1 | Actuarial assumptions                                    | Note | 2026                                            | 2025                                            |
|-----|----------------------------------------------------------|------|-------------------------------------------------|-------------------------------------------------|
|     | Discount rate                                            |      | 11.75%                                          | 11.75%                                          |
|     | Expected rate of salary increase                         |      | 10.75%                                          | 10.75%                                          |
|     | Mortality rate                                           |      | SLIC 2001 - 2005<br>Setback 1 Year<br>Age based | SLIC 2001 - 2005<br>Setback 1 Year<br>Age based |
|     | Expected withdrawal rate for actuarial assumptions       |      | 2026<br>Rupees                                  | 2025<br>Rupees                                  |
| 9.2 | Movement in net defined benefit liability                |      | 294,457,333                                     | 241,031,213                                     |
|     | Balance at beginning of the year                         |      | 294,457,333                                     | 241,031,213                                     |
|     | <b>Recognised in the statement of profit or loss</b>     | 9.3  | <b>103,706,654</b>                              | 84,393,013                                      |
|     | <b>Recognised in other comprehensive income</b>          |      |                                                 |                                                 |
|     | Remeasurement loss / (gain) on defined benefit liability | 9.4  | 4,960,641                                       | (6,916,317)                                     |
|     | Benefits paid during the year                            |      | (27,863,747)                                    | (24,050,576)                                    |
|     | Balance at end of the year                               |      | <u>375,260,881</u>                              | <u>294,457,333</u>                              |
| 9.3 | Expense recognised in the statement of profit or loss    |      |                                                 |                                                 |
|     | Current service cost                                     |      | 55,929,977                                      | 50,614,639                                      |
|     | Interest cost                                            |      | 32,961,741                                      | 33,778,374                                      |
|     | Past service cost                                        |      | 14,814,936                                      | -                                               |
|     |                                                          |      | <u>103,706,654</u>                              | <u>84,393,013</u>                               |
| 9.4 | Remeasurement recognised in Other Comprehensive Income   |      |                                                 |                                                 |
|     | Actuarial gain from changes in financial assumptions     |      | -                                               | (2,338,484)                                     |
|     | Experience adjustments                                   |      | 4,960,641                                       | (4,577,833)                                     |
|     |                                                          |      | <u>4,960,641</u>                                | <u>(6,916,317)</u>                              |
| 9.5 | Sensitivity analysis                                     |      |                                                 |                                                 |

The sensitivity analysis presented has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

This scheme exposes the Company to the actuarial risks such as:

#### Salary risk

The risk that the final salary at the time of cessation of service is higher than what was assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.

#### Mortality / withdrawal risk

The risk that the actual mortality / withdrawal experience is different. Its effect depends upon the beneficiaries' service period / age distribution and the benefit.

#### Longevity risk

The risk arises when the actual lifetime of the retirees is longer than expectation. This risk is measured at the plan level over the entire retiree population.

|                       |      | 2026                                                |                                                                          |
|-----------------------|------|-----------------------------------------------------|--------------------------------------------------------------------------|
|                       |      | Increase / (decrease) in defined benefit obligation |                                                                          |
|                       |      | Change in assumption                                | Increase in assumption<br>Decrease in assumption<br>----- (Rupees) ----- |
| Discount rate         | 0.5% | (19,604,621)                                        | 22,327,806                                                               |
| Salary increment rate | 0.5% | 23,111,353                                          | (20,666,415)                                                             |

|                       | 2025                                                |                                                |                        |
|-----------------------|-----------------------------------------------------|------------------------------------------------|------------------------|
|                       | Increase / (decrease) in defined benefit obligation |                                                |                        |
|                       | Change in assumption                                | Increase in assumption<br>----- (Rupees) ----- | Decrease in assumption |
| Discount rate         | 0.5%                                                | (16,296,465)                                   | 18,550,970             |
| Salary increment rate | 0.5%                                                | 19,205,573                                     | (17,182,457)           |

In presenting the above sensitivity analysis, the change in present value of the defined benefit obligation has been calculated using the Projected Unit Credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the reporting date.

- 9.6 The expected maturity analysis of undiscounted benefit obligation is:

|                      | 2026<br>Rupees<br>Undiscounted payments | 2025<br>Rupees |
|----------------------|-----------------------------------------|----------------|
| Less than a year     | 98,256,009                              | 70,249,042     |
| Between 1 to 2 years | 50,671,337                              | 39,098,501     |
| Between 2 to 3 years | 54,008,087                              | 42,144,760     |
| Between 3 to 4 years | 64,752,658                              | 46,335,985     |
| Between 4 to 5 years | 73,664,598                              | 57,073,937     |
| 6 years and above    | 3,580,156,036                           | 3,156,122,401  |

- 9.7 Expected provision to be recognised in statement of profit or loss and other comprehensive income for the year ending June 30, 2027 is Rs. 101.294 million.

- 9.8 The average duration of the defined benefit obligation is 6 years.

|                                                     | Note          | 2026<br>Rupees       | 2025<br>Rupees |
|-----------------------------------------------------|---------------|----------------------|----------------|
| <b>10. TRADE AND OTHER PAYABLES</b>                 |               |                      |                |
| Creditors                                           |               | <b>247,258,844</b>   | 215,863,072    |
| Accrued liabilities                                 | 10.1 & 10.1.1 | <b>782,866,486</b>   | 689,582,112    |
| Advance rent                                        |               | <b>10,213,513</b>    | 9,400,457      |
| Workers' Profit Participation Fund                  | 10.2          | <b>34,202,075</b>    | 23,982,931     |
| Workers' Welfare Fund                               | 10.3          | <b>78,667,367</b>    | 74,992,986     |
| Preference shares redemption liability and dividend |               | <b>733,365</b>       | 733,365        |
| Other government expenses - Infrastructure fee      | 10.4          | <b>653,405,514</b>   | 487,689,296    |
| Sales tax payable                                   |               | <b>14,408,177</b>    | 11,739,850     |
| Withholding income tax                              |               | <b>4,413,616</b>     | 5,747,373      |
| Others                                              |               | <b>91,609</b>        | 19,045         |
|                                                     |               | <b>1,826,260,566</b> | 1,519,750,487  |

- 10.1 This includes an amount of Rs. 361.295 million (2025: Rs 361.295 million) in respect of Gas Infrastructure Development Cess (GIDC).

Gas Infrastructure Development (GID) Cess was levied through GIDC Act, 2011 with effect from December 15, 2011 and was chargeable from industrial gas customers at different rates as prescribed by the Federal Government through OGRA notification.

On June 13, 2013, the Peshawar High Court declared the levy, imposition and recovery of the Cess unconstitutional with the direction to refund the Cess so far collected. Supreme Court of Pakistan examined the case and vide its findings dated August 22, 2014, concluded that GID Cess is a fee and not a tax and on either count the Cess could not have been introduced through a money bill under Article 73 of the Constitution and the same was, therefore, not validly levied in accordance with the Constitution. However, on September 25, 2014, the President of Pakistan had promulgated GID Cess Ordinance 2014, which was applicable to the whole of Pakistan and has to be complied by all parties.

On September 29, 2014, the Sindh High Court gave a stay order to various parties against the promulgation of Presidential order dated September 25, 2014.

On May 22, 2015, the GID Cess Act, 2015 was passed by Parliament applicable on all consumers. Following the imposition of the said Act, many consumers filed a petition in Sindh High Court and obtained stay order against the Act passed by the Parliament.

On October 26, 2016, the High Court of Sindh held that enactment of GIDC Act 2015 is ultra-vires to the Constitution of Pakistan. Sui Southern Gas Company Limited filed an intra-court appeal before the Divisional Bench of High Court of Sindh. On August 13, 2020, GIDC matter was decided by the Supreme Court of Pakistan and the Court ordered gas consumers to pay outstanding amount of GIDC upto July 31, 2020 in twenty four equal monthly installments, starting from August 2020. The Supreme Court further gave the Federal Government six months to commence work on the North-South Gas Pipeline the GIDC Act 2015 was to become permanently in-operations and considered dead for all intents and purposes. This period of six months expired on February 13, 2021 and no work on the North-South Gas Pipeline commenced till date.

On September 29, 2020, we have challenged the imposition of GIDC upon us by SSGC and its quantum on various grounds including that the Company had a judgment from the Honourable Sindh High Court which was not appealed in time, that the Company had not passed on the burden of the Cess and in any event the GIDC Act 2015 could not apply with retrospective effect. Sindh High Court has passed restraining order dated September 29, 2020.

During the year ended June 30, 2021, on review petitions filed by companies including those which had obtained the judgment from the Sindh High Court, the Supreme Court through its judgment dated November 03, 2020 dismissed the review petitions and allowed the recovery of the amount in forty eight equal installments with one year grace period as oppose to twenty four equal installments and six months grace period mentioned in the original decision dated August 30, 2020. Subsequently, the Company obtained stay order from Sindh High Court against the above payments as directed by Supreme Court.

- 10.1.1** This also includes an amount of Rs. 34.252 million (2025: 46.321 million) in respect of off-grid levy imposed by Sui Southern Gas Company Limited (SSGC).

In the case of Federation of Pakistan & another versus Premium Textile Mills Limited & others, the High Court of Sindh at Karachi, through its judgment dated February 3, 2025 in High Court Appeal No. 336 of 2024, decided the matter against Sui Southern Gas Company Limited (SSGC) and the Federation of Pakistan. Subsequently, on April 4, 2025, SSGC and the Federation of Pakistan filed a Civil Petition for Leave to Appeal (CPLA No. 1017 of 2025) before the Supreme Court of Pakistan, challenging the judgment of the High Court of Sindh.

The matter is currently pending adjudication before the Supreme Court. The management, based on legal advice, is confident that the case will eventually be decided in favour of the Company.

| <b>10.2</b> | <b>Workers' Profit Participation Fund</b>            | <b>Note</b> | <b>2026<br/>Rupees</b> | <b>2025<br/>Rupees</b> |
|-------------|------------------------------------------------------|-------------|------------------------|------------------------|
|             | Opening balance                                      |             | <b>23,982,931</b>      | 16,371,325             |
|             | Interest on funds utilised in the Company's business | 10.2.1      | <b>17,741</b>          | 10,316                 |
|             |                                                      |             | <b>24,000,672</b>      | 16,381,641             |
|             | Allocation for the year                              | 31          | <b>34,202,075</b>      | 23,982,931             |
|             |                                                      |             | <b>58,202,747</b>      | 40,364,572             |
|             | Amount paid to the fund                              |             | <b>(24,000,672)</b>    | (16,381,641)           |
|             |                                                      |             | <b>34,202,075</b>      | 23,982,931             |

- 10.2.1** The interest on funds utilised is charged at the rate of 13.50% comprising the applicable base rate of 11% plus a spread of 2.50% (2025: 20.87% plus a spread of 2.50%)

| <b>10.3</b> | <b>Workers' Welfare Fund</b> | <b>Note</b> | <b>2026<br/>Rupees</b> | <b>2025<br/>Rupees</b> |
|-------------|------------------------------|-------------|------------------------|------------------------|
|             | Opening balance              |             | <b>74,992,986</b>      | 71,024,169             |
|             | Allocation for the year      | 31          | <b>7,700,390</b>       | 3,968,817              |
|             | Prior year adjustment        |             | <b>-</b>               | 1,019,135              |
|             |                              |             | <b>82,693,376</b>      | 76,012,121             |
|             | Payment during the year      |             | <b>(4,026,009)</b>     | (1,019,135)            |
|             | Closing                      |             | <b>78,667,367</b>      | 74,992,986             |

- 10.4** 'This represents Government of Sindh, provision for Sindh Development and Infrastructure Fee and Duty which was levied by the Excise and Taxation Department, on goods entering or leaving the province of Sindh, through air or sea at prescribed rate, under the Sindh Finance Ordinance, 2001. The imposition of the levy was initially challenged by the Company along with other affectees, in the High Court of Sindh, and the Court was pleased to grant an interim injunction, vide Order dated May 31, 2011, to the effect that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be deposited with the Court until the final order is passed. However, as a matter of prudence, in 2021 the Company has paid 50% of the value of infrastructure fee to the concerned department and recorded liability for the remaining amount which is supported by a bank guarantee. Starting from September 2021, the Company is providing 100% bank guarantee and / or security cheques in accordance with the order of Supreme Court of Pakistan dated September 01, 2021 as disclosed in note 14.1.

'Subsequently, the Sindh Development and Maintenance of Infrastructure Cess Act, 2017 was amended vide the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026, assented to by the Governor of Sindh on February 19, 2026. Under the amendment, the Government of Sindh has offered existing litigants the option to withdraw pending cases and settle outstanding liabilities under a structured payment plan, comprising payment of 45% of the outstanding amount in three installments of 15% each (by July 31, 2026, October 31, 2026 and July 31, 2027), with the remaining 55% payable in installments over a 12-years period from 2028 to 2040. As the Company continues to contest the levy and is confident of a favorable outcome, based on the legal advice, the Company has not opted for the aforementioned settlement scheme and continues to pursue the matter through the Court.

|                                                        | Note                                                                                                                                           | 2026<br>Rupees | 2025<br>Rupees |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>11. CONTRACT LIABILITY - ADVANCE FROM CUSTOMERS</b> |                                                                                                                                                |                |                |
| Opening balance                                        |                                                                                                                                                | 10,151,772     | 2,675,380      |
| Received during the year                               |                                                                                                                                                | 39,729,210     | 7,940,381      |
| Advance realize against sales                          | 11.1                                                                                                                                           | (32,128,620)   | (463,989)      |
| Closing balance                                        |                                                                                                                                                | 17,752,362     | 10,151,772     |
| <b>11.1</b>                                            | Revenue recognised from amounts included in contract liabilities at beginning of the year amounted to Rs. 10.151 million (2025: 2.675 million) |                |                |
|                                                        | Note                                                                                                                                           | 2026<br>Rupees | 2025<br>Rupees |
| <b>12. ACCRUED INTEREST / MARK-UP</b>                  |                                                                                                                                                |                |                |
| From banking companies                                 |                                                                                                                                                |                |                |
| - Long-term finances                                   |                                                                                                                                                |                |                |
| - conventional                                         |                                                                                                                                                | 68,650,699     | 73,580,273     |
| - shariah compliant                                    |                                                                                                                                                | 11,505,038     | 12,012,504     |
| - Short-term borrowings                                |                                                                                                                                                |                |                |
| - conventional                                         |                                                                                                                                                | 6,451,164      | 28,712,600     |
| - shariah compliant                                    |                                                                                                                                                | 2,627,638      | 45,342,783     |
|                                                        |                                                                                                                                                | 89,234,539     | 159,648,160    |
| <b>13. SHORT-TERM BORROWINGS</b>                       |                                                                                                                                                |                |                |
| <b>Banking companies - secured</b>                     |                                                                                                                                                |                |                |
| Foreign currency finance                               |                                                                                                                                                |                |                |
| - conventional                                         | 13.2                                                                                                                                           | 1,150,508,770  | 260,335,218    |
| Short term finance                                     |                                                                                                                                                |                |                |
| - conventional                                         | 13.3                                                                                                                                           | -              | 395,000,000    |
| - shariah compliant                                    | 13.3                                                                                                                                           | -              | 970,000,000    |
| Running finance                                        |                                                                                                                                                |                |                |
| - conventional                                         | 13.4 & 13.6                                                                                                                                    | 220,048,784    | 739,718,276    |
| - shariah compliant                                    |                                                                                                                                                | 67,486,386     | 438,780,640    |
|                                                        |                                                                                                                                                | 1,438,043,940  | 2,803,834,134  |

**13.1 Reconciliation of liabilities arising from short term financing activities**

The table below details changes in the Company's liabilities arising from the financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

|                          | July 01, 2025        | Cash flows           |                        | Non-cash flows       | June 30, 2026        |
|--------------------------|----------------------|----------------------|------------------------|----------------------|----------------------|
|                          |                      | Obtained             | Repaid                 | Exchange (gain)/loss |                      |
|                          |                      |                      | (Rupees)               |                      |                      |
| Short term finance       | 1,365,000,000        | 915,000,000          | (2,280,000,000)        | -                    | -                    |
| Foreign currency finance | 260,335,218          | 5,752,731,935        | (4,857,797,168)        | (4,761,215)          | 1,150,508,770        |
|                          | <u>1,625,335,218</u> | <u>6,667,731,935</u> | <u>(7,137,797,168)</u> | <u>(4,761,215)</u>   | <u>1,150,508,770</u> |
| 2025                     | 453,111,481          | 10,994,676,364       | (9,824,712,233)        | 2,259,606            | 1,625,335,218        |

**13.2** The Company has availed foreign currency finance facility from various banks which carries mark-up ranging from 3% to 6.6% (2025: 4.11% to 8.25%) per annum.

**13.3** The Company obtained the short term finance facility from various banks which carried mark-up ranging from 1 to 3 month KIBOR plus 0.05% to plus 0.15% (2025: from 1 to 3 month KIBOR minus 6% to plus 0.15% ) per annum payable on quarterly basis.

**13.4** Running finance facilities are subject to variable markup ranging from 1 to 3 month KIBOR plus 0.10% to 1.50% (2025: from 1 to 3 month KIBOR plus 0.12% to 0.75%) per annum payable on quarterly basis.

**13.5** The Company can avail foreign currency and running finance facilities from various banks aggregating to Rs. 8,115 million (2025: Rs. 7,565 million). These borrowings are secured against hypothecation of stocks and book debts / receivables of the Company and pari passu charge on present and future current assets, demand promissory notes and lien on export orders / contracts.

**13.6** The aggregate unavailed short-term borrowing facilities available amounted to Rs. 6,677 million (2025 : Rs. 4,761 million).

|                                                                                                                                                              | Note   | 2026<br>Rupees       | 2025<br>Rupees       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|----------------------|----------------------|
| <b>14. CONTINGENCIES AND COMMITMENTS</b>                                                                                                                     |        |                      |                      |
| <b>14.1 Contingencies</b>                                                                                                                                    |        |                      |                      |
| Bank guarantees issued on behalf of the Company                                                                                                              | 14.1.1 | 28,253,615           | 28,253,615           |
| Bank guarantee in favor of Excise and Taxation Department                                                                                                    |        | 570,788,448          | 478,442,448          |
| Revolving letter of credit favouring SSGC                                                                                                                    |        | 260,592,990          | 195,285,460          |
| <b>14.1.1</b> It includes guarantee issued in favor of Hyderabad Electric Supply Corporation (HESCO) amounting Rs. 24.253 million (2025: Rs 24.253 million). |        |                      |                      |
| <b>14.2 Commitments</b>                                                                                                                                      | Note   | 2026<br>Rupees       | 2025<br>Rupees       |
| Capital work machinery                                                                                                                                       |        | 268,649,874          | 25,080,348           |
| Electrical installations                                                                                                                                     |        | 31,940,794           | -                    |
| Raw material                                                                                                                                                 |        | 3,704,532,165        | 258,582,803          |
| Stores and spares                                                                                                                                            |        | 7,226,442            | -                    |
| Bills discounted                                                                                                                                             |        | 1,475,945,495        | 269,643,677          |
| Commitments for rentals of assets under short term lease agreements:                                                                                         |        |                      |                      |
| Not later than one year                                                                                                                                      |        | 4,638,609            | 4,026,519            |
| <b>15. PROPERTY, PLANT AND EQUIPMENT</b>                                                                                                                     |        |                      |                      |
| Operating fixed assets                                                                                                                                       | 15.1   | 5,713,554,991        | 5,557,511,567        |
| Capital work in progress                                                                                                                                     | 15.2   | 33,165,903           | 17,793,861           |
|                                                                                                                                                              |        | <u>5,746,720,894</u> | <u>5,575,305,428</u> |

## 2026

| Particulars                           | Cost at July 01, 2025 | Additions / (Disposal)   | Transfers from CWIP | Cost at June 30, 2026 | Accumulated depreciation at July 01, 2025 | Depreciation for the year / (Disposal) | Accumulated depreciation at June 30, 2026 | Written down value at June 30, 2026 | Rate of depreciation |
|---------------------------------------|-----------------------|--------------------------|---------------------|-----------------------|-------------------------------------------|----------------------------------------|-------------------------------------------|-------------------------------------|----------------------|
|                                       |                       |                          |                     |                       | (Rupees)                                  |                                        |                                           |                                     | %                    |
| <b>Owned</b>                          |                       |                          |                     |                       |                                           |                                        |                                           |                                     |                      |
| Land - freehold (Note 15.1.1)         | 7,400,318             | -                        | -                   | 7,400,318             | -                                         | -                                      | -                                         | 7,400,318                           | -                    |
| Land - leasehold (Note 15.1.1)        | 2,474,682             | -                        | -                   | 2,474,682             | -                                         | -                                      | -                                         | 2,474,682                           | -                    |
| Commercial building on free hold land | 16,699,610            | -                        | -                   | 16,699,610            | 12,431,799                                | 213,391                                | 12,645,190                                | 4,054,420                           | 5                    |
| Mills buildings on leasehold land     | 906,079,364           | -                        | 80,247,806          | 986,327,170           | 280,455,057                               | 63,009,820                             | 343,464,877                               | 642,862,293                         | 10                   |
| Other buildings on leasehold land     | 47,888,572            | -                        | -                   | 47,888,572            | 25,557,995                                | 1,262,923                              | 26,820,918                                | 21,067,654                          | 5                    |
| Machinery and equipment               | 7,334,498,637         | 1,075,000 (5,071,675)    | 297,754,819         | 7,628,256,781         | 2,872,011,512                             | 448,946,343 (84,529)                   | 3,320,873,326                             | 4,307,383,455                       | 10                   |
| Electric installations and equipment  | 420,336,094           | 544,000                  | 240,826,277         | 661,706,371           | 122,218,934                               | 32,298,576                             | 154,517,510                               | 507,188,861                         | 10                   |
| Gas installations                     | 17,641,277            | -                        | -                   | 17,641,277            | 4,055,751                                 | 1,372,746                              | 5,428,497                                 | 12,212,780                          | 10                   |
| Office equipment                      | 27,545,960            | 1,650,230 (173,000)      | -                   | 29,023,190            | 18,391,843                                | 1,032,252 (15,570)                     | 19,408,525                                | 9,614,665                           | 10                   |
| Furniture and fixtures                | 61,210,837            | 1,460,213 (346,500)      | 1,175,251           | 63,499,801            | 32,981,956                                | 2,906,468 (209,469)                    | 35,678,955                                | 27,820,846                          | 10                   |
| Vehicles                              | 130,403,041           | 118,871,659 (17,220,360) | -                   | 232,054,340           | 46,561,978                                | 27,140,422 (13,123,077)                | 60,579,323                                | 171,475,017                         | 20                   |
|                                       | 8,972,178,392         | 123,601,102 (22,811,535) | 620,004,153         | 9,692,972,112         | 3,414,666,825                             | 578,182,941 (13,432,645)               | 3,979,417,121                             | 5,713,554,991                       |                      |

| Particulars                           | 2025                  |                         |                     |                       |                                           |                                        |                                           | Rate of depreciation |
|---------------------------------------|-----------------------|-------------------------|---------------------|-----------------------|-------------------------------------------|----------------------------------------|-------------------------------------------|----------------------|
|                                       | Cost at July 01, 2024 | Additions / (Disposal)  | Transfers from CWIP | Cost at June 30, 2025 | Accumulated depreciation at July 01, 2024 | Depreciation for the year / (Disposal) | Accumulated depreciation at June 30, 2025 |                      |
|                                       |                       |                         |                     |                       |                                           |                                        |                                           | %                    |
| <b>Owned</b>                          |                       |                         |                     |                       |                                           |                                        |                                           |                      |
| Land - freehold (Note 15.1.1)         | 7,400,318             | -                       | -                   | 7,400,318             | -                                         | -                                      | -                                         | -                    |
| Land - leasehold (Note 15.1.1)        | 2,474,682             | -                       | -                   | 2,474,682             | -                                         | -                                      | -                                         | -                    |
| Commercial building on free hold land | 16,699,610            | -                       | -                   | 16,699,610            | 12,207,177                                | 224,622                                | 12,431,799                                | 5                    |
| Mills buildings on leasehold land     | 890,604,596           | -                       | 15,474,768          | 906,079,364           | 212,842,840                               | 67,612,217                             | 280,455,057                               | 10                   |
| Other buildings on leasehold land     | 47,888,572            | -                       | -                   | 47,888,572            | 24,228,603                                | 1,329,392                              | 25,557,995                                | 5                    |
| Machinery and equipment               | 7,336,711,609         | 262,691 (4,706,949)     | 2,231,286           | 7,334,498,637         | 2,379,677,023                             | 495,158,395 (2,823,906)                | 2,872,011,512                             | 10                   |
| Electric installations and equipment  | 230,149,181           | 5,035,000               | 185,151,913         | 420,336,094           | 107,887,318                               | 14,331,616                             | 122,218,934                               | 10                   |
| Gas installations                     | 4,961,490             | -                       | 12,679,787          | 17,641,277            | 3,821,937                                 | 233,814                                | 4,055,751                                 | 10                   |
| Office equipment                      | 25,532,010            | 2,041,450 (209,000)     | 181,500             | 27,545,960            | 17,576,710                                | 907,886 (92,753)                       | 18,391,843                                | 10                   |
| Furniture and fixtures                | 55,737,565            | 4,401,022 (152,750)     | 1,225,000           | 61,210,837            | 30,241,435                                | 2,823,819 (83,298)                     | 32,981,956                                | 10                   |
| Vehicles                              | 102,362,463           | 36,553,264 (12,809,376) | 4,296,690           | 130,403,041           | 38,241,544                                | 15,656,984 (7,336,550)                 | 46,561,978                                | 20                   |
|                                       | 8,720,522,096         | 48,293,427 (17,878,075) | 221,240,944         | 8,972,178,392         | 2,826,724,587                             | 598,278,745 (10,336,507)               | 3,414,666,825                             | 5,557,511,567        |

**15.1.1** Plots of freehold land are located at 91-B1, M.M. Alam Road, Gulberg-III, Lahore and 13.5 Km, Sheikhpura, Sharqpur Road, Mouza Ghazi Androon, Dist. Sheikhpura with an area of 0.221 acres and 9.62 acres respectively. Leasehold land is located at Kotri Industrial Trading Estate, Sindh with an area of 20.75 acres.

## 15.1.2 Depreciation for the year has been allocated as under:

|                            | Note | 2026<br>Rupees     | 2025<br>Rupees     |
|----------------------------|------|--------------------|--------------------|
| Cost of goods manufactured | 28.1 | 554,925,888        | 586,518,992        |
| Administrative expenses    | 30   | 23,257,053         | 11,759,753         |
|                            |      | <u>578,182,941</u> | <u>598,278,745</u> |

## 15.1.3 Details of disposal of assets

| Description of assets                              | Cost              | Accumulated depreciation | Written down value | Sale proceeds     | Gain on disposal  | Mode of disposal | Relationship of purchaser with the Company | Particulars of buyers                                                                                               |
|----------------------------------------------------|-------------------|--------------------------|--------------------|-------------------|-------------------|------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| (Rupees)                                           |                   |                          |                    |                   |                   |                  |                                            |                                                                                                                     |
| <b>Plant and Machinery</b>                         | 5,071,675         | 84,529                   | 4,987,146          | 5,200,000         | 212,854           | Negotiation      | None                                       | <b>Glamour Textile Mills Limited</b><br>11-Km, Manga Raiwind Road, Lahore                                           |
| <b>Vehicles</b>                                    | 1,780,380         | 1,263,427                | 516,953            | 1,525,000         | 1,008,047         | Negotiation      | None                                       | <b>Sohail Zafar</b><br>Arain lane, House No E-22-21-B, Street No 7, Mohalla Zaman colony, Kore Stop, Walton, Lahore |
|                                                    | 1,780,380         | 1,263,427                | 516,953            | 1,510,000         | 993,047           | Negotiation      | None                                       | <b>Sohail Zafar</b><br>Arain lane, House No E-22-21-B, Street No 7, Mohalla Zaman colony, Kore Stop, Walton, Lahore |
|                                                    | 11,315,462        | 8,782,588                | 2,532,874          | 14,000,000        | 11,467,126        | Negotiation      | None                                       | <b>Muhammad Abid Adil</b><br>House No 21, Block-F, Mohalla M.A. Johar Town, Lahore                                  |
| Assets having carrying value less than Rs. 500,000 | 2,863,638         | 2,038,674                | 824,964            | 1,971,500         | 1,146,536         |                  | None                                       | Various                                                                                                             |
| <b>2026</b>                                        | <b>22,811,535</b> | <b>13,432,645</b>        | <b>9,378,890</b>   | <b>24,206,500</b> | <b>14,827,610</b> |                  |                                            |                                                                                                                     |
| 2025                                               | 17,878,075        | 10,336,507               | 7,541,568          | 15,148,876        | 7,607,308         |                  |                                            |                                                                                                                     |

|                                                                            | Note   | 2026<br>Rupees     | 2025<br>Rupees     |
|----------------------------------------------------------------------------|--------|--------------------|--------------------|
| <b>15.2 Capital work-in-Progress</b>                                       |        |                    |                    |
| Civil work                                                                 | 15.2.1 | 3,536,093          | 3,246,489          |
| Machinery, electrical installations, furniture and equipment               | 15.2.2 | 29,629,810         | 14,547,372         |
|                                                                            |        | <b>33,165,903</b>  | <b>17,793,861</b>  |
| <b>15.2.1 Civil work</b>                                                   |        |                    |                    |
| Opening balance                                                            |        | 3,246,489          | 2,076,032          |
| Additions                                                                  |        | 80,537,410         | 16,645,225         |
|                                                                            |        | <b>83,783,899</b>  | <b>18,721,257</b>  |
| Transfer to operating fixed assets                                         |        | (80,247,806)       | (15,474,768)       |
| Closing balance                                                            |        | <b>3,536,093</b>   | <b>3,246,489</b>   |
| <b>15.2.2 Machinery, electrical installations, furniture and equipment</b> |        |                    |                    |
| Opening balance                                                            |        | 14,547,372         | 69,101,812         |
| Additions                                                                  | 15.2.3 | 554,838,785        | 151,211,736        |
|                                                                            |        | <b>569,386,157</b> | <b>220,313,548</b> |
| Transfer to operating fixed assets                                         |        | (539,756,347)      | (205,766,176)      |
| Closing balance                                                            |        | <b>29,629,810</b>  | <b>14,547,372</b>  |

**15.2.3** It includes borrowing cost of Rs. 18.856 million (2025: Rs.10.763 million) capitalised during year. The rate used for determining the amount of borrowing cost eligible for capitalisation is 11.30% to 13.4% (2025: 13.16% to 18.93%) per annum.

## 16. INVESTMENT PROPERTIES

### - Cost Model

|                                                    | Cost                   |                            | Depreciation           |                        |                           | Written down<br>value as at<br>June 30,<br>2026 | Annual<br>rate<br>of depreciation |
|----------------------------------------------------|------------------------|----------------------------|------------------------|------------------------|---------------------------|-------------------------------------------------|-----------------------------------|
|                                                    | As at July 01,<br>2025 | Additions /<br>(disposals) | As at June<br>30, 2026 | As at July<br>01, 2025 | Charge<br>for the<br>year | As at June<br>30, 2026                          |                                   |
|                                                    | (Rupees)               |                            |                        |                        |                           |                                                 | %                                 |
| Building on freehold<br>land - 16.1 & 16.2         | 17,539,312             | -                          | 17,539,312             | 13,915,869             | 181,172                   | 14,097,041                                      | 5                                 |
| Land in Lahore -<br>freehold - 16.1 &<br>16.2      | 8,300,631              | -                          | 8,300,631              | -                      | -                         | -                                               | -                                 |
| Land in Sheikhupura<br>- freehold - 16.1 &<br>16.3 | 751,338                | -                          | 751,338                | -                      | -                         | -                                               | -                                 |
| <b>2026</b>                                        | <b>26,591,281</b>      | <b>-</b>                   | <b>26,591,281</b>      | <b>13,915,869</b>      | <b>181,172</b>            | <b>14,097,041</b>                               | <b>12,494,240</b>                 |
| <b>2025</b>                                        | <b>26,591,281</b>      | <b>-</b>                   | <b>26,591,281</b>      | <b>13,725,161</b>      | <b>190,708</b>            | <b>13,915,869</b>                               | <b>12,675,412</b>                 |

**16.1** The fair value of freehold land and building in Lahore was Rs. 1.143 billion and the fair value of land in Sheikhupura was Rs. 185 million at June 30, 2024.

**16.2** Freehold land and building there upon is situated at 91-B1, M.M. Alam Road, Gulberg-III, Lahore, having total area of 0.5 acres (4 kanals and 12 square feet).

**16.3** Land is situated at 13.5 Km, Sheikhupura, Sharqpur Road, Mouza Ghazi Androon, Dist. Sheikhupura, having total area of 18.5 acres (148 kanals).

### 16.4 Valuation techniques

The valuer performed inquiries and verifications from various estate agents, brokers and dealers, the location and condition of the property, size, utilization and current trends in price of real estate including assumptions that ready buyers are available in the current scenario and analysed through detailed market surveys, the properties that have recently been sold or purchased or offered / quoted for sale into given vicinity to determine the better estimates of the fair value.

**17. INTANGIBLE ASSETS**

The Company is using Enterprise Resource Planning (ERP) software costing Rs. 4.151 million which is fully amortised and is still in use.

|                                                                                    | Note   | 2026<br>Rupees       | 2025<br>Rupees       |
|------------------------------------------------------------------------------------|--------|----------------------|----------------------|
| <b>18. STORES AND SPARES</b>                                                       |        |                      |                      |
| Stores                                                                             |        | 50,049,802           | 51,443,336           |
| Spares                                                                             |        | 151,108,506          | 154,319,961          |
|                                                                                    |        | <b>201,158,308</b>   | <b>205,763,297</b>   |
| <b>19. STOCK-IN-TRADE</b>                                                          |        |                      |                      |
| Raw material                                                                       |        | 1,514,469,622        | 3,774,995,902        |
| Work-in-process                                                                    |        | 172,546,465          | 201,629,333          |
| Finished goods                                                                     |        | 224,355,809          | 653,423,213          |
| Waste                                                                              |        | 21,404,785           | 13,470,285           |
|                                                                                    |        | <b>1,932,776,681</b> | <b>4,643,518,733</b> |
| <b>20. TRADE RECEIVABLES</b>                                                       |        |                      |                      |
| Foreign - secured                                                                  |        | 489,915,799          | 205,132,250          |
| Local - unsecured                                                                  | 20.1.1 | 2,567,930,530        | 2,700,166,220        |
|                                                                                    |        | <b>3,057,846,329</b> | <b>2,905,298,470</b> |
| Provision for expected credit losses                                               | 20.2   | (15,319,478)         | (11,385,750)         |
|                                                                                    |        | <b>3,042,526,851</b> | <b>2,893,912,720</b> |
| <b>20.1 These are non-interest bearing, normal credit period is 15 to 60 days.</b> |        |                      |                      |
| <b>20.1.1 Aging of trade receivables</b>                                           |        |                      |                      |
| <b>Not past due</b>                                                                |        | <b>1,848,297,049</b> | <b>1,626,791,668</b> |
| 1-45 days                                                                          |        | 683,798,388          | 844,010,979          |
| 46-90 days                                                                         |        | 19,369,095           | 154,670,617          |
| 91-180 days                                                                        |        | 776,538              | 57,725,575           |
| 181 days and above                                                                 |        | 15,689,460           | 16,967,381           |
|                                                                                    |        | <b>2,567,930,530</b> | <b>2,700,166,220</b> |
| <b>20.2 Provision for expected credit losses</b>                                   |        |                      |                      |
| Opening balance                                                                    |        | 11,385,750           | 1,940,806            |
| Provision made during the year                                                     |        | 3,933,728            | 9,444,944            |
| Closing balance                                                                    |        | <b>15,319,478</b>    | <b>11,385,750</b>    |
| <b>21. ADVANCES</b>                                                                |        |                      |                      |
| Employees                                                                          |        | 853,083              | 606,234              |
| Suppliers                                                                          |        | 1,055,349,913        | 503,603,703          |
| Expenses                                                                           |        | 862,969              | 1,807,379            |
| Letters of credit                                                                  |        | 4,017,325            | 3,187,836            |
|                                                                                    |        | <b>1,061,083,290</b> | <b>509,205,152</b>   |

|                                                                    | Note                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2026<br>Rupees     | 2025<br>Rupees     |
|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| <b>22. PREPAYMENTS</b>                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                    |
| Insurance                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 1,912,550          | 2,177,213          |
| Rent                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 629,532            | 986,707            |
| Others                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | -                  | 30,073             |
|                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>2,542,082</b>   | <b>3,193,993</b>   |
| <b>23. OTHER RECEIVABLES</b>                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                    |
| Others                                                             | 23.1                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>97,498,219</b>  | 66,536,305         |
| <b>23.1</b>                                                        | It includes profit receivable on term deposits amounting to Rs. 1.617 million (2025: Rs. 2.406 million), a pay order amounting to Rs. Nil (2025: 31.450 million) paid to Nazir High Court against retrospective imposition of off-grid levy and guarantee margins on LC amounting to Rs. 25 million (2025: Rs. 25 million) and Rs. 63.586 million receivable from Excise and Taxation Officer in respect of cheque given as security for Gas infrastructure cess. |                    |                    |
|                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                    |
|                                                                    | Note                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2026<br>Rupees     | 2025<br>Rupees     |
| <b>24. TAX REFUNDABLE</b>                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                    |
| Sales tax refundable                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 215,738,517        | 281,782,591        |
| Income tax refundable                                              | 24.1                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 311,946,936        | 131,033,270        |
|                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>527,685,453</b> | <b>412,815,861</b> |
| <b>24.1</b>                                                        | Movement of advance tax is as under:                                                                                                                                                                                                                                                                                                                                                                                                                              |                    |                    |
| Opening balance                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 131,033,270        | 14,253,227         |
| Provision for levies                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | (204,193,947)      | (210,594,684)      |
| Income tax provision                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | (130,175,098)      | (62,231,053)       |
| Advance income tax and levies paid                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 515,282,711        | 389,605,780        |
|                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>311,946,936</b> | <b>131,033,270</b> |
| <b>25. OTHER FINANCIAL ASSETS</b>                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                    |
| <b>Designated at amortised cost</b>                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                    |
| Terms deposits with banks having maturity of                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                    |
| - More than three months                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 62,600,000         | 70,100,000         |
| - Three months or less                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 76,903,615         | 76,903,615         |
|                                                                    | 25.1                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>139,503,615</b> | <b>147,003,615</b> |
| <b>Designated at fair value through other comprehensive income</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                    |
| Investment in listed equity securities                             | 25.2                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 20,356,800         | 18,933,600         |
| <b>Designated at fair value through profit or loss</b>             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                    |                    |
| Investment in mutual funds                                         | 25.3                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 241,155,221        | 750,114            |
|                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>401,015,636</b> | <b>166,687,329</b> |
| <b>25.1</b>                                                        | Markup on term deposits ranges from 4.08% to 10.10% (2025: 4.05% to 20%) per annum.                                                                                                                                                                                                                                                                                                                                                                               |                    |                    |

**25.2 Investment in listed equity securities**

| 2026<br>Number of shares | 2025    | Name of investee      | Note | 2026<br>Rupees | 2025<br>Rupees |
|--------------------------|---------|-----------------------|------|----------------|----------------|
| 120,000                  | 120,000 | Bank Al Habib Limited | 25.4 | 20,356,800     | 18,933,600     |

**25.3 Investment in mutual funds**

| 2026<br>----- (Number of units) ----- | 2025   | Name of Fund                  | 2026<br>Rupees | 2025<br>Rupees |
|---------------------------------------|--------|-------------------------------|----------------|----------------|
| <b>Conventional</b>                   |        |                               |                |                |
| 993,569                               | -      | MCB Investment Savings Plan 1 | 100,035,371    | -              |
| 1,387,449                             | -      | Al Habib Money Market fund    | 140,312,138    | -              |
| 80,211                                | 74,766 | NBP Money Market Fund         | 807,712        | 750,114        |
|                                       |        |                               | 241,155,221    | 750,114        |

**25.4 Reconciliation between fair value and cost of investments classified as 'equity securities'.**

| Fair Value Through Other Comprehensive Income                        | Note | 2026<br>Rupees | 2025<br>Rupees |
|----------------------------------------------------------------------|------|----------------|----------------|
| Fair value of investments                                            |      |                |                |
| - in listed equity securities                                        | 25.2 | 20,356,800     | 18,933,600     |
| Less : unrealised gain on remeasurement of investments as at June 30 | 25.5 | (15,169,129)   | (13,745,929)   |
| Cost of investments                                                  |      | 5,187,671      | 5,187,671      |

**25.5 Unrealised gain on remeasurement of equity instruments  
Fair value through other comprehensive income**

|                                         |            |            |
|-----------------------------------------|------------|------------|
| Opening balance                         | 13,745,929 | 8,273,929  |
| Unrealised fair value gain for the year | 1,423,200  | 5,472,000  |
| Closing balance                         | 15,169,129 | 13,745,929 |

**25.6 Unrealised gain on remeasurement of mutual funds  
Fair value through profit or loss**

|                                                 |      |             |         |
|-------------------------------------------------|------|-------------|---------|
| Fair value of investments in mutual funds       | 25.3 | 241,155,221 | 750,114 |
| Unrealised gain on remeasurement of investments |      | (348,295)   | (1,211) |
| Cost of investments                             |      | 240,806,926 | 748,903 |

**26. CASH AND BANK BALANCES**

Cash with banks - In current accounts

- Local currency

- conventional

- shariah compliant

- Foreign currency - conventional

26.1

314,544,901

32,231,028

200,195,929

50,922,990

20,306,065

23,902,540

535,046,895

107,056,558

**26.1** It is a current account denominated in USD amounting to USD 73,075.81 (2025: USD 84,302.38).

|                                                  | Note        | 2026                         |                             |                              |
|--------------------------------------------------|-------------|------------------------------|-----------------------------|------------------------------|
|                                                  |             | Local                        | Export<br>(Rupees)          | Total                        |
| <b>27. REVENUE FROM CONTRACTS WITH CUSTOMERS</b> |             |                              |                             |                              |
| Yarn                                             | 27.1 & 27.2 | 18,328,317,270               | 4,846,279,025               | 23,174,596,295               |
| Waste                                            |             | 1,529,124,772                | 9,599,608                   | 1,538,724,380                |
| Raw material                                     |             | 1,542,092                    | -                           | 1,542,092                    |
|                                                  |             | <u>19,858,984,134</u>        | <u>4,855,878,633</u>        | <u>24,714,862,767</u>        |
| Sales tax                                        |             | <u>(3,029,336,034)</u>       | <u>(121,780,395)</u>        | <u>(3,151,116,429)</u>       |
|                                                  |             | <u><u>16,829,648,100</u></u> | <u><u>4,734,098,238</u></u> | <u><u>21,563,746,338</u></u> |

|              | Note        | 2025                         |                             |                              |
|--------------|-------------|------------------------------|-----------------------------|------------------------------|
|              |             | Local                        | Export<br>(Rupees)          | Total                        |
| Yarn         | 27.1 & 27.2 | 17,434,409,736               | 4,077,152,442               | 21,511,562,178               |
| Waste        |             | 1,542,490,306                | -                           | 1,542,490,306                |
| Raw material |             | 10,478,009                   | -                           | 10,478,009                   |
|              |             | <u>18,987,378,051</u>        | <u>4,077,152,442</u>        | <u>23,064,530,493</u>        |
| Sales tax    |             | <u>(2,896,379,702)</u>       | <u>(310,269,605)</u>        | <u>(3,206,649,307)</u>       |
|              |             | <u><u>16,090,998,349</u></u> | <u><u>3,766,882,837</u></u> | <u><u>19,857,881,186</u></u> |

**27.1** Export sales includes exchange gain of Rs. 36.141 million (2025: Rs. 18.454 million).

**27.2** Export sales include indirect export of Rs. 676 million (2025: Rs. 1,724 million) and indirect exports include sales of Rs. 301 million (2025: Rs. 465 million) to related parties.

|                                          | Note | 2026<br>Rupees               | 2025<br>Rupees               |
|------------------------------------------|------|------------------------------|------------------------------|
| <b>28. COST OF GOODS SOLD</b>            |      |                              |                              |
| Opening stock - finished goods and waste |      | 666,893,498                  | 523,441,721                  |
| Cost of goods manufactured               | 28.1 | 19,290,207,575               | 18,221,136,913               |
| Purchase of waste material               |      | 34,219,430                   | 25,533,232                   |
|                                          |      | <u>19,991,320,503</u>        | <u>18,770,111,866</u>        |
| Closing stock - finished goods and waste | 19   | (245,760,594)                | (666,893,498)                |
| Cotton yarn loss claim                   |      | -                            | (1,644,584)                  |
| Cost of sale of waste material           |      | 10,464,112                   | 147,106,244                  |
|                                          |      | <u><u>19,756,024,021</u></u> | <u><u>18,248,680,028</u></u> |

|                                               | Note                                                                                                  | 2026<br>Rupees         | 2025<br>Rupees         |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>28.1 Cost of goods manufactured</b>        |                                                                                                       |                        |                        |
| Raw material consumed                         | 28.1.1                                                                                                | 15,701,831,899         | 14,672,924,026         |
| Packing material consumed                     |                                                                                                       | 245,861,479            | 216,518,731            |
| Stores and spares consumed                    |                                                                                                       | 199,975,219            | 255,282,536            |
| Salaries, wages and other benefits            | 28.1.2                                                                                                | 917,225,608            | 851,348,785            |
| Fuel                                          |                                                                                                       | 1,542,417,835          | 1,501,364,109          |
| Rates and taxes                               |                                                                                                       | 319,185                | 319,185                |
| Insurance                                     |                                                                                                       | 43,432,200             | 43,270,946             |
| Repairs and maintenance                       |                                                                                                       | 18,325,693             | 17,593,381             |
| Depreciation on property, plant and equipment | 15.1.2                                                                                                | 554,925,888            | 586,518,992            |
| Other manufacturing overheads                 |                                                                                                       | 36,809,701             | 56,137,109             |
|                                               |                                                                                                       | <b>19,261,124,707</b>  | <b>18,201,277,800</b>  |
| <b>Work in process</b>                        |                                                                                                       |                        |                        |
| Opening stock                                 |                                                                                                       | 201,629,333            | 221,488,446            |
| Closing stock                                 | 19                                                                                                    | (172,546,465)          | (201,629,333)          |
|                                               |                                                                                                       | <b>29,082,868</b>      | <b>19,859,113</b>      |
|                                               |                                                                                                       | <b>19,290,207,575</b>  | <b>18,221,136,913</b>  |
| <b>28.1.1 Raw material consumed</b>           |                                                                                                       |                        |                        |
| Opening stock                                 |                                                                                                       | 3,774,995,902          | 1,600,589,445          |
| Purchases                                     |                                                                                                       | 13,441,305,619         | 16,847,330,483         |
|                                               |                                                                                                       | <b>17,216,301,521</b>  | <b>18,447,919,928</b>  |
| Closing stock                                 | 19                                                                                                    | (1,514,469,622)        | (3,774,995,902)        |
|                                               |                                                                                                       | <b>15,701,831,899</b>  | <b>14,672,924,026</b>  |
| <b>28.1.2</b>                                 | It includes Rs. 87.575 million (2025: Rs. 72.430 million) in respect of employee retirement benefits. |                        |                        |
| <b>29. DISTRIBUTION COST</b>                  |                                                                                                       | <b>2026<br/>Rupees</b> | <b>2025<br/>Rupees</b> |
| Freight                                       |                                                                                                       | 235,075,258            | 167,776,941            |
| Commission:                                   |                                                                                                       |                        |                        |
| - Local                                       |                                                                                                       | 66,618,227             | 79,970,825             |
| - Export                                      |                                                                                                       | 24,610,760             | 9,004,226              |
| Stamp duty                                    |                                                                                                       | 319,831                | 293,268                |
| Travelling                                    |                                                                                                       | 10,240,533             | 8,189,572              |
| Export development surcharge                  |                                                                                                       | 1,708,230              | 5,093,353              |
| Quality claims                                |                                                                                                       | -                      | 41,396,249             |
| Handling and other charges                    |                                                                                                       | 14,270,686             | 3,590,347              |
| Insurance                                     |                                                                                                       | 1,790,800              | 815,596                |
| Others                                        |                                                                                                       | 2,241,393              | 5,343,701              |
|                                               |                                                                                                       | <b>356,875,718</b>     | <b>321,474,078</b>     |

|                                               | Note   | 2026<br>Rupees     | 2025<br>Rupees     |
|-----------------------------------------------|--------|--------------------|--------------------|
| <b>30. ADMINISTRATIVE EXPENSES</b>            |        |                    |                    |
| Directors' remuneration, fees and benefits    | 38     | 39,765,000         | 36,007,500         |
| Staff salaries and other benefits             | 30.1   | 141,088,215        | 136,157,055        |
| Travelling and conveyance                     |        | 2,478,334          | 1,588,973          |
| Printing and stationery                       |        | 2,816,140          | 3,132,381          |
| Postage and telephone                         |        | 2,918,564          | 3,260,015          |
| Fees, subscription and periodicals            |        | 15,188,455         | 14,386,889         |
| Legal and professional                        |        | 3,409,879          | 2,368,690          |
| Advertisement                                 |        | 282,271            | 164,728            |
| Utilities - net of recoveries                 |        | 7,615,003          | 9,409,902          |
| Rates and taxes                               |        | 1,840,446          | 1,716,908          |
| Short term lease                              |        | 4,780,956          | 4,527,864          |
| Insurance                                     |        | 2,945,185          | 2,407,168          |
| Auditor's remuneration                        | 30.2   | 1,851,375          | 1,680,200          |
| Repairs and maintenance                       |        | 3,976,617          | 4,831,553          |
| Vehicles running and maintenance              |        | 14,338,980         | 12,491,571         |
| Entertainment                                 |        | 1,616,855          | 494,815            |
| Depreciation on property, plant and equipment | 15.1.2 | 23,257,053         | 11,759,753         |
| Depreciation on investment properties         | 16     | 181,172            | 190,708            |
| Donations                                     | 30.3   | 250,000            | 600,000            |
| Others                                        |        | 2,095,151          | 3,479,066          |
|                                               |        | <b>272,695,651</b> | <b>250,655,739</b> |

**30.1** It includes Rs. 16.130 million (2025: Rs. 11.962 million) in respect of employee retirement benefits.

|                                          | 2026<br>Rupees   | 2025<br>Rupees   |
|------------------------------------------|------------------|------------------|
| <b>30.2 Auditor's remuneration</b>       |                  |                  |
| Annual audit fee                         | 1,150,000        | 1,000,000        |
| Half yearly review fee                   | 347,875          | 326,700          |
| Review report on statement of compliance | 82,500           | 82,500           |
| Tax compliance services                  | 150,000          | 150,000          |
| Other certifications                     | 121,000          | 121,000          |
|                                          | <b>1,851,375</b> | <b>1,680,200</b> |

**30.3** Donations were not made to any donee in which a director or his spouse had any interest at any time during the year. Donations made are not higher than Rs. 1 million therefore, names of donees are not disclosed.

|                                                            | Note | 2026<br>Rupees    | 2025<br>Rupees    |
|------------------------------------------------------------|------|-------------------|-------------------|
| <b>31. OTHER EXPENSES</b>                                  |      |                   |                   |
| Workers' Profit Participation Fund                         | 10.2 | 34,202,075        | 23,982,931        |
| Workers' Welfare Fund                                      | 10.3 | 7,700,390         | 3,968,817         |
| Provision against doubtful debts                           |      | 3,933,728         | 9,444,944         |
| Unrealised loss on foreign currency loan                   |      | -                 | 2,259,606         |
| Unrealised loss on revaluation of foreign currency account |      | 368,730           | -                 |
|                                                            |      | <b>46,204,923</b> | <b>39,656,298</b> |

|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                  | 2026<br>Rupees         | 2025<br>Rupees         |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>32. OTHER INCOME</b>                                    | <b>Note</b>                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        |
| <b>Financial assets</b>                                    |                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |                        |
| Dividend income                                            |                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |                        |
| - conventional                                             |                                                                                                                                                                                                                                                                                                                                                                                                                  | 1,800,000              | 2,213,452              |
| - shariah compliant                                        |                                                                                                                                                                                                                                                                                                                                                                                                                  | -                      | -                      |
| Realised gain on redemption of mutual funds                |                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |                        |
| - conventional                                             |                                                                                                                                                                                                                                                                                                                                                                                                                  | 10,019,765             | 100,386,708            |
| - shariah compliant                                        |                                                                                                                                                                                                                                                                                                                                                                                                                  | -                      | -                      |
| Unrealised gain on mutual funds                            |                                                                                                                                                                                                                                                                                                                                                                                                                  | 348,295                | 1,211                  |
| Interest income on term deposit receipt                    |                                                                                                                                                                                                                                                                                                                                                                                                                  | 11,757,215             | 14,559,946             |
| Unrealised gain on revaluation of foreign currency account |                                                                                                                                                                                                                                                                                                                                                                                                                  | -                      | 454,035                |
| Realised gain on forward contracts                         |                                                                                                                                                                                                                                                                                                                                                                                                                  | 31,509                 | -                      |
| <b>Non-financial assets</b>                                |                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |                        |
| Scrap sales                                                |                                                                                                                                                                                                                                                                                                                                                                                                                  | 5,411,297              | 4,467,232              |
| Gain on disposal of property, plant and equipment - net    | 15.1.3                                                                                                                                                                                                                                                                                                                                                                                                           | 14,827,610             | 7,607,308              |
| Unrealised gain on foreign currency loan                   |                                                                                                                                                                                                                                                                                                                                                                                                                  | 4,761,215              | -                      |
| Rental income from investment property                     |                                                                                                                                                                                                                                                                                                                                                                                                                  | 39,786,769             | 36,603,438             |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>88,743,675</b>      | <b>166,293,330</b>     |
| <b>33. FINANCE COST</b>                                    |                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |                        |
| Mark-up / interest on:                                     |                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |                        |
| Long term finances                                         |                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |                        |
| - conventional                                             |                                                                                                                                                                                                                                                                                                                                                                                                                  | 383,972,928            | 508,015,175            |
| - shariah compliant                                        |                                                                                                                                                                                                                                                                                                                                                                                                                  | 16,631,257             | 12,012,504             |
| Short term borrowings                                      |                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |                        |
| - conventional                                             |                                                                                                                                                                                                                                                                                                                                                                                                                  | 75,961,299             | 76,653,679             |
| - shariah compliant                                        |                                                                                                                                                                                                                                                                                                                                                                                                                  | 74,099,736             | 110,152,749            |
| Workers' Profit Participation Fund                         | 10.2.1                                                                                                                                                                                                                                                                                                                                                                                                           | 17,741                 | 10,316                 |
| Bank charges and commission                                |                                                                                                                                                                                                                                                                                                                                                                                                                  | 50,657,946             | 25,365,134             |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>601,340,907</b>     | <b>732,209,557</b>     |
| Less: amounts included in the cost of qualifying asset     | 15.2.3                                                                                                                                                                                                                                                                                                                                                                                                           | <b>(18,856,525)</b>    | <b>(10,763,115)</b>    |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>582,484,382</b>     | <b>721,446,442</b>     |
| <b>34. LEVIES</b>                                          |                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |                        |
| Final taxes on:                                            | 34.1                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |
| - dividend                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                  | 270,000                | 343,781                |
| Capital gain tax                                           |                                                                                                                                                                                                                                                                                                                                                                                                                  | 1,502,965              | 15,058,007             |
| Super tax                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                  | 650,087                | 3,078,005              |
| Prior year levies                                          |                                                                                                                                                                                                                                                                                                                                                                                                                  | 41,646,611             | 288,269                |
| Minimum taxes                                              | 34.2                                                                                                                                                                                                                                                                                                                                                                                                             | 160,124,284            | 191,826,622            |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>204,193,947</b>     | <b>210,594,684</b>     |
| <b>34.1</b>                                                | These represent final taxes paid on dividend income and tax withheld on capital gain and are recognised as levies in line with the requirements of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and guide on IAS 12 'Income Taxes' issued by Institute of Chartered Accountants of Pakistan.                                                                           |                        |                        |
| <b>34.2</b>                                                | This represents provision for minimum tax under section 113 and 154, of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levies in these financial statements as per the requirements of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and guide on IAS 12 'Income Taxes' issued by Institute of Chartered Accountants of Pakistan. |                        |                        |
| <b>35. TAXATION</b>                                        | <b>Note</b>                                                                                                                                                                                                                                                                                                                                                                                                      | <b>2026<br/>Rupees</b> | <b>2025<br/>Rupees</b> |
| Current tax                                                |                                                                                                                                                                                                                                                                                                                                                                                                                  | 130,175,098            | 62,231,053             |
| Deferred tax                                               | 8                                                                                                                                                                                                                                                                                                                                                                                                                | 22,251,219             | 119,019,502            |
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>152,426,317</b>     | <b>181,250,555</b>     |

|                                                                                                  |             | 2026<br>Rupees         | 2025<br>Rupees         |
|--------------------------------------------------------------------------------------------------|-------------|------------------------|------------------------|
| <b>35.1 Relationship between tax expense and accounting profit</b>                               |             |                        |                        |
| Accounting profit - before taxation                                                              |             | 434,011,371            | 231,667,247            |
| Tax @ 29%                                                                                        |             | 125,863,298            | 67,183,502             |
| Effect of:                                                                                       |             |                        |                        |
| Tax effect income subject to super tax                                                           |             | 20,752,552             | 5,834,161              |
| Tax effect of permanent differences                                                              |             | (1,913,250)            | (2,122,999)            |
| Tax effect of prior year deferred tax                                                            |             | -                      | 107,225,010            |
| Tax effect of separate block income                                                              |             | 3,427,732              | 29,754,046             |
| Tax effect of other items                                                                        |             | 4,295,985              | (26,623,165)           |
|                                                                                                  |             | <b>152,426,317</b>     | <b>181,250,555</b>     |
| <b>36. EARNINGS PER SHARE - basic and diluted</b>                                                |             |                        |                        |
| There is no dilutive effect on the basic earnings per share of the Company which is as follows : |             |                        |                        |
|                                                                                                  |             | 2026                   | 2025                   |
| Profit for the year (rupees)                                                                     |             | 281,585,054            | 50,416,692             |
| Weighted average number of ordinary shares                                                       |             | 18,700,000             | 18,700,000             |
| Earnings per share (rupees)                                                                      |             | 15.06                  | 2.70                   |
| <b>37. CASH GENERATED FROM / (USED IN) OPERATIONS</b>                                            | <b>Note</b> | <b>2026<br/>Rupees</b> | <b>2025<br/>Rupees</b> |
| Profit before taxation                                                                           |             | 434,011,371            | 231,667,247            |
| <b>Adjustments for:</b>                                                                          |             |                        |                        |
| Depreciation on property, plant and equipment                                                    | 15.1.2      | 578,182,941            | 598,278,745            |
| Depreciation on investment properties                                                            | 16          | 181,172                | 190,708                |
| Provision for gratuity                                                                           | 9.3         | 103,706,654            | 84,393,013             |
| Provision for expected credit losses                                                             | 31          | 3,933,728              | 9,444,944              |
| Gain on disposal of property, plant and equipment - net                                          | 15.1.3      | (14,827,610)           | (7,607,308)            |
| Gain on redemption of mutual funds                                                               | 32          | (10,019,765)           | (100,386,708)          |
| Unrealised gain on mutual funds                                                                  | 32          | (348,295)              | (1,211)                |
| Profit on term deposits receipts                                                                 | 32          | (11,757,215)           | (14,559,946)           |
| Finance cost                                                                                     | 33          | 582,484,382            | 721,446,442            |
| Unrealised (gain) / loss on foreign currency loan                                                | 32 & 31     | (4,761,215)            | 2,259,606              |
| Unrealised loss / (gain) on revaluation of foreign currency account                              | 31 & 32     | 368,730                | (454,035)              |
| Realised gain on forward contracts                                                               | 32          | (31,509)               | -                      |
| Rental income from investment property                                                           | 32          | (39,786,769)           | (36,603,438)           |
| Dividend income                                                                                  | 32          | (1,800,000)            | (2,213,452)            |
| Levies                                                                                           | 34          | 204,193,947            | 210,594,684            |
|                                                                                                  |             | <b>1,823,730,547</b>   | <b>1,696,449,291</b>   |
| <b>Changes in working capital</b>                                                                |             |                        |                        |
| Decrease / (increase) in current assets                                                          |             |                        |                        |
| Stores and spares                                                                                |             | 4,604,989              | (29,816,351)           |
| Stock-in-trade                                                                                   |             | 2,710,742,052          | (2,297,999,121)        |
| Trade receivables                                                                                |             | (152,547,859)          | (479,367,447)          |
| Advances                                                                                         |             | (551,878,138)          | (65,033,545)           |
| Prepayments                                                                                      |             | 651,911                | 583,757                |
| Other receivables                                                                                |             | (31,750,834)           | (54,989,570)           |
| Sales tax refundable                                                                             |             | 66,044,074             | (231,404,020)          |
|                                                                                                  |             | <b>2,045,866,195</b>   | <b>(3,158,026,297)</b> |
| Increase / (decrease) in current liabilities                                                     |             |                        |                        |
| Trade and other payables                                                                         |             | 305,697,023            | (28,599,842)           |
| Contract liability - advance from customers                                                      |             | 7,600,590              | 7,476,392              |
| <b>Cash generated from / (used in) operations</b>                                                |             | <b>4,182,894,355</b>   | <b>(1,482,700,456)</b> |

**38. REMUNERATION OF DIRECTORS AND EXECUTIVES**

|                      | 2026            |            |               |            | 2025            |            |               |            |
|----------------------|-----------------|------------|---------------|------------|-----------------|------------|---------------|------------|
|                      | Chief Executive | Directors  |               | Executives | Chief Executive | Directors  |               | Executives |
|                      |                 | Executive  | Non-Executive |            |                 | Executive  | Non-Executive |            |
|                      | (Rupees)        |            |               |            | (Rupees)        |            |               |            |
| Remuneration         | 15,360,000      | 15,360,000 | -             | 50,552,794 | 13,920,000      | 13,920,000 | -             | 36,414,399 |
| House rent Allowance | 3,840,000       | 3,840,000  | -             | 22,748,757 | 3,480,000       | 3,480,000  | -             | 16,386,479 |
| Other allowances     | -               | -          | -             | 2,527,640  | -               | -          | -             | 1,820,720  |
| Retirement benefits  | -               | -          | -             | 4,035,967  | -               | -          | -             | 2,729,951  |
| Leave encashment     | -               | -          | -             | 6,050,375  | -               | -          | -             | 4,257,821  |
| Bonus                | -               | -          | -             | 1,326,976  | -               | -          | -             | 294,660    |
| Meeting fee          | -               | -          | 1,365,000     | -          | -               | -          | 1,207,500     | -          |
|                      | 19,200,000      | 19,200,000 | 1,365,000     | 87,242,509 | 17,400,000      | 17,400,000 | 1,207,500     | 61,904,030 |
| No. of persons       | 1               | 1          | 4             | 21         | 1               | 1          | 4             | 17         |

**38.1** Chief Executive and Executive Directors are provided with free use of Company's maintained cars.

**39. TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise of associated undertakings, directors of the Company and key management personnel including chief executive and directors, their close family members and post retirement benefit plans. The Company carries out transactions with various related parties and continues to have a policy whereby all such transactions are carried out at agreed terms. There is no balance outstanding with or from associated undertakings. Remuneration of directors and key management personnel are disclosed in note 38 and amount due in respect of staff retirement benefits is disclosed in note 9. Other significant transactions with related parties are as follows:

| Nature of relationship                 | Nature of transactions                                                    | 2026<br>Rupees | 2025<br>Rupees |
|----------------------------------------|---------------------------------------------------------------------------|----------------|----------------|
| Prosperity Weaving Mills Limited       | Purchase of goods                                                         | 183,155        | 129,394        |
|                                        | Sale of goods                                                             | 1,655,873,763  | 1,138,165,622  |
|                                        | Rental income                                                             | 2,000,650      | 1,928,566      |
|                                        | Net receipts against sale of goods and rental income                      | 1,657,691,258  | 1,139,964,794  |
|                                        |                                                                           |                |                |
| Ellcot Spinning Mills Limited          | Sale of goods                                                             | 10,054,131     | 31,781,412     |
|                                        | Purchase of goods                                                         | -              | 36,501,318     |
|                                        | Purchase of machinery                                                     | -              | 5,900,000      |
|                                        | Rental income                                                             | 1,513,470      | 1,441,386      |
|                                        | Net receipts/(payment) against sale/(purchase) of goods and rental income | 11,567,601     | (9,178,520)    |
| Ellahi International (Private) Limited | Dividend paid                                                             | 9,000          | 13,500         |
| Haroon Omer (Private) limited          | Dividend paid                                                             | 1,017,147      | 1,525,721      |
| Monell (Private) Limited               | Dividend paid                                                             | 1,017,147      | 1,525,721      |
| Icaro (Private) Limited                | Dividend paid                                                             | 1,017,248      | 1,525,872      |
| Key management personnel               | Payment of dividend to directors and their close family members           | 13,936,732     | 20,905,098     |

- 39.1 Following are the related parties with whom the Company has entered into transactions or have arrangements / agreements in place.

| Name of related party                  | Relationship                       | Basis of relationship | Aggregate % holding in the Company as at June 30, 2026 |
|----------------------------------------|------------------------------------|-----------------------|--------------------------------------------------------|
| Ellicot Spinning Mills Limited         | Associated company                 | Common directorship   | -                                                      |
| Ellahi International (Private) Limited | Associated company                 | Common directorship   | 0.05%                                                  |
| Prosperity Weaving Mills Limited       | Associated company                 | Common directorship   | -                                                      |
| Haroon Omer (Private) Limited          | Associated company                 | Common directorship   | 5.44%                                                  |
| Monell (Private) Limited               | Associated company                 | Common directorship   | 5.44%                                                  |
| ICARO (Private) Limited                | Associated company                 | Common directorship   | 5.44%                                                  |
| ARH (Private) Limited                  | Associated company                 | Common directorship   | -                                                      |
| Pacific Industries (Private) Limited   | Associated company                 | Common directorship   | -                                                      |
| Mr. Shaukat Ellahi Shaikh              | Key management personnel           | Director              | 17.47%                                                 |
| Mr. Shafqat Ellahi Shaikh              | Key management personnel           | Director              | 17.26%                                                 |
| Mr. Shahzada Ellahi Shaikh             | Key management personnel           | Chairman / Director   | 17.26%                                                 |
| Mr. Hasan Ahmad                        | Key management personnel           | Director              | 0.003%                                                 |
| Ms. Zoe Khurshid Khan                  | Key management personnel           | Director              | 0.003%                                                 |
| Mr. Naweed Akhter Sharif               | Key management personnel           | Director              | 0.003%                                                 |
| Mr. Raza Ellahi Shaikh                 | Key management personnel           | Director              | 7.49%                                                  |
| Ms. Tosheeba Sarwar                    | Key management personnel           | Director              | 0.003%                                                 |
| Mr. Amin Ellahi Shaikh                 | Key management personnel           | Director / CEO        | 7.49%                                                  |
| Mr. Haroon Shahzada Ellahi Shaikh      | Key management personnel           | Director              | 3.74%                                                  |
| Mrs. Humera Shahzada Ellahi Shaikh     | Close family member key management | Spouse of director    | 0.02%                                                  |
| Mrs. Mona Shaukat Shaikh               | Close family member key management | Spouse of director    | 0.02%                                                  |
| Mrs. Shaista Shafqat                   | Close family member key management | Spouse of director    | 0.02%                                                  |
| Mr. Omer Ellahi Shaikh                 | Close family member key management | Son of director       | 3.74%                                                  |

#### 40. PLANT CAPACITY AND ACTUAL PRODUCTION

It is difficult to describe precisely the production capacity and the resultant production converted into base count in the textile industry since it fluctuates widely depending on various factors such as count of yarn spun, raw material used, spindle speed and twist. It would also vary according to the pattern of production adopted in a particular year.

|                                                                      |     | 2026       | 2025       |
|----------------------------------------------------------------------|-----|------------|------------|
| Number of spindles Installed                                         | No. | 62,508     | 62,508     |
| Total number of spindles worked                                      | No. | 62,468     | 62,445     |
| Number of shifts per day                                             | No. | 3          | 3          |
| Actual number of shifts in a year                                    | No. | 1,095      | 1,095      |
| Plant Capacity on the basis of utilization converted in to 20s count | Kgs | 23,863,604 | 24,574,557 |
| Actual production converted into 20s count                           | Kgs | 22,470,658 | 24,112,097 |

## 41. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

## 41.1 Financial Instruments by category

|                                                                | 2026                 |                                                  |                                      |
|----------------------------------------------------------------|----------------------|--------------------------------------------------|--------------------------------------|
|                                                                | At amortised cost    | At fair value through other comprehensive income | At fair value through profit or loss |
|                                                                | ( Rupees )           |                                                  |                                      |
| <b>Financial assets as per statement of financial position</b> |                      |                                                  |                                      |
| Long term deposits                                             | 1,229,858            | -                                                | -                                    |
| Trade receivables                                              | 3,042,526,851        | -                                                | -                                    |
| Other receivables                                              | 97,498,219           | -                                                | -                                    |
| Other financial assets                                         | 139,503,615          | 20,356,800                                       | 241,155,221                          |
| Cash and bank balances                                         | 535,046,895          | -                                                | -                                    |
|                                                                | <b>3,815,805,438</b> | <b>20,356,800</b>                                | <b>241,155,221</b>                   |
|                                                                | <b>4,077,317,459</b> |                                                  |                                      |

|                                                                | 2025                 |                                                  |                                      |
|----------------------------------------------------------------|----------------------|--------------------------------------------------|--------------------------------------|
|                                                                | At amortised cost    | At fair value through other comprehensive income | At fair value through profit or loss |
|                                                                | ( Rupees )           |                                                  |                                      |
| <b>Financial assets as per statement of financial position</b> |                      |                                                  |                                      |
| Long term deposits                                             | 1,121,858            | -                                                | -                                    |
| Trade receivables                                              | 2,893,912,720        | -                                                | -                                    |
| Other receivables                                              | 66,536,305           | -                                                | -                                    |
| Other financial assets                                         | 147,003,615          | 18,933,600                                       | 750,114                              |
| Cash and bank balances                                         | 107,056,558          | -                                                | -                                    |
|                                                                | <b>3,215,631,056</b> | <b>18,933,600</b>                                | <b>750,114</b>                       |
|                                                                | <b>3,235,314,770</b> |                                                  |                                      |

|                                                                     | 2026<br>Rupees       | 2025<br>Rupees       |
|---------------------------------------------------------------------|----------------------|----------------------|
| <b>Financial liabilities as per statement of financial position</b> |                      |                      |
| <b>At amortised cost</b>                                            |                      |                      |
| Long-term finances                                                  | 4,639,270,635        | 4,915,715,746        |
| Trade and other payables                                            | 1,030,950,304        | 906,197,594          |
| Unclaimed dividend                                                  | 12,213,318           | 12,091,680           |
| Accrued interest / mark-up                                          | 89,234,539           | 159,648,160          |
| Short-term borrowings                                               | 1,438,043,940        | 2,803,834,134        |
|                                                                     | <b>7,209,712,736</b> | <b>8,797,487,314</b> |

#### 41.2 Financial risk management objectives and policies

The Company finances its operations through short term borrowings, long term finances and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimise risk.

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

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance. No changes were made in the objectives, policies or processes and assumptions during the year ended June 30, 2026 which are summarised below.

#### 41.3 Credit risk and concentration of credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties fail completely to perform as contracted. Out of the total financial assets of Rs. 4,077.317 million (2025: Rs. 3,235.315 million), the financial assets which are subject to credit risk amounted to Rs. 3,815.805 million (2025: Rs. 3,215.631 million). The Company manages credit risk for trade receivables by assigning credit limits to its customers and thereby does not have significant exposure to any individual customer.

The Company is exposed to credit risk from its operating activities primarily for trade receivables and other receivables, deposits with banks and financial institutions, and other financial instruments. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings i.e. A1+ to A1 in short term and AAA to A for long term.

##### Credit risk related to receivables

Customers' credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. The management monitors and limits the Company's exposure of credit risk by limiting transactions with specific counter parties and continually assessing their credit worthiness. Outstanding customer receivables are regularly monitored and any shipments to export customers are generally covered by letters of credit.

Trade receivables consist of a large number of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivables, where appropriate. The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. At June 30, 2026 the Company had approximately 38 (2025: 50) major local customers that accounted for approximately 97% (2025: 95%) of local trade receivables. Export debts amounting to Rs. 489.916 million (2025: Rs. 205.132 million) are secured against letters of credit.

#### 41.4 Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Management closely monitors the Company's liquidity and cash flow position. This includes maintenance of liquidity ratios, trade receivables and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customers.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of short term borrowings. The Company's financial liabilities comprising of 46.79% (2025: 52.46%) will mature in less than one year based on the carrying value reflected in the financial statements.

## 41.4.1 Liquidity risk table

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

|                                 | 2026            |                        |                    |                   |               |                   |
|---------------------------------|-----------------|------------------------|--------------------|-------------------|---------------|-------------------|
|                                 | Carrying values | Contractual Cash flows | Less than 3 months | 3 months - 1 year | 2 - 5 years   | More than 5 years |
|                                 | Rupees          |                        |                    |                   |               |                   |
| Financial Liabilities           |                 |                        |                    |                   |               |                   |
| Statement of financial position |                 |                        |                    |                   |               |                   |
| Long-term finances              | 4,639,270,635   | 4,639,270,635          | 176,036,537        | 627,077,245       | 3,021,223,119 | 814,933,734       |
| Trade and other payables        | 1,030,950,304   | 1,030,950,304          | 1,030,950,304      | -                 | -             | -                 |
| Unclaimed dividend              | 12,213,318      | 12,213,318             | 12,213,318         | -                 | -             | -                 |
| Accrued interest / mark-up      | 89,234,539      | 89,234,539             | 89,234,539         | -                 | -             | -                 |
| Short term borrowings           | 1,438,043,940   | 1,438,043,940          | 1,438,043,940      | -                 | -             | -                 |
|                                 | 7,209,712,736   | 7,209,712,736          | 2,746,478,638      | 627,077,245       | 3,021,223,119 | 814,933,734       |

|                                 | 2025            |                           |                       |                      |               |                      |
|---------------------------------|-----------------|---------------------------|-----------------------|----------------------|---------------|----------------------|
|                                 | Carrying values | Contractual<br>Cash flows | Less than 3<br>months | 3 months - 1<br>year | 2 - 5 years   | More than 5<br>years |
|                                 | Rupees          |                           |                       |                      |               |                      |
| Financial Liabilities           |                 |                           |                       |                      |               |                      |
| Statement of financial position |                 |                           |                       |                      |               |                      |
| Long-term finances              | 4,915,715,746   | 4,915,715,746             | 177,876,273           | 555,976,600          | 2,876,897,772 | 1,304,965,101        |
| Trade and other payables        | 906,197,594     | 906,197,594               | 906,197,594           | -                    | -             | -                    |
| Unclaimed dividend              | 12,091,680      | 12,091,680                | 12,091,680            | -                    | -             | -                    |
| Accrued interest / mark-up      | 159,648,160     | 159,648,160               | 159,648,160           | -                    | -             | -                    |
| Short term borrowings           | 2,803,834,134   | 2,803,834,134             | 2,803,834,134         | -                    | -             | -                    |
|                                 | 8,797,487,314   | 8,797,487,314             | 4,059,647,841         | 555,976,600          | 2,876,897,772 | 1,304,965,101        |

## 41.5 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 of interest rate risk, currency risk and other price risk.

#### 41.5.1 Interest rate risk

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

The Company's interest rate risk arises from long term finance, short term borrowings and term deposits with banks amounting to Rs. 4,123.953 million (2025: Rs. 5,294.117 million) (financial liabilities on a net basis). These are benchmarked to variable rates which exposes the Company to cash flow interest rate risk only.

|                                                      | Carrying amount       |                       |
|------------------------------------------------------|-----------------------|-----------------------|
|                                                      | 2026<br>Rupees        | 2025<br>Rupees        |
| <b>Variable rate instruments</b>                     |                       |                       |
| <b>Financial liabilities:</b>                        |                       |                       |
| Long-term finance                                    | 2,825,412,888         | 2,637,286,920         |
| Short-term borrowings                                | 1,438,043,940         | 2,803,834,134         |
|                                                      | <b>4,263,456,828</b>  | <b>5,441,121,054</b>  |
| <b>Financial assets:</b>                             |                       |                       |
| Other financial assets - terms deposits with banks   | 139,503,615           | 147,003,615           |
| Net financial liabilities at variable interest rates | <b>4,123,953,213</b>  | <b>5,294,117,439</b>  |
| Interest rates range                                 | <b>2.5% to 13.09%</b> | <b>2.5% to 23.42%</b> |

#### Interest rate sensitivity analysis

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended June 30, 2026 would decrease / increase by Rs. 41.24 million (2025: Rs. 52.94 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

#### 41.5.2 Foreign currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings and balances held in foreign currency. However, the Company is materially exposed to foreign currency risk on liabilities. The Company enters into forward foreign exchange contracts to manage the foreign currency exchange risk associated with the receipts and payments. As at June 30, 2026 financial assets include Rs. 510.222 million (2025: Rs. 229.035 million) and financial liabilities include Rs. 1,150.509 million (2025: Rs. 260.335 million) which are subject to foreign currency risk against US Dollars.

#### Foreign currency sensitivity analysis

At June 30, 2026, if the Rupee had weakened / strengthened by 5% against the US Dollar with all other variables held constant, the Company's profit for the year would have increased / decreased by Rs. 32.014 million (2025: Rs. 1.565 million) determined on outstanding balance at year end.

#### 41.5.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

As at reporting date, the Company is exposed to price risk in respect of its investments in shares of quoted companies amounting to Rs. 20.357 million (2025: Rs. 18.934 million), as well as net asset value risk in respect of its investments in units of mutual funds amounting to Rs. 241.155 million (2025: Rs. 0.750 million), as quoted by the Mutual Funds Association of Pakistan (MUFAP) and mentioned in note 25.

If prices had been 10% higher/lower, with all other variables held constant, other comprehensive income for the year would have been higher/lower by Rs. 2.036 million (2025: Rs. 1.887 million) as a result of the impact on shares of quoted companies, and profit or loss for the year would have been higher/lower by Rs. 2.412 million (2025: Rs. 0.008 million) as a result of the impact on units of mutual funds.

#### 41.6 Operational risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's activities, either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of operation behavior. Operational risks arise from all of the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation while achieving its business objective and generating returns for investors.

Primary responsibility for the development and implementation of controls over operational risk rests with the management of the Company. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical business standards;
- risk mitigation, including insurance where it is effective; and
- operational and qualitative track record of suppliers and service providers.

#### 42. CAPITAL RISK MANAGEMENT

The objective of the Company when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefit for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratios at June 30, 2026 and 2025 were as follows:

|                               | Note   | 2026<br>Rupees | 2025<br>Rupees |
|-------------------------------|--------|----------------|----------------|
| Total borrowings              | 7 & 13 | 6,077,314,575  | 7,719,549,880  |
| Less: bank balances           | 26     | (535,046,895)  | (107,056,558)  |
| Less: terms deposits receipts | 25     | (139,503,615)  | (147,003,615)  |
| Net debt                      |        | 5,402,764,065  | 7,465,489,707  |
| Total equity                  |        | 5,020,103,939  | 4,759,531,220  |
| Total                         |        | 10,422,868,004 | 12,225,020,927 |
| Gearing ratio                 |        | 52%            | 61%            |

#### 43. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

The carrying value of all the financial instruments reported in the financial statements approximates their fair value as the items are short term in nature.

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

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within level 1 that are observable for the asset or the liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

**Level 3** - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

**The valuation techniques used are as follows:**

Level 1: Quoted prices (unadjusted) in active markets

The fair value of financial instruments traded in active markets is based on Net Asset Values (NAVs) of the units of the mutual funds and quoted market price of the equity instrument at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The following table presents the Company's financial assets which are carried at fair value:

|                                                                    | June 30, 2026      |          |          |                    |
|--------------------------------------------------------------------|--------------------|----------|----------|--------------------|
|                                                                    | Level 1            | Level 2  | Level 3  | Total              |
|                                                                    | Rupees             |          |          |                    |
| <b>Financial assets</b>                                            |                    |          |          |                    |
| <b>- measured at fair value through other comprehensive income</b> |                    |          |          |                    |
| Investment in listed equity securities                             | 20,356,800         | -        | -        | 20,356,800         |
| <b>- measured at fair value through profit or loss</b>             |                    |          |          |                    |
| Investment in mutual funds                                         | 241,155,221        | -        | -        | 241,155,221        |
|                                                                    | <b>261,512,021</b> | <b>-</b> | <b>-</b> | <b>261,512,021</b> |
| June 30, 2025                                                      |                    |          |          |                    |
|                                                                    | Level 1            | Level 2  | Level 3  | Total              |
|                                                                    | Rupees             |          |          |                    |
| <b>Financial assets</b>                                            |                    |          |          |                    |
| <b>- measured at fair value through other comprehensive income</b> |                    |          |          |                    |
| Investment in listed equity securities                             | 18,933,600         | -        | -        | 18,933,600         |
| <b>- measured at fair value through profit or loss</b>             |                    |          |          |                    |
| Investment in mutual funds                                         | 750,114            | -        | -        | 750,114            |
|                                                                    | <b>19,683,714</b>  | <b>-</b> | <b>-</b> | <b>19,683,714</b>  |

At the reporting date, the Company holds above financial assets where the Company has used Level 1 inputs for the measurement of fair values and there is no transfer between levels.

**44. SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE COMPANIES ACT, 2017**

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

|                                                                                                      | Note | 2026<br>Rupees | 2025<br>Rupees |
|------------------------------------------------------------------------------------------------------|------|----------------|----------------|
| <b>Disclosures required in relations to the Statement of Financial Position - liability side</b>     |      |                |                |
| <b>Financing as per Islamic Mode</b>                                                                 |      |                |                |
| - Long-term finances (including current portion)                                                     | 7    | 361,546,220    | 115,508,429    |
| - Short-term borrowings                                                                              | 13   | 67,486,386     | 1,408,780,640  |
| - Lease liabilities                                                                                  |      | -              | -              |
| <b>Interest accrued on conventional loans</b>                                                        |      |                |                |
| - Long-term finances                                                                                 | 12   | 68,650,699     | 73,580,273     |
| - Short-term borrowings                                                                              | 12   | 6,451,164      | 28,712,600     |
| <b>Disclosures required in relation to the Statement of Financial Position - asset side:</b>         |      |                |                |
| <b>Shariah compliant investments</b>                                                                 |      |                |                |
| - Long term investments                                                                              |      | -              | -              |
| - Short term investments                                                                             |      | -              | -              |
| <b>Shariah compliant balances</b>                                                                    |      |                |                |
| - Bank balances                                                                                      | 26   | 200,195,929    | 50,922,990     |
| - Bank deposits                                                                                      |      | -              | -              |
| - Term deposit receipts                                                                              | 25   | 45,000,000     | 45,000,000     |
| <b>Non-shariah compliant investments in other financial assets</b>                                   |      |                |                |
| - Investment in ordinary shares of listed companies                                                  | 25   | 20,356,800     | 18,933,600     |
| - Term deposit receipts                                                                              | 25   | 94,503,615     | 102,003,615    |
| - Mutual fund                                                                                        | 25   | 241,155,221    | 750,114        |
| <b>Disclosures required in relation to the Statement of Comprehensive Income:</b>                    |      |                |                |
| <b>Shariah compliant revenue</b>                                                                     |      |                |                |
| - Revenue from contracts with customers                                                              | 27   | 21,563,746,338 | 19,857,881,186 |
| Breakup of late payments or liquidated damages                                                       |      | -              | -              |
| Dividend earned on shariah compliant Investments / share of profit from shariah compliant associates |      | -              | -              |
| <b>Profit earned from shariah compliant</b>                                                          |      |                |                |
| - Term deposit receipts                                                                              | 25   | 3,289,082      | 3,101,125      |
| - Bank balances                                                                                      |      | -              | -              |
| - Bank deposits                                                                                      |      | -              | -              |
| <b>Exchange gain earned from actual currency</b>                                                     |      |                |                |
| - Unrealised gain on foreign currency loan                                                           | 32   | 4,761,215      | -              |
| - Unrealised loss on foreign currency loan                                                           | 31   | -              | 2,259,606      |
| - Unrealised loss on revaluation of foreign currency account                                         | 31   | 368,730        | -              |
| - Unrealised gain on revaluation of foreign currency account                                         | 32   | -              | 454,035        |
| <b>Exchange gains earned using conventional derivative financial instruments</b>                     |      |                |                |
| - Realised gain on forward contracts                                                                 | 32   | 31,509         | -              |
| <b>Profit paid on Islamic mode of financing</b>                                                      |      |                |                |
| - Long-term finances                                                                                 |      | 17,138,723     | -              |
| - Short-term borrowings                                                                              |      | 116,814,881    | 83,108,143     |
| Total Interest earned on any conventional loan or advance                                            |      | -              | -              |

|                                                              | Note | 2026<br>Rupees | 2025<br>Rupees |
|--------------------------------------------------------------|------|----------------|----------------|
| <b>Source and detailed breakup of other income</b>           |      |                |                |
| <b>Non-shariah compliant</b>                                 |      |                |                |
| - Dividend income                                            | 32   | 1,800,000      | 2,213,452      |
| - Realised gain on redemption of mutual funds                | 32   | 10,019,765     | 100,386,708    |
| - Unrealised gain on mutual funds                            | 32   | 348,295        | 1,211          |
| - Interest income on term deposit receipt                    | 32   | 8,468,133      | 11,458,821     |
| - Unrealised gain on revaluation of foreign currency account | 32   | -              | 454,035        |
| - Unrealised gain on foreign currency loan                   | 32   | 4,761,215      | -              |
| - Realised gain on forward contracts                         | 32   | 31,509         | -              |
| <b>Shariah compliant</b>                                     |      |                |                |
| - Interest income on term deposit receipt                    | 32   | 3,289,082      | 3,101,125      |
| - Scrap sales                                                | 32   | 5,411,297      | 4,467,232      |
| - Gain on disposal of property, plant and equipment - net    | 32   | 14,827,610     | 7,607,308      |
| - Rental income from investment property                     | 32   | 39,786,769     | 36,603,438     |

#### Relationship with shariah-compliant financial institutions

| Name                         | Relationship                   |
|------------------------------|--------------------------------|
| Meezan Bank Limited          | Funded facility & bank balance |
| Dubai Islamic Bank Limited   | Funded facility & bank balance |
| Bank Islami Pakistan Limited | Funded facility & bank balance |
| United Bank Limited Ameen    | Funded facility & bank balance |
| Faysal Bank Limited          | Funded facility & bank balance |

#### 45. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation.

#### 46. OPERATING SEGMENTS

Chief Executive considers the business as a single operating segment as the Company's assets allocation decisions are based on a single, integrated business strategy, and the Company's performance is evaluated on an overall basis. Sales of the Company related to export customers is 21.95 percent (2025: 18.97 percent) . As at year end, all non-current assets of the Company are located within Pakistan.

#### 47. NUMBER OF EMPLOYEES

|                           | 2026  | 2025  |
|---------------------------|-------|-------|
| Number of employees       |       |       |
| - At June 30              | 1,124 | 1,109 |
| - Average during the year | 1,117 | 1,096 |

**48. EVENTS AFTER THE REPORTING DATE**

The Board of Directors in its meeting held on September 29, 2026, proposed to distribute to the shareholders of the Company a cash dividend at the rate of 60 percent i.e. Rs. 6/- per ordinary share. The dividend is subject to the approval by the shareholders of the Company in its forthcoming Annual General Meeting. These financial statements do not reflect the effect of such dividend which will be accounted for in the financial statements of the Company subsequent to the year end, when it is approved by the shareholders of the Company.

**49. DATE OF AUTHORIZATION FOR ISSUE**

These financial statements were authorised for issue on September 29, 2026 by the Board of Directors of the Company.

**50. GENERAL**

Figures have been rounded off to the nearest to Rupee.

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## FORM OF PROXY

The Secretary,

**NAGINA COTTON MILLS LTD.**

2nd Floor, Shaikh Sultan Trust Building No. 2,  
26-Civil Lines, Beaumont Road, 91-B-1,  
M.M. Alam Road, Karachi - 75530

I/We \_\_\_\_\_ of \_\_\_\_\_ being member(s) of **NAGINA COTTON MILLS LTD.**, and holder of \_\_\_\_\_ Ordinary Shares as per Share Register Folio No. \_\_\_\_\_ (In case of Central Depository System Account Holder A/c No. \_\_\_\_\_ Participant I.D. No. \_\_\_\_\_) hereby appoint \_\_\_\_\_ of \_\_\_\_\_ who is member of the Company as per Register Folio No. \_\_\_\_\_ (In case of Central Depository System Account Holder A/c No. \_\_\_\_\_ Participant I.D. No. \_\_\_\_\_) or failing him/her \_\_\_\_\_ of \_\_\_\_\_ who is member of the Company as per Register Folio No. \_\_\_\_\_ (In case of Central Depository System Account Holder A/c No. \_\_\_\_\_ Participant I.D. No. \_\_\_\_\_) as my/our proxy to vote for me/us and on my/our behalf at the 59th Annual General Meeting of the Company to be held on October 28, 2026 and at any adjournment thereof.

Signed at \_\_\_\_\_ this the \_\_\_\_\_ day of \_\_\_\_\_ 2026

### WITNESSES:

|                    |                    |
|--------------------|--------------------|
| 1. Signature _____ | 2. Signature _____ |
| Name _____         | Name _____         |
| Address _____      | Address _____      |
| _____              | _____              |
| CNIC _____         | CNIC _____         |
| _____              | _____              |

affix  
Rs. 50/=  
Revenue  
Stamp

(Signature should agree with the Specimen signature registered with the Company)

### NOTES:

1. If a member is unable to attend the meeting, he/she may sign this form and send it to the Secretary so as to reach him not less than 48 hours before the time of holding the meeting.
2. Members through CDC appointing proxies must attach attested copy of their Computerized National Identity Card (CNIC) with the proxy form.
3. The Shareholders through CDC, who wish to attend the Annual General Meeting are requested to please bring, original Computerized Identity Card with copy thereof duly attested by their Bankers, Account Number and Participant I.D Number for identification purpose.
4. In case of corporate entity, certified copy of the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form of the Company.



پراکسی فارم (مختار نامہ)

یکٹرری

نگینہ کائن ملز لمیٹڈ

دوسری منزل، شیخ سلطان ٹرسٹ بلڈنگ نمبر 2،

26- سول لائنز، بیاؤٹ روڈ،

کراچی-75530

میں / ہم

ساکن

بحیثیت رکن نگینہ کائن ملز لمیٹڈ اور حال عام حصص بمطابق شیئر رجسٹر فلیو نمبر

(بصورت سنٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر اکاؤنٹ نمبر پارٹیشنڈ (شرکت) آئی ڈی نمبر )

بذریعہ ہذا

محترم / محترمہ ساکن

جو کمپنی کا ممبر ہے بمطابق شیئر رجسٹر فلیو نمبر

(بصورت سنٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر اکاؤنٹ نمبر پارٹیشنڈ (شرکت) آئی ڈی نمبر )

یا اسکی غیر موجودگی میں محترم / محترمہ ساکن

جو کمپنی کا ممبر ہے بمطابق شیئر رجسٹر فلیو نمبر

(بصورت سنٹرل ڈیپازٹری سسٹم اکاؤنٹ ہولڈر اکاؤنٹ نمبر پارٹیشنڈ (شرکت) آئی ڈی نمبر ) کو

مورخہ 28 اکتوبر 2026ء کو منعقد ہونے والے کمپنی کے 59 ویں سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے، تقریر اور شرکت کرنے یا کسی بھی التواء کی صورت میں اپنا / ہمارا بطور مختار

(پراکسی) مقرر کرتا ہوں / کرتے ہیں۔

دستخط: ..... آج بروز ..... بتاریخ ..... 2026ء

گواہ:

50 روپے کارسیدی ٹکٹ  
چسپاں کریں

دستخط کمپنی کے ہاں رجسٹرڈ نمونہ دستخطوں کے  
مطابق ہونے چاہئیں

۱- دستخط: \_\_\_\_\_ ۲- دستخط: \_\_\_\_\_

نام: \_\_\_\_\_ نام: \_\_\_\_\_

پتہ: \_\_\_\_\_ پتہ: \_\_\_\_\_

شناختی کارڈ نمبر: \_\_\_\_\_ شناختی کارڈ نمبر: \_\_\_\_\_

نوٹ:

- 1- اگر ایک ممبر اجلاس میں شرکت کے قابل نہیں ہے تو وہ اس فارم پر دستخط کرے اور یکٹرری کو اس طور ارسال کر دے کہ اجلاس کے انعقاد کے وقت سے کم از کم 48 گھنٹے قبل پہنچ جانا چاہئے۔
- 2- سی ڈی سی کے ذریعے حصص یافتگان پراکسیز تقرر کرتے ہوئے پراکسی فارم کے ہمراہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی مصدقہ کاپی منسلک کریں۔
- 3- سی ڈی سی کے ذریعے حصص یافتگان جو سالانہ اجلاس میں شرکت کرنا چاہتے ہوں سے التماس ہے کہ شناخت کے مقصد کے لئے اصل کمپیوٹرائزڈ قومی شناختی کارڈ بمعہ اپنے ٹیکرز سے اسکی مصدقہ کاپی، اکاؤنٹ نمبر اور پارٹیشنڈ آئی ڈی نمبر ہمراہ لائیں۔
- 4- کارپوریٹ ایجنسی کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ کی مصدقہ کاپی مع نمونہ دستخط (اگر پہلے فراہم نہ کئے گئے ہوں) پراکسی فارم (مختار نامہ) کے ہمراہ کمپنی میں جمع کرانا ہوگا۔