AL-ABID
SILK MILLS LIMITED

57th ANNUAL REPORT
2025

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FOR THE YEAR ENDED JUNE 30, 2025

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AL-ABID SILK MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Naseem A. Sattar	Chairman and Founder of the Company
	Mr. Azim Ahmed	Chief Executive Officer
	Mr. Qamar Mashkoor	Independent Non-Executive Director
	Mr. Muhammad Sajid Hafeez	Independent Non-Executive Director
	Mrs. Sadaf Nadeem	Non-Executive Director
	Syed Raza Abbas Jaffari	Nominee Director of (N.I.T.)
AUDIT COMMITTEE	Mr. Qamar Mashkoor	Chairman
	Mr. Muhammad Sajid Hafeez	Member
	Mr. Naseem A. Sattar	Member
HUMAN RESOURCE AND REMUNERATION COMMITTEE	Mr. Muhammad Sajid Hafeez	Chairman
	Mr. Naseem A. Sattar	Member
CHIEF FINANCIAL OFFICER	Mr. Haroon Rasheed	
SECRETARY	Mr. Nasim Ahmed	
AUDITOR	Muniff Ziauddin & Co., Chartered Accountants	
REGISTRAR	Jwaffs Registrar Services (Pvt) Ltd. Room # 407-408, 4th Floor, Al-Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi	
BANKERS	Allied Bank Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited JS Bank Limited Meezan Bank Limited National Bank of Pakistan PAIR Investment Company Limited Standard Chartered Bank (Pakistan) Limited Summit Bank Limited The Bank of Punjab United Bank Limited	
REGISTERED OFFICE	A-34/A, S.I.T.E., Manghopir Road, Karachi.	
MILLS	A-34 / A, A-29 / B, S.I.T.E., Karachi.	
E-MAIL	mail@alabid.com	

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 57th Annual General meeting of the Shareholders of the Company will be held at the Hotel Galaxy 164, B.C.H.S.Shahrah-e-Faisal Karachi, on Tuesday, October 28, 2025 at 03:30 p.m. to transact the following business:

1. To confirm the Minutes of the Annual General Meeting of the Company held on November 26, 2024.

2. To receive, consider and adopt the annual audited accounts of the Company together with the Directors' and Auditors' Report thereon for the year ended June 30, 2025.

3. To appoint statutory Auditors for the year 2025-2026 and fix their remuneration. The present auditors M/s. Muniff Ziauddin & Company, Chartered Accountants, have offered themselves for re-appointment as Auditors of the Company.

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

BY ORDER OF THE BOARD

NASIM AHMED
Company Secretary

Karachi: September 29, 2025

NOTES:

1. The Share Transfer Books of the Company will remain closed from October 21, 2025 to October 28, 2025 (both days inclusive).

2. Members whose names appearing in the Registered of Members as of October 20, 2025, are entitled to attend and vote at the meeting. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote for him/her. A proxy must be a member of the Company.

3. An instrument of proxy applicable for the Meeting may be obtained from the Registered Office of the Company during normal office hours. Proxy form may also be downloaded from the Company's website: www.alabid.com.

4. An instrument of proxy and the power of attorney or other authority (if any) under which is signed, or a notarially certified copy of such power or authority, must be valid, be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.

5. In accordance with the provisions of Section 242 of the Companies Act, 2017 and Circular No.18/2017, a listed company, is required to pay cash dividend to the shareholders only through electronic mode directly into the bank account designated by the entitled shareholder.

6. In compliance with the said law, in order to received your future dividends directly in your Bank Account, you are required to provide the information mentioned on the form placed on the Company's website and send the same to your brokers/ the Central Depository Company Ltd, if the share are held in electronic form or to the Company's shares Registrar If the shares are held in paper certificate form.

7. Members are requested to submit a copy of their Computerized National Identity Card (CNIC/SNIC), if not already provided, and notify immediately changes, if any, in their registered address to our Share Registrar, JWAFFS Registrar Services (Pvt) Limited.

8. Pursuant to SECP Circular No.4 of 2021 dated February 15, 2021 read with Circular No.6 dated March 03, 2021, The Company to facilitate the members who want to attend AGM through Zoom application a video link facility will be provided. Share holders interested in attending the AGM through Zoom, application are hereby requested to get themselves registered with the Company Secretary office by providing the following details at the earliest at least 48 hours before the time of AGM,

   a) Mobile / WhatsApp: 0333-3561049
   b) E-mail: naseem.ahmed@alabid.com

   Shareholders are advised to mention their Name, CNIC Number, Folio/CDC Account Number, Cell Number and email ID for identification.
   Upon receipt of the above information from the interested shareholders, the Company will send the login credentials to them accordingly.

9. 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.

10. **CDC Account Holders will further have to follow the under mentioned guidelines as laid down in circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan and being mentioned in the Notice of Meeting Circulated to the Members.**

A. **For Attending the Meeting:**

i) In case of individuals, the account holder or sub-account holder and/or the persons whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or, original passport at the time of attending the meeting.

ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. **For Appointing Proxies**

i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.

ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iv) The proxy shall produce his/her original CNIC or original passport at the time of the Meeting.

v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

REVIEW REPORT BY THE CHAIRMAN

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

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

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

Chairman

Karachi: September 29, 2025

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Board of Directors of the Company is pleased to present 57th Annual report to the share holders for the year ended June 30, 2025.

Future outlook:

We anticipate that the economic condition of the country will continue to improve, supported by prudent policy management, ongoing strategic reform initiatives to ensure fiscal discipline, improved foreign exchange reserves, political stability, declining inflation, employment generation, and economic assistance from friendly nations. These are key indicators of the positive impact of the Government's policies.

The textile industry, however, remains under pressure due to increased taxes and duties, and we believe this sector requires special attention from the Government to ensure sustainable growth.

The Company is currently in negotiations with buyers for the production and processing of its product line. Numerous samples have been developed for buyer approval, and we are hopeful that bulk production will commence in the near future.

During the year, one of our Non-Executive Directors resigned. The Board intends to co-opt a Director in due course to ensure the Board's composition is complete.

Comments on adverse opinion in Auditor's report:

1. The accumulated loss of the Company stand negative Rs.2,314 million. As the Company is not presently engaged in production.
2. The Company is currently engaged in litigation with certain banks, which has resulted in those banks declining to provide direct confirmation of balances to the auditor.

DIVIDEND

In view of the prevailing financial constraints, the Company does not plan on declare any dividend for the year ended June 30, 2025.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK:

The Directors declare that:

- The financial statements prepared by the management of Al-Abid Silk Mills Limited present fairly the state of affairs of the Company, its results of its operations, cash flows and changes in equity.
- Proper books of account have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Rakistan, have been dully followed in preparation of the Financial Statements.
- The Board is responsible for the Company's system of internal control and for reviewing its effectiveness.

- There are no significant doubts regarding the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- Key operating and financial data for last six years in summarized form is also enclosed in the annual report.

BOARD MEETINGS AND ATTENDANCE:

During the year, five (05) meetings of the Board of Directors were held. The attendance of Directors at these meetings was as follows:

Name of Director	Meeting Attended
Mr.Naseem A.Sattar	Leave
Mr.Azim Ahmed	05
Mr.Qamar Mashkoor	05
Mr.Muhammad Sajid Hafeez	05
Mst.Adia Naseem (Resigned)	02
Mrs.Sadaf Nadeem	05
Syed Raza Abbas Jaffari	04

INTERNAL AUDIT FUNCTION:

The Board acknowledges its responsibility for ensuring the effectiveness of the company's system of internal control. These systems are designed to safeguard the Company against risk to which it may be exposed.

AUDITORS:

M/s. Muniff Ziauddin & Co., Chartered Accountants have retired and offered themselves for reappointment. The board of Directors recommends their reappointment as auditors of the Company for the financial year ending June 30, 2026.

PATTERN OF SHAREHOLDING:

The Pattern of Shareholding and additional related disclosures are annexed to the financial statements included in this report.

ACKNOWLEDGMENT:

The Board of Directors expresses its sincere gratitude to the shareholders and financial institutions for their continued support and cooperation.

For and on behalf of the Board of Directors

AZIM AHMED

Director

Chief Executive Officer

Karachi: September 29, 2025

حصص داران کیلئے ڈائریکٹرز کی رپورٹ

کمپنی کے بورڈ آف ڈائریکٹرز حصص داران کو 30 جون 2025ء کو ختم ہونے والے سال کی 57 ویں سالانہ رپورٹ پیش کر رہے ہیں۔

مستقبل کا نظریہ:

ہمیں توقع ہے کہ ملک کی معاشی صورتحال میں مزید بہتری جاری رہے گی، جیسے دانشمندانہ پالیسی مینجمنٹ، جاری اسٹریٹجک اصلاحاتی اقدامات برائے مالی نظم وضبط، زرمبادلہ کے ذخائر میں بہتری، سیاسی استحکام، افراط زر میں کمی، روزگار کے مواقع میں اضافہ اور دوست ممالک کی طرف سے معاشی معاونت سہارا فراہم کریں گے۔ یہ تمام عوامل حکومت کی پالیسیوں کے مثبت اثرات کے کلیدی اشارے ہیں۔

تاہم، ٹیکسٹائل صنعت بدستور دباؤ کا شکار ہے کیونکہ اس پر ٹیکسز اور ڈیوٹیز میں اضافہ ہوا ہے۔ ہمارا یقین ہے کہ اس شعبے پر حکومت کی خصوصی توجہ درکار ہے تاکہ پائیدار ترقی کو یقینی بنایا جاسکے۔

کمپنی اس وقت اپنے پروڈکٹ لائن کی پیداوار اور پروسیسنگ کے حوالے سے خریداروں کے ساتھ مذاکرات کر رہی ہے۔ خریداروں کی منظوری کے لیے متعدد نمونے تیار کیے جاچکے ہیں اور ہمیں امید ہے کہ قریبی مستقبل میں بلک پروڈکشن کا آغاز ہو جائے گا۔

سال کے دوران ہمارے ایک نان ایگزیکٹو ڈائریکٹر نے استعفیٰ دے دیا۔ بورڈ کا ارادہ ہے کہ جلد ہی ایک نئے ڈائریکٹر کو شامل کیا جائے تاکہ بورڈ کی تشکیل مکمل رکھی جا سکے۔

آڈیٹرز رپورٹ کی منفی رائے پر تبصرہ:

۱۔ جمع شدہ خسارہ 2,314 ملین روپے تک پہنچ گیا ہے یہ کمی کمپنی کے پیداوار میں نہ ہونے کی وجہ سے ہے۔

۲۔ بینک نے آڈیٹر کو براہ راست کسی بیلنس کی تصدیق نہیں کی کیونکہ بینک قانونی چارہ جوئی میں کسی بیلنس کی تصدیق نہیں کرتے۔

ڈویڈنڈ:

موجودہ حالات کو مدنظر رکھتے ہوئے، کمپنی کا کیش فلو کسی بھی ڈیویڈنڈ کی ادائیگی کی اجازت نہیں دیتا۔ لہذا، بورڈ آف ڈائریکٹرز نے 30 جون 2025 کو ختم ہونے والے سال کے لیے ڈویڈنڈ کی سفارش نہیں کی۔

کارپوریٹ اور مالیاتی رپورٹنگ کا فریم ورک:

ڈائریکٹرز نے یہ اقرار کیا ہے کہ:

☆ العابد سلک ملز لمیٹڈ کی انتظامیہ نے مالیاتی حسابات مرتب کئے ہیں جو کہ موجودہ معاملات کیلئے بالکل صحیح ہیں، جو کہ آپریشن، کیش فلو اور ایکوئٹی میں تبدیلی کا نتیجہ ہے۔

☆ العابد سلک ملز لمیٹڈ کے کھاتے مناسب طور پر مرتب کئے گئے ہیں۔

☆ مالیاتی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں پر عملدرآمد کیا گیا ہے اور اکاؤنٹنگ کا تخمینہ مناسب اور صحیح فیصلے کی بنیاد پر ہے۔

☆ انٹرنیشنل فنانسنگ رپورٹنگ اسٹینڈرڈ جس کا اطلاق پاکستان میں کیا گیا ہے، ہم نے مالیاتی حسابات کی تیاری میں اس پر عملدرآمد کیا ہے۔

☆ بورڈ کمپنی کے داخلی کنٹرول کے سسٹم کا ذمہ دار ہے، بورڈ نے یہ طے کیا ہے کہ داخلی کنٹرول کا سسٹم مضبوط اور موثر ہونا چاہئے تاکہ صحیح معنوں میں عملدرآمد

کیا جا سکے۔

☆ کمپنی کی مہارت پر کسی قسم کے کوئی شکوک وشبہات نہیں ہیں۔

☆ کارپوریٹ گورننس کی بہترین پریکٹس سے کسی بھی مواد کو ضائع نہیں کیا گیا ہے جس کی تفصیل فہرست میں موجود ہے۔

☆ گذشتہ چھ سالوں کا مالیاتی ڈیٹا اور آپریٹنگ کا طریقہ کار سالانہ رپورٹ کے ساتھ منسلک ہے۔

دوران سال منعقدہ بورڈ کی میٹنگز کی تعداد اور ہر ڈائریکٹر کی حاضری:

اس سال بورڈ آف ڈائریکٹرز کی 5 میٹنگز منعقد ہوئیں، بورڈ کی ان میٹنگز میں حاضر ہونے والے ڈائریکٹرز کی تفصیلات درج ذیل ہیں:

ڈائریکٹر کا نام	میٹنگ میں حاضری کی تعداد
جناب نسیم اے ستار	چھٹی
جناب عظیم احمد	05
جناب قمر مشکور	05
جناب محمد ساجد حفیظ	05
محترمہ عادیہ نسیم (مستعفی)	02
محترمہ صدف ندیم	05
سید رضا عباس جعفری	04

انٹرنل آڈٹ فنکشن:

یہ بورڈ انٹرنل کنٹرول کی کمپنی کے نظام کو موثر بنانے کا ذمہ دار ہے۔ انٹرنل کنٹرول سسٹم کو اس طرح مرتب کیا گیا ہے کہ کمپنی کی تمام ضروریات پوری ہوسکیں اور ہر قسم کے خطرات سے محفوظ رہا جا سکے۔

آڈیٹرز:

میسرز منیف ضیاءالدین اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹ ریٹائر ہو چکے ہیں اور انہوں نے اپنی تقرری کیلئے دوبارہ پیشکش کی ہے۔ بورڈ آف ڈائریکٹر نے 30 جون 2026ء کو ختم ہونے والے سال کیلئے میسرز منیف ضیاءالدین اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹ کی تقرری کی سفارش کی ہے۔

شیئر ہولڈنگ کا پیٹرن:

شیئر ہولڈنگ کا پیٹرن اور اضافی معلومات مالیاتی حسابات میں اس رپورٹ کے ساتھ منسلک ہے۔

اظہار تشکر:

کمپنی کے بورڈ آف ڈائریکٹرز شیئر ہولڈرز اور مالیاتی اداروں کے تفہیم، حمایت اور تعاون کیلئے شکر گزار ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

عظیم احمد
چیف ایگزیکٹیو آفیسر

ڈائریکٹر

کراچی: مورخہ 29 ستمبر 2025ء

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 For the year ended June 30, 2025

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

1. The total number of directors are 06 (Six) as per the following:

a. Male:	05
b. Female:	01

2. The composition of the Board is as follows:

Executive Director	Mr.Azim Ahmed
Non Executive Director	Mr.Naseem A.Sattar (Founder of the Company) Mrs.Sadaf Nadeem Syed Raza Abbas Jaffari (Nominee NIT)
Independent Directors	Mr.Qamar Mashkoor Mr.Muhammad Sajid Hafeez

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 Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Companies Act, 2017 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. All the directors of the company have completed or are exempted from the requirement of director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.

10. The Board has approved appointment of chief financial officer, company secretary including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

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

Audit Committee

Mr.Qamar Mashkoor	Chairman
Mr.Naseem A.Sattar	Member
Mr.Muhammad Sajid Hafeez	Member

HR and Remuneration Committee

Mr.Muhammad Sajid Hafeez	Chairman
Mr.Naseem A.Sattar	Member

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

14. The frequency of meetings (Quarterly) of the committee were as per following

a. Audit Committee	04 Quarterly meetings
b. HR and Remuneration Committee	01 Annual meeting

15. The board has not set up an effective internal audit function or has not outsourced the internal audit function to any specialist organization due to the present situation of the Company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

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

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

19. Explanation for non-compliance with the requirement, other than regulations 3,6,7,8,27,32,33 and 36 is as follows.

Regulation No	Explanation
29(1)	As per the regulation, there may be a separate committee designated as the nomination committee, However, there is no nomination committee in the Company since the company is not operational since a long time.
30(1)	As per the regulation, there may be a separate committee designated as the risk management committee, However, there is no risk management committee in the Company since the company is not operational since a long time.
10A(1) (3) (4)	The Board will ensure that the Company has addressed sustainability-related risk and opportunities. Also, it will ensure that Company's sustainability and DE&I related strategies are periodically reviewed and monitored in future.
10A(5)	Currently, the Board has not constituted a separate Sustainability Committee and the functions will be performed by the Board Audit committee.

Chairman

Karachi: September 29, 2025

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 **Al-Abid Silk Mills Limited** (the Company) for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

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

As a part of our audit of 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 Director's 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 requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

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

Following instances of non-compliance with the requirements of the Regulations were observed which are not appropriately stated in the Statement of Compliance:

Note reference	Description
1	During the year, the Company was required under the Listed Companies (Code of Corporate Governance) Regulations, 2019 to have a minimum of seven (7) directors on the Board. However, the Board consisted of six (6) directors. Accordingly, the Company was not in compliance with the requirement of Regulation 3 of the Code of Corporate Governance.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph 19 in the Statement of Compliance:

Reg.	Explanation
31	As per the regulation, there shall be an internal audit function in every company. However, there is no internal function in the Company, since the Company is not fully operational as of yet.
29(1)	As per the regulation, there may be a separate committee designated as the nomination committee, However, there is no nomination committee in the Company since the company is not operational as of yet.
30(1)	As per the regulation, there may be a separate committee designated as the risk management committee, However, there is no risk management committee in the Company since the company is not fully operational as of yet.
10A(1) (3) (4)	The Board will ensure that the Company has addressed sustainability-related risk and opportunities. Also, it will ensure that Company's sustainability and DE&I related strategies are periodically reviewed and monitored in future.
10A(5)	Currently, the Board has not constituted a separate Sustainability Committee and the functions will be performed by the Board Audit committee.

CHARTERED ACCOUNTANTS

KARACHI

DATE: September 29, 2025

UDIN: CR202510130tr10QIMHE

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Adverse Opinion

We have audited the annexed financial statements of **Al-Abid Silk Mills Limited** (the Company), which comprise the statement of financial position as at **30 June 2025**, and the statement of profit or loss, statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state except for the matter as disclosed in paragraph (ii) of the basis of Adverse opinion 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the accompanying financial statements do not give a true and fair view of the financial position of the company as at June 30, 2025, and financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Adverse Opinion

(i) As explained in note 2 to the financial statements, the accumulated loss of the company has reached at Rs. 2.314 billion, and as of that date Company's current liabilities exceeded its current assets by Rs. 1.902 billion. Furthermore, during the year no production and sales were made by the company. These events indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. These financial statements have been prepared on a going concern basis however; the business revival plan as disclosed in the financial statements has not yet been implemented.

(ii) We have not received direct bank confirmations from the banks and financial institutions for short term loans amounting to Rs.744.239 million as mentioned in the financial statements. The Company has not recorded mark-up on these finances which amounts to Rs. 192.82 million on the plea of restructuring negotiation/litigation with the respective banks. Moreover, we were not arranged direct confirmations from trade & other creditors amounting to Rs. 689.345 million.

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 Auditors' 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 adverse opinion.

Key Audit Matters

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

In addition to the matter described on the basis for Adverse opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matters	How our audit addressed the Key Audit Matters
1. Contingencies	
The Company is subject to material litigations involving different courts pertaining to Long-term loans, taxation and other matters, which requires management to make assessment and judgements with respect to likelihood and impact of such litigations. Management have engaged independent legal counsel on these matters. The accounting for, and disclosure of, contingencies is complex and is a matter of most significance in our audit because of the judgements required to determine the level of certainty on these matters. The details of contingencies along with management's assessment and the related provisions are disclosed in note 16 to the financial statements.	In response to this matter, our audit procedures included: Discussing legal cases with the legal department to understand the management's view point and obtaining and reviewing the litigation documents in order to assess the facts and circumstances. Obtaining independent opinion of legal advisors dealing with such cases in the form confirmations. We also evaluated the legal cases in line with the requirements of IAS 37: Provisions, contingent liabilities and contingent assets. The disclosures of legal exposures and provisions were assessed for completeness and accuracy.

Information other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 auditors' 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 auditors' 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

a) Proper books of account have been kept by the Company as required by the Companies Act,2017(XIXof2017);

b) except the matters specified in basis for adverse opinion, the statement of financial position, the statement of profit or loss, and statement of 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;

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

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

The engagement partner on the audit resulting in this independent auditors' report is Sohail Saleem

Chartered Accountants
Karachi:

Date: September 29, 2025

UDIN: AR202510130iqSvyxOgl

STATEMENT OF FINANCIAL POSITION

	Note	June 30, 2025	June 30, 2024
		(Rupees)	
EQUITY & LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
20,000,000 ordinary shares of Rs. 10/- each		200,000,000	200,000,000
Issued, subscribed and paid-up capital	7	134,095,500	134,095,500
Capital reserves			
Other reserves		372,834,000	372,834,000
Revaluation Surplus on Property, Plant & Equipment	8	2,400,539,148	1,905,752,279
Revenue reserves			
Accumulated loss		(2,314,936,923)	(2,274,169,982)
Total equity		592,531,725	138,511,797
LIABILITIES			
NON- CURRENT LIABILITIES			
Deferred tax	9	-	-
Long Term Finances	10	199,264,000	224,764,000
Staff retirement benefits	11	8,735,026	8,569,711
		207,999,026	233,333,711
CURRENT LIABILITIES			
Loan from directors - unsecured	12	561,018,754	561,018,754
Trade and other payables	13	771,073,357	784,982,603
Unclaimed dividend		108,310	108,310
Current maturity of long term finances	10	34,000,000	23,500,000
Accrued markup	14	43,322,484	43,322,484
Short term finances	15	744,239,039	744,239,039
Provision for taxation		736,262	439,792
		2,154,498,206	2,157,610,982
CONTINGENCIES AND COMMITMENTS	16		
		2,955,028,957	2,529,456,490

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

Chief Executive Officer

Director

AS AT JUNE 30, 2025

	Note	June 30, 2025	June 30, 2024
		(Rupees)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	17	**2,572,274,278**	2,200,474,320
Investment property	18	**126,285,000**	19,500,000
Long term security deposit		**4,815,457**	4,815,457
CURRENT ASSETS			
Stores and spares	19	**10,733,690**	15,417,690
Loans and advances	20	**1,237,718**	1,195,630
Trade deposits and prepayments	21	**218,100**	218,100
Other receivables	22	**122,853,312**	124,324,885
Tax refunds due from government	23	**66,144,045**	60,076,908
Cash and bank balances	24	**50,467,357**	103,433,500
		251,654,222	304,666,713
		2,955,028,957	2,529,456,490

Chief Financial Officer

STATEMENT OF PROFIT OR LOSS ACCOUNT
For the year ended June 30, 2025

	Note	2025	2024
		----------- (Rupees) ----------	
Sales and manufacturing	25	-	-
Cost of sales	26	(101,095,575)	(115,917,539)
Gross loss		(101,095,575)	(115,917,539)
Operating expenses			
Administrative expenses	27	(59,334,463)	(30,339,186)
Other Income	28	35,182,208	266,773,306
Other expenses	29	(13,395,986)	(3,860,186)
(Loss)/Profit from operations		(138,643,816)	116,656,395
Finance cost	30	-	(57,171)
(Loss)/Profit before levy and taxation		(138,643,816)	116,599,224
Levy	31	(296,470)	(439,792)
(Loss)/Profit before taxation		(138,940,286)	116,159,432
Taxation		-	-
(Loss)/Profit after taxation		(138,940,286)	116,159,432
(Loss)/earning per share - basic and diluted	32	(10.36)	8.66

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

Chief Executive Officer

Director

Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME
For the year ended June 30, 2025

	2025	2024
	(Rupees)	
(Loss)/Profit after taxation	**(138,940,286)**	116,159,432
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Revaluation of property, plant and equipments	**592,799,611**	500,000
Remeasurements of defined benefit liability	**160,603**	(274,286)
	592,960,214	225,714
Items that are or may be reclassified subsequently to profit or loss	**-**	-
Other comprehensive income for the year	**592,960,214**	225,714
Total comprehensive income for the year	**454,019,928**	116,385,146

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

Chief Executive Officer	Director	Chief Financial Officer

AL-ABID SILK MILLS LIMITED

STATEMENT OF CASH FLOWS
For the year ended June 30, 2025

	2025	2024
	----------- (Rupees) ----------	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/Profit before levy and taxation	**(138,643,816)**	116,599,224
Adjustments for:		
Depreciation	**101,435,957**	116,324,099
Loss on disposal of plant and equipment	**13,302,150**	2,891,468
Provision for staff retirement benefits	**325,918**	244,680
Gain on settlement of financial liability	**-**	(217,435,093)
Addition to Fixed Assets	**(15,687,388)**	(21,159,267)
Security Deposit to KE	**-**	(1,504,150)
	99,376,637	(120,638,263)
WORKING CAPITAL CHANGES		
Decrease / (Increase) in current assets:		
Loan and advances	**(42,088)**	(39,324)
Store and Spares	**4,684,000**	9,491,310
Other Receivable	**1,471,573**	88,889,744
Trade Deposits and prepayments	**-**	1,842,588
Tax refunds due from government	**(4,264,016)**	(681,637)
	1,849,469	99,502,681
(Decrease) / Increase in current liabilities:		
Trade and other payable	**(13,909,246)**	19,806,206
Cash generated from / (used on) operations	**(51,326,956)**	115,269,848
Taxes paid	**(1,803,121)**	(1,944,913)
Gratuity paid	**-**	(562,310)
Net cash used in operating activities	**(53,130,077)**	112,762,625
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of fixed assets	**15,163,934**	69,722,261
Net cash generated from investing activities	**15,163,934**	69,722,261
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term finance	-	(89,500,000)
Repayment of long term finance	(15,000,000)	(19,650,000)
Net cash used in financing activities	(15,000,000)	(109,150,000)
Net (decrease) / increase in cash and cash equivalents	(52,966,143)	73,334,886
Cash and cash equivalents at the beginning of the year	103,433,500	30,098,615
Cash and cash equivalents at the end of the Year	50,467,357	103,433,500

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

Chief Executive Officer	**Director**	**Chief Financial Officer**

STATEMENT OF CHANGES IN EQUITY
For the year ended June 30, 2025

	Share Capital	Capital Reserve		Revenue Reserve	
	Issued, subscribed and paid-up capital	Other reserve	Revaluation Surplus on Property Plant & Equipment	Accumulated Loss	Total
	Rupees				
Balance as at July 01, 2023	134,095,500	372,834,000	2,048,543,523	(2,533,346,372)	22,126,651
Comprehensive income for the year					
Loss after tax for the period ended June 2024	-	-	-	116,159,432	116,159,432
Other comprehensive income	-	-	500,000	(274,286)	225,714
Total comprehensive loss for the Year ended June 30, 2024	-	-	500,000	115,885,146	116,385,146
-Transfer on account of incremental depreciation	-	-	(86,483,244)	86,483,244	-
Transfer on account of disposal of Fixed Assets			(56,808,000)	56,808,000	
Balance as at June 30, 2024	**134,095,500**	**372,834,000**	**1,905,752,279**	**(2,274,169,982)**	**138,511,797**
Comprehensive income for the Year					
Loss after tax for the Year ended June 30, 2025	-	-	-	(138,940,286)	(138,940,286)
Other comprehensive income	-	-	592,799,611	160,603	592,960,214
Total comprehensive loss for the Year ended June 30, 2025	-	-	592,799,611	(138,779,683)	454,019,928
-Transfer from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	(55,596,548)	55,596,548	-
Transfer on account of disposal of Fixed Assets	-	-	(42,416,194)	42,416,194	-
Balance as at June 30, 2025	**134,095,500**	**372,834,000**	**2,400,539,148**	**(2,314,936,923)**	**592,531,725**

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

Chief Executive Officer	Director	Chief Financial Officer

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

1. LEGAL STATUS AND OPERATIONS

1.1 Al-Abid Silk Mills Limited (the Company) was incorporated as a private limited company in the year 1968, later on it was converted into public limited company as on December 24, 1987 under repealed Companies Ordinance, 1984 (repealed by the enactment of Companies act, 2017). The shares of the Company are listed on Pakistan Stock Exchange Limited. The registered office is located at A-34/A, S.I.T.E., Manghopir Road, Karachi. The Company is principally engaged in manufacturing and processing of various kinds of fabrics and export of printed and dyed cloth, bed sets and other textile made-ups. The manufacturing facilities of the Company are located at Karachi.

Geographical location and addresses of major business units including mills / plants of the Company are as under:

KARACHI	PURPOSE
A-34/A, S.I.T.E., Manghopir Road, Karachi.	The registered office with manufacturing facilities
A-29/B, S.I.T.E., Manghopir Road, Karachi.	The factory premises with manufacturing facilities

2 GOING CONCERN ASSUMPTIONS

The Company has curtailed off the manufacturing activities for quite some time. As a result of constant losses, the accumulated loss of the company has reached to Rs. 2.314 billion and total equity stood at Rs. 592 million, while the reported current liabilities (since partly under litigation) have exceeded to current assets of the company by Rs. 1.902 billion. These conditions indicate the existence of a material uncertainty that may cast significant doubt on Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the management of the company believes that the company will remain a going concern in the foreseeable future.

The bank and DFI filed civil recovery suits in Honorable High Court for recovery of their lent fund. The Company filed leave to defend in the court against all such legal suits. Furthermore, the company did not accrue the markup of Rs. 195 million as matter was under litigation. Settlement with JS Bank was reached according to Supreme Court Order/Direction, in this regard the company deposited the settlement amount to Nazir Sindh High Court Karachi against recovery suit No.B-76/2013. During the year ended June 30, 2024, the High Court of Sindh passed an order for compromise decree and withdrawal of suits filed by the borrower and the lender. Accordingly consent decree granted by the High Court of Sindh on 07.05.2024 and payment released from Nazir Sindh High court to JS Bank Ltd on 29.05.2024 and the matter was closed. The matter of The Bank of Punjab has already been settled and the payment has been going on. Management of the Company has already requested the remaining bank and DFI collectively and individually to reschedule their credit facilities for a longer period.

According to the business revival plan of the Company, the management is going to resume its production activities with its state of the art machinery. The plant is in good condition requiring minimal Capital expenditure for maintenance. In this regard management is already working on rehabilation of the required machinery. Due to the demand and supply situation, the company has an advantage to run the plant at full capacity and generate significant revenues.

Besides production,the Company has started to sublet its surplus land and building to logistic companies for their warehousing and distribution needs. This has started generating additional revenue for the Company.

Considering the above, the management of the company is confident to turn it around and to continue as a going concern. Accordingly, these financial statements do not include any adjustment relating to the realization of its assets and liquidation of any liabilities that might be necessary should the company be unable to continue as a going concern.

3 Basis of Preparation

3.1 Statement of compliance

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

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

- Provisions of and directives issued under the Companies Act, 2017.

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

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for certain items as disclosed on the relevant accounting policies below.

3.3 Functional and presentation currency

These financial statements are presented in Pak Rupee (Rs./Rupees), which is the functional currency of the Company. Amount presented in the financial statements have been rounded off to the nearest of Rs./Rupees unless otherwise stated.

3.4 Basis of measurement

These condensed financial statemems has been prepared under the historical cost convention, except for certiain items as disclosed in the relevant accounting policies.

3.5 Functional and presentation currency

These condensed financial statements are presented in Pak Rupees (Rs/Rupees), which is the functional currency of the Company. Amounts presented in the financial statements have been rounded off to the nearest of Rs./Rupees, unless otherwise stated.

4 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

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

5 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

5.1 Standards, amendments to published standards and interpretations that are effective in the current year

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial statements.

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

		Effective date (annual reporting periods beginning on or after)
IAS 21	The Effects of changes in Foreign Exchange Rates (Amendments)	1-Jan-25
IFRS 7	Financial Instruments: Disclosures (Amendments)	1-Jan-26
IFRS 17	Insurance Contracts	1-Jan-26
IFRS 9	Financial Instruments – Classication and Measurement of Financial Instruments (Amendments)	1-Jan-26
	Annual improvements to IFRS 7, IFRS 9, IFRS 10 (Consolidated Financial Statements) and IAS 7 (Statement of Cash Flows)	1-Jan-26

5.2 The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2024;

IFRS 1 First-time Adoption of International Financial Reporting Standards

IFRS 18 Presentation and Disclosures in Financial Statements

IFRIC 12 Service Concession Arrangement

IFRS 19 Subsidiaries without Public Accountability: Disclosures

6 MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements 2 'Making Materiality Judgments') from 01 July, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

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

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

6.1 Property, plant and equipment

These, other than freehold land, buildings on freehold land, plant & machinery, generators and capital work-in-progress, are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at revalued amount whereas buildings on freehold land, plant & machinery and generators are stated at revalued amounts less accumulated depreciation and any identified impairment loss. Cost of some items of plant & machinery consists of historical cost and exchange fluctuation effects on foreign currency loans capitalized during prior years. Borrowing costs are also capitalized for the period up to the date of commencement of commercial production of the respective plant & machinery, acquired out of the proceeds of such borrowings.

Any revaluation increase arising on the revaluation of land, buildings and leasehold improvements is recognized in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land, buildings and leasehold improvements is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation buildings and leasehold improvements to the extent of incremental depreciation charged (net of deferred tax) is transferred to un-appropriated profit.

Depreciation is taken to profit or loss applying reducing balance method so as to write-off the depreciable amount of an asset over its remaining useful life at the rates stated in note-17.

Depreciation on additions to property, plant and equipment is charged from the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which the asset is disposed-off.

Normal repairs and replacements are taken to profit or loss. Major improvements and modifications are capitalized and assets replaced, if any, other than those kept as stand-by, are retired.

An item of Property Plant and Equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on de-recognition of an item of Property Plant and Equipment is determined as the difference between sales proceeds and the carrying amounts of the asset and is recognized in as other income on the statement of profit or loss. The case of the de-recognition of a revalued property, the attributable to revaluation surplus remaining surplus on the surplus on revaluation is transferred directly to the unappropriated profit.

Judgements and estimates

The useful lives, residual values and depreciation methods are reviewed on regular basis. The effect of changes in an estimate is accounted for on a proportionate basis.

Impairment

An asset's carring amount is writtendown immediately to its recoverable amount if the assets carring amount is greater than its estimated recoverable amount.

Capital work-in-progress

Capital work-in-progress is stated at cost less impairment loss (if any).

6.2 Stores, spares and loose tools

Stores, spares and loose tools are stated at the lower of cost and net realizable value. The cost of inventory is based on moving average cost. Items in transit are stated at cost accumulated up to the statement of financial position date. The Company reviews the carrying amount of stores, spares and loose tools on a regular basis and provision is made for identified obsolete and slow moving items.

6.3 Stock-in-trade

1 These are valued at lower of cost and net realizable value.

2 Cost in relation to raw materials in hand, packing materials and other components has been calculated on a weighted average basis and represents invoice values plus other charges paid thereon.

3 Cost in relation to work in process and finished goods represents direct cost of materials, wages and appropriate manufacturing overheads.

i. Raw materials held in custom bonded warehouse and stock-in-transit are valued at cost comprising of invoice value plus other charges accumulated up to the balance sheet date.

ii. Net realizable value represents the estimated selling price in the ordinary course of business less all estimated costs necessary to completion and to be incurred in marketing, selling and distribution.

Judgements and estimates

Stock in trade write down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market condition. A review is made on each reporting date on stock for excess, obsolescence and decline in net realizable value and an allowance is recorded against the stock balances for any such decline.

6.4 Trade and other receivables

Trade debts and other receivables are recorded initially at trasaction price and subsequently measured at ammortized cost less loss allowance, if any. The loss allowance is recognized on "expected credit loss method" based on managemnet's expectation of losses without regard to whether an impairment trigger happened or not.

6.5 Cash and cash equivalent

Cash and cash equivalents on the statement of financial position comprises cash at banks and on hand. For the purpose of cash flow statement, cash and cash equivalents comprise cash on hand and deposit held with banks.

6.6 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non financial assets (other than stock in trade and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

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. The increase in the carrying amounts shall be treated as reversals of impairment losses for individual assets and recognized in profit or loss unless the asset is measured at revalued amount. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

6.7 Financial instruments

6.7.1 Financial assets

The Company classifies its financial assets at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

6.7.1.1 Financial assets at amortised cost

Financial assets at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on de-recognition are recognised directly in profit or loss.

6.7.1.2 Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are 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.

6.7.1.3 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises.

Financial assets are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently premeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Equity instrument financial assets / mutual funds are measured at fair value at and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.
The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade debtors, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

6.7.2 Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

A financial liability is derecognised when the obligation under the liability is discharged, 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 and modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

6.8 Off setting of financial assets and liabilities

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

6.9 Trade and other payables

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

6.10 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred and are subsequently measured at amortized cost using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional / contractual right to defer settlement of the liability for at least twelve months after the statement of financial position date.

6.11 Share capital

Share capital is classified as equity and recognized at the face value. Incremental costs net of tax and directly attributable to the issue of new shares are shown as a deduction in equity

6.12 Taxation

Current

The current income tax is charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred

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

Deferred tax assets are recognised for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and unused tax losses and credits.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Levy

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 or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.

Judgements and estimate

Significant judgment is required on determining the income tax expenses and provision for tax. There are many transactions and calculations for which the ulitmate tax determination is uncertain as these matters are being contested at various forums. The Company recognizes liablities are the anticipated tax issues based on estimates on whether additional taxes will be due. Where the final tax outcome of these matters is different from the amount that are initially recorded, such differences will impact the current and deferred tax assets and liabilties in the period in which such determination is made.

Futher, the carrying amount of the deferred tax asset is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profit. If required, carrying amount of the deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit to allow the benefit of part of all that recognized deffered tax assets to be utilizied. Any such reduction shall be reveresed to the extent that it becomes probable that sufficient taxable profit will be available.

Off-setting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

6.13 Staff retirement benefits

Defined benefit plan

The Company operates an unfunded gratuity scheme covering all eligible employees. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligations at the end of the reporting period . The defined benefit obligations are calculated annually by independent actuary using the projected unit credit method.

The present value of the defined benefit obligations are determined by discounting the estimated future cash outflows. These are denominated in the currency in which the benefits will be paid. Remeasurement gain/losses are recognised in other comprehensive income

Judgements and estimates

In determining the liability for long-service payments management must make an estimate of salary increases over the following years, discounts rate to use in the present value calculation and the number of employees expected to leave before they receive the benefits

6.14 Revenue recognition

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

Return on deposits is recognized on a time proportionate basis using the effective rate of return.

Dividend income is recognized in proifit or loss as other income when:

1 The Company's right tp receive payment have been established.
2 Probable that economic benefit will flow to the Company.
3 The amount of dividend can be measured reliably .

6.15 Foreign exchange translation

Transactions in foreign currencies are accounted for in Pakistani Rupees at the foreign exchange rates prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies, except for those covered under forward foreign exchange contracts, if any, are retranslated into Pak Rupees at the foreign exchange rates approximately those prevailing at the reporting date. Forward foreign exchange contracts, if any, are translated at contracted rates exchange differences, if any, are charged on statement of profit or loss.

6.16 Borrowing cost

Borrowing costs are recognized as an expense on the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing cost, if any, are capitalized as part of the cost of the asset.

6.17 Contingent liabilities

Contingent liability is disclosed when:

6.17.1 There is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly with in the control of the Company' or

6.17.2 There is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

6.18 Dividend distrbution

Dividend distribution to the Company's shareholders is recognized as liability on the period in which the dividends are approved by the company's shareholders.

6.19 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.provisions are not recognized for future operating losses.

Judgements and estimate

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

6.20 Basic and diluted earnings per share

The company presents basic and diluted earnings per share (EPS) for its shareholders. 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, if any.

7 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		2025	2024
(Number of Shares)			Rupees	Rupees
		Authorized Capital		
20,000,000	20,000,000	Ordinary shares of Rs. 10 each	200,000,000	200,000,000
		Issued, subscribed and paid up capital		
8,713,900	8,713,900	Ordinary shares of Rs. 10 each fully paid-up in cash	87,139,000	87,139,000
4,695,650	4,695,650	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	46,956,500	46,956,500
13,409,550	13,409,550		134,095,500	134,095,500

Shares held by the related parties of the Company

Directors, CEO, & their spouse and minor children	June 30, 2025 Number of Shares	June 30, 2025 Percentage holding		June 30, 2024 Number of Shares	June 30, 2024 Percentage Holding
Mr. Naseem A. Sattar	7,515,162	56.043	16,000	7,515,162	56.043
Mr.Azim Ahmed	479,818	3.578		479,818	3.578
Mr.Qamar Mashkoor	500	0.004		500	0.004
Mr.Muhammad Sajid Hafeez	500	0.004		500	0.004
Mst. Adia Naseem	328,322	2.448	6,400	328,322	2.448
Mrs. Sadaf Nadeem	132,281	0.986	3,400	132,281	0.986
Mrs.Zarina Naseem	1,479,361	11.030		1,479,361	11.030
Mrs. Reena Azim	112,875	0.840		112,875	0.840
NIT and SICP			50		
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1,113,687	8.305		1,113,687	8.305
STATE LIFE INSURANCE CORPORATION OF PAKISTAN	236,994	1.767		236,994	1.767

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

8 Revaluation Surplus on Property Plant & Equipment

	2025	2024
	---------- (Rupees) ---------	
Balance at beginning of the year	1,905,752,279	2,048,543,523
Add: Surplus arising during the year	592,799,611	500,000
Less: Transferred to unappropriated profit on account of incremental depreciation for the year.	(55,596,548)	(86,483,244)
Less: Transferred to unappropriated profit on account of disposal for the year.	(42.416.194)	(56.808.000)
Surplus/Deficit on revaluation arisen during the year	-	-
Balance at end of the period - net	2,400,539,148	1,905,752,279

8.1 The Company has revalued its Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation. The valuation has been determined by the independent qualified valuer M/s. Fair water Property Valuers and surveyors (Pvt) Ltd on June 30, 2025. The assessed values of the fixed assets as determined by the valuer amounts to Rs. 2,545,457,650, however, the forced sales value is Rs. 2,135,690,503 have been taken to account for the fixed assets.

8.2 Had there been no revaluation the related figures of Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation would have been as follows:

	June 30, 2025					June 30, 2024				
	Cost	Addition	Deletion	Accumulated depreciation	Book value	Cost	Addition	Deletion	Accumulated depreciation	Book value
Leasehold land	29,376,842		-	-	29,376,842	29,376,842	-	-	-	29,376,842
Building on leasehold land	285,130,111	9,578,613	-	246,715,855	47,992,869	289,870,773	8,970,226	(13,710,888)	242,447,603	42,682,508
Plant, Machinery & equipments	1,538,478,750	6,108,775	(50,869,941)	1,296,726,789	196,990,795	1,688,789,982	12,189,041	(162,500,273)	1,321,506,469	216,972,281
Furniture & Fixture	42,571,147		-	37,216,614	5,354,533	42,571,147	-	-	36,621,668	5,949,479
Office equipment	4,533,716		-	3,949,955	583,761	4,533,716	-	-	3,885,093	648,623
Electric, gas & Other Installations	71,081,709		-	62,798,569	8,283,140	71,081,709	-	-	61,878,219	9,203,490
	1,971,172,275	15,687,388	(50,869,941)	1,647,407,782	288,581,940	2,126,224,169	21,159,267	(176,211,161)	1,666,339,052	304,833,223

Previously the Company has carried out various revaluations to replace the carrying amounts of the assets with their market values / depreciated market values. Details of revaluation are stated below:

Effective Date of Revaluation	Name of Independent Valuer	Class of Property, Plant And Equipment Revalued	Surplus / (Deficit) Arising Due To Revaluation
August 31, 2007	M/s. Anjum Adil & Associates	Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation and Leased Plant, Machinery & equipments.	Rs: 554.72 million
August 31, 2010	M/s. Anjum Adil & Associates	Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation and Leased Plant, Machinery & equipments.	(Rs: 40.03 million)
June 30, 2012	M/s. Anjum Adil & Associates	Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation and Leased Plant, Machinery & equipments.	Rs: 3,807.35 million
January 08, 2018	M/s Sipra & Company (Private) Limited	Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation and Leased Plant, Machinery & equipments.	(Rs: 1,470.14 million)
November 30, 2021	M/s Sadruddin Associates (Pvt) Ltd	Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation and Leased Plant, Machinery & equipments.	Rs. 1,796 million
June 30, 2025	M/s Fair Water property valuers and surveyors (Private) Limited	Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation and Leased Plant, Machinery & equipments.	Rs.592.799 million

		2025 Rupees	2024 Rupees
9	**DEFERRED TAX**		
	Debit / (Credit) balances arising from:		
	Property, plant and equipments	369.510.391	263.035.524
	Provision for retirement benefits	(2.533.158)	(2.485.216)
	Tax credit of unused tax losses	(259.859.849)	(303.978.328)
		107,117,384	(43,428,020)

Deferred tax asset has not been recognized as management is of the view that future earnings to the extent of such asset may not be available.

		2025 Rupees	2024 Rupees
10	**LONG TERM FINANCES**		
	From Bank -Secured	248,264,000	267,914,000
	Less: Payment during the period	(15,000,000)	(19,650,000)
		233,264,000	248,264,000
	Less: Current maturity	(34,000,000)	(23,500,000)
		199,264,000	224,764,000

10.1 The company has entered into the settlement agreement with the Bank of Punjab whereof the Company will pay quarterly agreed amount in 06 years without any further interest. The facility is secured against mortgage on factory Land and Building of Plot No.A-34/A.

		2025 Rupees	2024 Rupees
11	**STAFF RETIREMENT BENEFITS**	8.735.026	8,569,711
11.1	**Changes in present value of defined benefit obligation**		
	Present value at the beginning of the year	8,569,711	8.613.055
	Current service cost	87.939	66.831
	Interest cost on defined benefit obligation	237.979	177.849
	Loss / (Gain) on remeasurement of defined benefit obligation	-	274.286
	Benefits paid during the year	(4.427)	(562.310)
	Experience adjustments	(156.176)	-
	Present value at the end of the year	8,735,026	8,569,711

		2025 Rupees	2024 Rupees
11.2	**The following amounts have been charged to statement of profit or loss during the year**		
	Current service cost	87.939	66,831
	Interest cost on defined benefit obligation	237.979	177,849
		325.918	244.680
11.3	**Charge for the year has been allocated as under:**		
	Administrative expenses	325,918	244,680
11.4	**Total remeasurements chargeable in other comprehensive Income**		
	Actuarial loss from changes in financial assumptions	160.603	274.286

11.5 Principal actuarial assumptions

The latest actuarial valuation for gratuity fund was carried out as at June 30, 2025 using the Projected Unit Credit Method (PUCM). The following significant assumptions used for the actuarial valuation:

	June 30, 2025	June 30, 2024
Discount rate	14.75%	14.75%
Expected rate of increase in salary	11.75%	13.75%
Average retirement age of an employee	60	60
Mortality rates	SLIC 2001 - 2005 Setback 1 Year	SLIC 2001 - 2005 Setback 1 Year

11.6 Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected rate of salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

		Impact on defined benefit obligation	
	Changes in assumption %	**Increase in assumption**	**Decrease in assumption**
		<----------------- Rupees	----------------------->
Discount rate	plus (+) 100 bps	1.725.599	
	minus (-) 100 bps		1,835,637
Salary increase	plus (+) 100 bps	1.836.664	
	minus (-) 100 bps		1.723.690

11.7 The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the staff retirement gratuity recognised within the statement of financial position.
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous method.

Historical information	**2025**	**2024**	**2023**	**2022**	**2021**
Present value of defined benefit obligation	8,735,026	8,569,711	8,613,055	8,379,879	8,425,182
Experience adjustment on obligation	-	-	-	-	-

11.8 Maturity profile

Years	Rupees
2026	106.189
2027	82.779
2028	94.410
2029	2.246.330
2030	42.870
2031	48.158
2032	52.463
2033	56.758
2034	60.412
2035	68.709
2036 & Onwards	10.188.328
Weighted average duration	3 years

11.9 The estimated charge to P & L in respect of defined benefit plan for the year ended June 30, 2025 is estimated to be Rs. 325,918/=

11.10 The amount includes Rs. 8,735,026 (2024: Rs. 8,569,711) in respect of gratuity payable to ex-employees of the Company.

12	**LOAN FROM DIRECTORS - UNSECURED**		
	Balance at beginning of the year	561,018,754	561,018,754
	Received during the year	-	-
	Repaid during the year	-	-
		561,018,754	561,018,754

The above is interest free loan from director(s) of the company, which is payable on demand.

		Note	2025 Rupees	2024 Rupees
13	TRADE AND OTHER PAYABLES			
	Trade creditors		477,669,677	477,669,677
	Other creditors		211,675,561	229,482,088
	GIDC payable		47,874,699	47,874,699
	Accrued liabilities		6,574,027	6,416,872
	Workers' profit participation fund		16,695,060	16,695,060
	Advance from customers		785,717	785,717
	Security Deposit of Warehousing	13.1	7,488,000	3,880,600
	Other liabilities		2,310,616	2,177,890
			771,073,357	784,982,603

13.1 This represents deposit from warehouse tenants which can be used for any purpose of the company.

		Note	2025 Rupees	2024 Rupees
14	ACCRUED MARKUP			
	Export refinance loan		32,377,419	32,377,419
	Liabilities against assets subject to finance lease		3,437,436	3,437,436
	Short term loan		7,507,629	24,807,974
	Less: Settled during the year		-	(6,455,208)
	Less: Transferred to Long term finances		-	(10,845,137)
			43,322,484	43,322,484
15	SHORT TERM FINANCES			
	From banks and financial institutions - Secured	15.1	744,239,039	1,301,787,787
	Less: Transferred to Long term finances	15.2	-	(257,068,863)
	Less: Settled	15.3	-	(300,479,885)
			744,239,039	744,239,039

15.1 The facilities consist of various types of short term finances from bank and non-banking financial institution. The facilities are secured against hypothecation charge on stocks, mortgage on factory property of Plot No. A-29/B with Land, building and machinery installed thereon and charge on book debtsof the company. As fully disclosed in note No. 16, various banks have filed suit for the recovery of these loans. Previously the company has settled off most of the banks. The management is amicably pursuing rest of the banks and D.F.I for rescheduling or settlement as disclosed in note 2 & 16.

15.2 As explained further in note 10.1 that the company has entered into the settlement agreement with the bank of Punjab.

15.3 This represents settlement with JS bank limited during the previous year.

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

	2025 Rupees	2024 Rupees
Bank guarantee	15,797,900	15,797,900

The bank guarantees have been issued in favor of SSGC, Excise, Sales tax and others.

16.2

S.NO.	CASE NO.	FORUM	ISSUE INVOVLED	STATUS
1		Sindh High Court	The Sales Tax department has filed an appeal in the Honorable High Court of Sindh on 23rd August, 2000 against the Order of the learned Appellate Tribunal Customs and Sales Tax for recovery of Additional Tax and Surcharge amounting to Rs. 3.449 million for the year 1992-93. No provision for this amount has been made in these accounts as the management of the Company is of the view that the decision of the Learned Appellate Tribunal Customs and Sales Tax given in favor of the Company will be successfully defended in the Honorable High Court.	Pending
2	Application No. 95 & 96 of 2016	Sindh High Court	The Spl. Sales Tax Reference Application No. 95 & 96 of 2016 filed by the company against order passed by the Sindh Revenue Board Appellate Tribunal order related to period ending June 30, 2014 and June 30, 2015 are pending before Honorable High Court of Sindh at Karachi. Further, The Sindh Revenue Board has also filed Spl. Sales Tax Reference Application No. 119 of 2016 against order passed by the Sindh Revenue Board Appellate Tribunal order related to period ending June 30, 2014 and June 30, 2015. During the year, the Sindh High Court passed order in favor of the Company. The Department has filed an appeal before the Supreme Court for challenging the order.	Pending
3	Suit No.B-42/2013	Sindh High Court	Al-Abid Silk Mills Limited (company) filed the suit for damages against the JS Bank Limited and JS Bank Limited filed suit # B-76/2013 against the company for recovery of outstanding loan amounting to Rs. 335,105,083/-.Settlement with JS Bank Ltd was reached according to Supreme Court of Pakistan Direction, the company deposited the settlement amount to Nazir Sindh High Court in the Suit. Compromise decree was granted by the High Court of Sindh and both suits stand disposed off on 07.05.2024. According to the consent decree payment was released from Nazir Sindh Court to JS Bank ltd. on 29.05.2024. During the year an additional amount has claimed by the bank which was fully paid.	Settled
4	Suit No. B-95 of 2013	Sindh High Court	Bank of Punjab filed suit against the Company for recovery of outstanding loan amounting to Rs. 434,399,948/-.Al-Abid Silk Mills Limited and The Bank of Punjab have resolved their dispute and a comprise decree has been passed in the instant suit. Installment payments as per schedule has been started by the Company against the settlement of this loan.	Settled
5	Suit No. B-111 of 2013	Sindh High Court	PAIR Investment Co. Ltd. has filed the suit against the Company for recovery of outstanding loan amounting to Rs. 171,460,949/-	Pending
6	Suit No. B-26 of 2017	Sindh High Court	National Bank of Pakistan has filed the suit against the Company for recovery of outstanding loan amounting to Rs.948,140,145/-	Pending
7	Suit No. 717/2025	District Court of Sindh	The company has filed suit No.1586/2013 interalia for cancellation of cheques; and damages against Jawaid Arshad Textile. The case is being vigorously contested by AASML.That the proceedings were previously sub-judice before the Honorable High Court of Sindh at Karachi but in light of the Sindh Civil Court Amendment Act 2025, the cases have been transferred to the District Court of Sindh at Karachi.	Pending
8	Suit No. 3759/2025	District Court of Sindh	Javed Arshad has filed the suit No.540/2014 against the company for recovery of Rs. 21.32 million.The case is being vigorously contested by AASML. That the proceedings were previously sub-judice before the Honorable High Court of Sindh at Karachi but in light of the Sindh Civil Court Amendment Act 2025, the cases have been transferred to the District Court of Sindh at Karachi.	Pending
9	Suit No. 561/2025	District Court of Sindh	Ranyal Textile has filed the suit No.1200/2014 against the company for recovery of Rs. 40.94 million.The case is being vigorously contested by AASML. That the proceedings were previously sub-judice before the Honorable High Court of Sindh at Karachi but in light of the Sindh Civil Court Amendment Act 2025, the cases have been transferred to the District Court of Sindh at Karachi.	Pending
10	Suit No. 2503/2025	District Court of Sindh	Shahtaj Textile has filed the suit No.1245/2015 against the company for recovery of Rs. 112.64 million.The case is being vigorously contested by AASML. That the proceedings were previously sub-judice before the Honorable High Court of Sindh at Karachi but in light of the Sindh Civil Court Amendment Act 2025, the cases have been transferred to the District Court of Sindh at Karachi.	Pending
11	Suit No. 2463/2025	District Court of Sindh	Maksons Textile has filed the suit No.1833/2015 against the company for recovery of Rs. 56.38 million.The case is being vigorously contested by AASML. That the proceedings were previously sub-judice before the Honorable High Court of Sindh at Karachi but in light of the Sindh Civil Court Amendment Act 2025, the cases have been transferred to the District Court of Sindh at Karachi.	Pending
12	Suit No. 611/2025	District Court of Sindh	BASF has filed the suit No.358/2015 against the company for recovery of Rs. 33.68 million.The case is being vigorously contested by AASML. That the proceedings were previously sub-judice before the Honorable High Court of Sindh at Karachi but in light of the Sindh Civil Court Amendment Act 2025, the cases have been transferred to the District Court of Sindh at Karachi.	Pending
13	Suit No. 387/2025	District Court of Sindh	ICI Pakistan has filed the suit No.2442/2015 against the company for recovery of Rs. 26.57 million.The case is being vigorously contested by AASML. That the proceedings were previously sub-judice before the Honorable High Court of Sindh at Karachi but in light of the Sindh Civil Court Amendment Act 2025, the cases have been transferred to the District Court of Sindh at Karachi.	Pending
14	H.C.A 519/2018	Sindh High Court	The company has filed an High Court Appeal against Shahtaj Textile limited, an ad-interim injunctive order of the Learned Single Judge wherein the company was refrained from creating any third party interest on their properties.	Pending
15	JCM No. 34/2014	Sindh High Court	One of the supplier of the company has filed a winding up petition, on the ground that the company owes a sum of Rs. 40.94 million to Ranyal Textile. Such claim is denied by the company.	Pending
16	JCM No. 25/2015	Sindh High Court	PAIR Investment Company Limited has filed a winding up petition, on the ground that the company owes a sum of Rs. 201.925 million to Pair Investment. Such claim is denied by the company.	Pending
17	Suit No. 2883/2025	District Court of Sindh	ACME (supplier) has filed suit No.604/2018 for recovery of Rs. 48,822,642/-, before the High Court of Sindh at Karachi. An application for rejection of plaint has been filed in the matter on the grounds that the claim of this supplier is time barred. Besides this, issues have yet to be framed in the case therfore it is premature to comment on the outcome. The management is vigorously contesting the case.The case is being vigorously contested by AASML. That the proceedings were previously sub-judice before the Honorable High Court of Sindh at Karachi but in light of the Sindh Civil Court Amendment Act 2025, the cases have been transferred to the District Court of Sindh at Karachi.	Pending
18	JCM No. 10/2015	Sindh High Court	Achroma Textile Chemicals Pakistan (creditor) has filed a winding up petition at High Court of Sindh at Karachi. The winding up petition has been filed on the grounds that Al-Abid owes Achroma Textile Chemical Pakistan (formerly BASF Pakistan) a sum of Rs. 33,683,561/-. Such claim is denied by Al-Abid. The petition is yet to be heard. Therefore, it is premature to comment on the outcome. The management is vigorously contesting the case.	Pending
19			During the year 2022, the Additional Commissioner of Inland Revenue, Range A, Audit-I, Corporate Tax Office, Karachi (ADCIR) passed an order dated January 27, 2022 u/s 122(5A) of the Income Tax Ordinance, 2001 for the Tax Year 2020 whereof a demand of Rs. 739,071,338 was raised. The company has filed an Income Tax Appeal before the Commissioner Inland Revenue (Appeals III), Karachi [CIR(A)] on 10-02-2022 against the said order passed by the ADCIR. The case has been concluded on April 20, 2022 by the Commissioner of IR VII Karachi, against which the company has filed second appeal before Appelette Tribunal IR, which is pending and in the opinion of the Company and an independent legal counsel of the Company there is no anticipation of any unfavorable outcome of the said appeal and hence no provision is required to be made in the Financial Statements . The said appeal withdrawn by the company as per order dated 15.04.2024.	Pending
20		Sindh revenue board	During the year, the deputy commissioner SRB passed an order No. 5874 of 2023 on 20.11.2023 for the tax year 2021, whereby the SWWF demand od Rs. 12,108,810 has been created and penalty od Rs. 605,440 has also been imposed. The company has been assailed before the Commissioner SRB (Appeals-III), Karachi who has granted the stay of recovery of disputed SWWF vide order sheet dated 13.12.2023, The appeal is pending decision till date.	Pending

The amount mentioned on above cases 3 to 6 and 16 are claimed amounts by the Banks and DFI, actual amounts to be determined by the Banking Court.

The outcome of above cases as referred in cases 7-15,17,18, 19 & 20 cannot be predicted and the management is vigorously contesting the cases.

17 PROPERTY, PLANT AND EQUIPMENT

	Note	2025 Rupees	2024 Rupees
Operating Fixed Assets	17.1	2,564,774,278	2,192,974,320
Capital Work in Progress - DDFC Boiler		7,500,000	7,500,000
		2,572,274,278	2,200,474,320

17.1 Operating Fixed Assets

Particulars	Lease hold Land	Building on Lease hold land	Plant, Machinery & equipments	Furniture & Fixture	Office equipment	Electric, gas & Other Installations	Vehicles	Total
	June 30, 2025							
Rate		10%	10%	10%	10%	10%	20%	
Owned Assets	Rupees							
Value / cost as on July 01,2024	1,165,956,000	563,833,387	746,438,370	5,037,000	536,000	24,839,041	26,232,677	2,532,872,475
Addition during the year	-	9,578,613	6,108,775	-	-	-	-	15,687,388
Deletion/transfer during the year	-	(106,785,000)	(39,132,000)	-	-	-	-	(145,917,000)
Revaluation	25,044,000	272,016,488	280,909,363	2,092,227	282,049	12,455,484	-	592,799,611
Cost as at June 30,2025	1,191,000,000	738,643,488	994,324,508	7,129,227	818,049	37,294,525	26,232,677	2,995,442,474
Accumulated Depreciation as on July 01, 2024	-	132,965,622	177,397,229	1,195,029	127,166	3,001,216	25,211,893	339,898,155
Charge for the year	-	43,260,216	55,393,195	384,198	40,883	2,153,309	204,156	101,435,957
Deletion/transfer during the year	-	-	(10,665,916)	-	-	-	-	(10,665,916)
Accumulated Depreciation as at June 30, 2025	-	176,225,838	222,124,508	1,579,227	168,049	5,154,525	25,416,049	430,668,196
Closing net book value as at June 30, 2025	1,191,000,000	562,417,650	772,200,000	5,550,000	650,000	32,140,000	816,628	2,564,774,278

17.2 Forced sale value

Asset class	Forced sale value
Lease hold land	1,012,350,000
Building	474,108,503
Plant, Machinery and Equipment	649,232,000
Total	2,135,690,503

17.3 The valuation was conducted by an independent valuer and they have appropriate qualifications and experience in the fair value measurement of properties in the relevant locations. Leasehold land was valued on the basis of fair market value. Valuations for building and Plant & machinery were based on the estimated gross replacement cost, depreciated to reflect the residual service potential of the assets taking account of the age, condition and obsolescence. The fair value of assets subject to revaluation model fall under level 2 of the fair value hierarchy i-e significant observable inputs.

17.4 **Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:**

	Location	Usage of Immovable Property	Total Area (Square feets)	* Covered Area (Square feets)
Lease hold Land & Building	Plot No. A-34/A, S.I.T.E., Karachi.	Head Office and Manufacturing facility	65,340.00	80,983.50
	Plot No. A-29/B, S.I.T.E., Karachi.	Factory and Manufacturing facility	124,146.00	269,835.00

* The covered area includes multi storey buildings.

17.5 Had there been no revaluation, related figures of property, plant and equipments would have been as mentioned in 8.2:

17.6 **Allocation of Depreciation**

	Note	2025 Rupees	2024 Rupees
Manufacturing overheads	26	101,095,575	115,917,539
Administrative expenses	27	340,382	406,560
		101,435,957	116,324,099

17.7

Particulars	Lease hold Land	Building on Lease hold land	Plant, Machinery & equipments	Furniture & Fixture	Office equipment	Electric, gas & Other Installations	Vehicles	Total
	June 30, 2024							
Rate		10%	10%	10%	10%	10%	20%	
Owned Assets	Rupees							
Value / cost as on July 01,2023	1,165,956,000	578,036,761	834,443,370	5,037,000	536,000	12,650,000	26,232,677	2,622,891,808
Addition during the year	-	8,970,226	-	-	-	12,189,041	-	21,159,267
Deletion during the year	-	(23,173,600)	(88,005,000)	-	-	-	-	(111,178,600)
Cost as at June 30,2024	1,165,956,000	563,833,387	746,438,370	5,037,000	536,000	24,839,041	26,232,677	2,532,872,475
Accumulated Depreciation as on July 01, 2023	-	88,150,606	127,252,614	768,143	81,740	1,929,128	24,956,697	243,138,928
Charge for the year	-	48,988,616	65,535,887	426,886	45,426	1,072,088	255,196	116,324,099
Deletion during the year	-	(4,173,600)	(15,391,272)	-	-	-	-	(19,564,872)
Accumulated depreciation as at June 30, 2024	-	132,965,622	177,397,229	1,195,029	127,166	3,001,216	25,211,893	339,898,155
Closing net book value	**1,165,956,000**	**430,867,765**	**569,041,141**	**3,841,971**	**408,834**	**21,837,825**	**1,020,784**	**2,192,974,320**

17.8 DETAIL OF MACHINERY SOLD

S.NO	PARTICULARS	COST	ACC.DEP	WDV	SALE PRICE	GAIN / (LOSS)	PARTICULARS	RELATIONSHIP
1	Stenter-Bruckner	39,132,000	10,665,916	28,466,084	15,163,934	(13,302,150)	Abid Ali	SCRAP BUYER
	TOTAL	39,132,000	10,665,916	28,466,084	15,163,934	(13,302,150)		

			2025 Rupees	2024 Rupees
18	**INVESTMENT PROPERTY**			
	Carrying amount 1 July 2024		19,500,000	-
	Transfer from operating fixed assets		106,785,000	19,500,000
	Change in fair value		-	-
	Carrying amount June 30, 2025		126,285,000	19,500,000

18.1 Investment property includes real estate property situated in Karachi which is owned to earn rentals and for capital appreciation.

			2025 Rupees	2024 Rupees
19	**STORES AND SPARES**			
	Stores		-	-
	Spares Opening Balance		15,417,690	24,909,000
	Disposal during the year		(4,684,000)	(9,491,310)
			10,733,690	15,417,690

Stores and spares do not include any major spare parts which may be categorized under the Property, Plant and Equipment.

			2025 Rupees	2024 Rupees
20	**LOANS AND ADVANCES**			
	Advances-considered good			
	Loans to staff and workers		170,000	115,000
	Advances to suppliers, contractors and others - unsecured		1,067,718	1,080,630
			1,237,718	1,195,630
21	**TRADE DEPOSITS AND PREPAYMENTS**			
	Trade deposits - unsecured and considered good		218,100	218,100
22	**OTHER RECEIVABLES**			
	Duty drawback		90,893,173	92,555,928
	Receivable from banks	22.1	26,833,537	26,833,537
	Research and development support		4,325,164	4,325,164
	Receivabe from Tenant		801,438	610,256
			122,853,312	124,324,885

22.1 This represents the amount of DLTL received by certain banks on the company's behalf in the accounts held by these banks namely United Bank Limited, Allied Bank Limited, Faysal Bank Limited and National Bank of Pakistan and the same is receivable from the respective banks. One of the banks namely United Bank Limited has refused to pay amount despite of the fact that full and final settlement was amicably reached and clearance certificate as per the honorable Sindh High Court's consent degree was obtained. The company has filed the suit # 862/2020 against the bank for the recovery of Rs. 13,871,000/-. According to the Sindh Civil Court Amendment Act 2025, the case has been transferred to the District Court of Sindh at Karachi and now the case number is 3010 of 2025.

			2025 Rupees	2024 Rupees
23	**TAX REFUNDS DUE FROM GOVERNMENT**			
	Sales tax		52,133,980	47,869,965
	Income tax		14,010,065	12,206,943
			66,144,045	60,076,908
24	**CASH AND BANK BALANCES**			
	Cash on hand		1,263,558	1,005,075
	Cash at Banks			
	- Current account		1,182,721	1,550,462
	- Term Deposit	24.1	14,285,900	14,285,900
	- Saving account	24.2	33,735,178	86,592,063
			49,203,799	102,428,425
			50,467,357	103,433,500

24.1 This represents term deposit in the Bank of Punjab carrying mark-up rate of 8.00%(2024: 20.20%).

24.2 This represents deposit in saving account in Dubai Islamic Bank and Bank Al-Habib Ltd carrying mark-up range 20.60% to 10%.(2024: 18% to 20.60%)

			2025 Rupees	2024 Rupees
25	**SALES AND MANUFACTURING**			
	Sales		-	-
26	**COST OF SALES**			
	Depreciation		101,095,575	115,917,539
			101,095,575	115,917,539
27	**ADMINISTRATIVE EXPENSES**			
	Salaries and benefits	27.1	19,591,468	7,750,803
	Repairs and maintenance		4,925,763	4,661,057
	Rent, rates and taxes		737,768	612,219
	Security expenses		1,378,377	2,397,431
	Sanitation expenses		1,884,824	1,071,752
	Heat, light and power		8,159,796	4,658,593
	Water Charges		500,000	-
	Car maintenance		1,535,545	1,835,986
	Conveyance		17,000	19,900
	Entertainment		444,219	413,211
	Printing and stationery		227,484	270,304
	Communication		292,381	178,790
	Legal and professional		505,618	2,395,000
	Auditors' remuneration	27.2	997,000	1,000,000
	Advertisement		53,000	72,580
	Subscription and fees		766,258	1,313,778
	Insurance Premium		101,307	99,119
	Brokerage and commission		1,974,139	1,182,103
	Depreciation		340,382	406,560
	Additional settlement amount	27.3	13,300,000	-
	Sampleing Expenses		1,602,134	-
			59,334,463	30,339,186

27.1 This includes Rs. 325,918 in respect of staff retirement benefits.

		Note	2025 Rupees	2024 Rupees
27.2	**Auditors' remuneration**			
	Annual audit fees		700,000	700,000
	Fee for half yearly review		135,000	135,000
	Out of pocket expenses		-	30,000
	Non-audit services:			
	Tax advisory services		162,000	135,000
			997,000	1,000,000

27.3 This represents an additional amount paid to the Bank against settlement as disclosed in note 16.2.3.

			2025	2024
28	**OTHER INCOME**			
	Income from non-financial assets			
	Sale of scrap		3,857,500	31,403,321
	Income from property		19,860,098	3,780,000
	Income from financial assets / liabilities			
	Waiver from Bank		-	217,435,093
	Received from Bank		-	1,188,793
	Profit on PLS deposit account		11,464,610	12,966,099
			35,182,208	266,773,306

28.1 This represents amount received from Faysal Bank on account closure.

			2025	2024
29	**OTHER EXPENSES**			
	Loss on sale of Assets		13,302,150	2,891,468
	Loss on sale of store and spares		93,836	968,718
			13,395,986	3,860,186
30	**FINANCE COST**			
	Bank Charges		-	57,171
			-	57,171
31	**LEVY AND TAXATION**			
	- Levy		296,470	439,792
	- Taxation		-	-
	- Net levy and tax charged		296,470	439,792

31.1 This represent minimum tax provision under section 113 of the Income tax ordinance, 2001. The provision for minimum tax has been recognized as levies in these financial statements as per the requirements of IFRIC 21/IAS 37 and guide on IAS 12 issued by ICAP.

			2025	2024
31.2	**TAXATION - NET**			
	Current		-	-
	Deferred		-	-
			-	-

No tax reconciliation is required as tax provision sufficiency disclosure is computed at minimum tax on scrap sales under section 113 (2)(C) of the Income Tax Ordinance,

32 LOSS PER SHARE - BASIC AND DILUTED

			2025	2024
32.1	**LOSS PER SHARE - BASIC**			
	(Loss) / Profit after taxation	Rupees	(138,940,286)	116,159,432
	Weighted averate number of shares	Number	13,409,550	13,409,550
	(Loss) / Profit per share-Basic	Rupees	(10.36)	8.66

32.2 EARNINGS PER SHARE - DILUTED

There is no dilution effect on the basic earning per shares of the Company (June 30, 2024 : Nil).

33 REMUNERATION OF DIRECTORS & EXECUTIVES

	CHIEF EXECUTIVE		DIRECTOR		EXECUTIVES	
	2025	2024	2025	2024	2025	2024
	Rupees					
Basic	-	-	-	-	5,660,606	2,909,091
House rent	-	-	-	-	2,547,273	1,309,091
Other allowances and perquisites	-	-	-	-	1,132,121	581,818
	-	-	-	-	9,340,000	4,800,000
Number of persons	1	1	5	6	4	2

In order to improve financial position of the company, the directors of the Company have decided to forgo fees, remuneration and other perquisites.

33.1 The Chief Executive and Directors have been provided with free use of the company maintained cars, residential telephones for business and personal use and foreign air traveling for self and dependents once in a year. Certain executives have also been provided with free use of Company maintained car.

33.2 Aggregate amount charged in the accounts for Board Meeting fee to non - executive Directors is Rs.42,000 /= (2024: Rs.64,000).

33.3 In view of the financial constraints in the company directors have decided not to claim their whole remuneration for the year ended June 30, 2025 i.e. Mr. Naseem A. Sattar Rs. 10,500,000. (2024: Mr. Naseem A. Sattar Rs. 10,500,000).

		2025	2024
		Rupees	Rupees
34	**FINANCIAL INSTRUMENTS BY CATEGORY**		
	Financial Assets		
	- At Amortized Cost		
	Long term security deposit	4,815,457	4,815,457
	Loans and advances	170,000	115,000
	Trade deposits and prepayments	218,100	218,100
	Other receivables	122,853,312	124,324,885
	Cash and bank balances	50,467,357	103,433,500
		178,524,226	232,906,942
	Financial Liabilities		
	- At Amortized Cost		
	Loan from director - unsecured	561,018,754	561,018,754
	Trade and other payables	746,890,297	764,406,943
	Unclaimed dividend	108,310	108,310
	Long term finance	199,264,000	224,764,000
	Short term finance	744,239,039	744,239,039
	Accrued markup	43,322,484	43,322,484
		2,294,842,884	2,337,859,530

35 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of all the financial instruments reflected in the financial statements approximates to their fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in the financial statements approximate to their fair values.

Fair Value Hierarchy;

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 30 June, 2025, the company has no financial instruments that falls into any of the above category. There were no transfer between level 1, 2 and 3 in the year.

36 FINANCIAL RISK MANAGEMENT

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

The company has exposure to the following risks from its use of financial instruments:

-Market Risk
-Credir Risk
-Liquidity 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 minimize potential adverse effects on the financial performance. No changes were made in the objectives, policies or processes and assumptions during the year ended 30 June 2025, which are summarized below:

36.1 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rate, interest rate and equity prices will affect the company's income or value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The company has short term as well as long term rupee based loans at variable rates. Rates on short term finances are disclosed in relevant notes.

a) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions entered in foreign currencies. As at June 30, 2025, the company is not exposed to currency risk.

b) Yield / mark - up rate exposure

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 and short-term borrowings. Borrowings issued at variable interest rates expose the Company to cash flow interest rate risk and borrowings issued at fixed interest rates gives rise to fair value interest rate risk. Significant interest rate risk exposures are primarily managed by a suitable mix of borrowings at fixed and variable interest rates.

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

	2025 Rupees	2024 Rupees
Variable rate instruments - Financial Assets		
Saving account	33,735,178	86,592,063
	33,735,178	86,592,063
Variable rate instruments - Financial Liabilities		
Short term finances	744,239,039	744,239,039
	744,239,039	744,239,039

Sensitivity analysis

A change of 1% in interest rates at the reporting date would have increased/ decreased profit before tax for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Effect on Profit before tax	7,442,390	7,442,390

36.2 Credit risk

Credit risk represents the risk of loss that would be recognized at the reporting date if counter parties failed to perform as contracted. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

	2025 Rupees	2024 Rupees
At Amortized Cost		
Long term security deposit	4,815,457	4,815,457
Loans and advances	170,000	115,000
Trade deposits and prepayments	218,100	218,100
Other receivables	122,853,312	124,324,885
Bank balances	49,203,799	102,428,425
	177,260,668	231,901,867

36.2.1 The maximum exposure to credit risk for trade debts on geographic basis as at the reporting date is as follows:

United State of America and Canada	-	-
Europe	-	-
Pakistan	170,000	115,000

The ageing of trade debts at the reporting date is as follows:

Not past due	-	-
Past due 0-60 days	-	-
Past due 61 and above	170,000	115,000
	170,000	115,000

Based on past experience, the Company believes that no impairment is necessary against amounts past due by 61 days and above.

36.2.2 Some of the company's banks balances with reference to the credit ratings of the banks have not been presented as the Company is in litigation with such banks. The credit quality of rest of the Company's bank balances that are operational, can be assessed with reference to external credit ratings as:

Bank	Rating agency	Short- term Rating	2025	2024
			---------(Rupees)---------	
Dubai Islamic Bank Limited	JCR-VIS	A-1+	-	549,812
Bank Islami Pakistan Limited	PACRA	A-1	35,416	35,416
Askari Bank Limited	PACRA	A-1+	93,790	93,791
Summit Bank Limited	JCR-VIS	A-3	-	21,372
Bank Al Habib Limited	JCR-VIS	A-1+	33,547,687	86,390,834
Bank of Punjab	PACRA	A-1+	233,263,553	-
Habib Metropolitan Bank	PACRA	A-1+	80,939	-
Bank Makramah Limited	VIS	A-3	21,372	-
			267,042,757	87,091,225

36.3 Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Following are the carrying amount and maturities of the Company's financial liabilities.

	2025			
Financial Liabilities At Amortized Cost	**Carrying Amount**	**Contractual Cash Flows**	**Less Than 01 Year**	**More Than 01 Year**
		------------------Rupees------------------		
Long term finance	**199,264,000**	**199,264,000**	**199,264,000**	-
Loan from director - unsecured	**561,018,754**	**561,018,754**	**561,018,754**	-
Trade and other payables	**746,890,297**	**746,890,297**	**746,890,297**	-
Unclaimed dividend	**108,310**	**108,310**	**108,310**	-
Short term finance	**744,239,039**	**744,239,039**	**744,239,039**	-
Accrued markup	**43,322,484**	**43,322,484**	**43,322,484**	-
	2,294,842,884	**2,294,842,884**	**2,294,842,884**	-

	2024			
Financial Liabilities At Amortized Cost	**Carrying Amount**	**Contractual Cash Flows**	**Less Than 01 Year**	**More Than 01 Year**
		------------------Rupees------------------		
Long term finance	224,764,000	224,764,000	224,764,000	-
Loan from director - unsecured	561,018,754	561,018,754	561,018,754	-
Trade and other payables	764,406,943	764,406,943	764,406,943	-
Unclaimed dividend	108,310	108,310	108,310	-
Short term finance	744,239,039	744,239,039	744,239,039	-
Accrued markup	43,322,484	43,322,484	43,322,484	-
	2,337,859,530	2,337,859,530	2,337,859,530	-

37 CAPITAL RISK MANAGEMENT

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

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company did not pay the amount of dividend to shareholders.

The gearing ratio as at June 30, 2025 and June 30, 2024 is as follows:

	2025	2024
Long term finance	**199,264,000**	224,764,000
Short term running finance	**744,239,039**	744,239,039
Certificate capital	**134,095,500**	134,095,500
Unappropriated loss	**(2,314,936,923)**	(2,274,169,982)
Surplus on revaluation of property, plant and equipment	**2,400,539,148**	1,905,752,279
Total certificate holders' equity	**219,697,725**	(234,322,203)
Total certificate holders' equity including total debt	**963,936,764**	509,916,836
Gearing ratio (debt / (debt + equity)	**0.77**	1.46

38 **RELATED PARTY TRANSACTIONS**

Name of Related Party	Relationship with the company	Nature of Transactions	2025 Rupees	2024 Rupees
TRANSACTIONS DURING THE YEAR				
Naseem A.Sattar	Chairman		-	-
Azim Ahmed	Chief Executive Officer		-	-
Balance				
Naseem A.Sattar	Chairman	Payable	**500,912,887**	500,912,887
Azim Ahmed	Chief Executive Officer	Payable	**60,105,867**	60,105,867

39 **OPERATING SEGMENTS**

These financial statements have been prepared on the basis of a single reportable segment which is consistent with the internal reporting used by the chief decision-makers.
There were no changes in the reportable segments during the year.
All non-current assets of the Company as at 30 June 2025 are located in Pakistan.

40 **NUMBER OF EMPLOYEES**

	2025	2024
Number of employees at the end of the year	**11**	5
Number of average employees during the year	**11**	5

41 **PLANT CAPACITY AND PRODUCTION**

The production capacity of the plant can not be determined as it depends upon the process, the quality of the cloth used for printing and dyeing, which may compose of different kinds of fabrics and texture having different construction and weights.

42 **DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSBILE BUSINESS ACTIVITIES**

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:

	2025	2024
	(Rupees)	
Shariah Compliant bank balances		
Bank balances	**49,203,799**	102,428,425
Shariah compliant revenue		
Gross Turnover	-	-
Source and detailed breakup of other income		
Non-Shariah Compliant		
Profit on deposit accounts	**11,464,610**	12,966,099
Waiver from bank	-	217,435,093
Received from bank	-	1,188,793

43 **CORRESPONDING FIGRUES**

Corresponding figures have been reclassified or arranged, wherever necessary, for better and fair presentation. However, no major reclassifications were made during the year.

44 **DATE OF AUTHORISATION FOR ISSUE**

These financial statements were approved and authorized for issue in the Board of Directors' meeting held on September 29, 2025

Chief Executive Officer	Director	Chief Financial Officer

Key Operating and Financial Data

Statement of Profit or Loss	2025	2024	2023	2022	2021	2020
	------------------------Rupees in million	-------------------------------------				
Sales and manufacturing	-	-	-	-	-	-
Gross Loss	(101)	(116)	(144)	(116)	(86)	(103)
Profit/Loss from operations	(139)	117	125	(139)	607	2,491
Profit/Loss before taxation	(139)	117	88	(139)	605	2,491
Profit/Loss after taxation	(139)	116	88	(139)	605	2,491
Statement of Financial Position						
Property, plant and equipment	2,699	2,220	2,387	2,658	978	1,206
Long term security deposit	5	5	3	3	3	3
Net current assets	(1,903)	(1,853)	(2,360)	(2,719)	(2,697)	(3,530)
Total assets employed	801	372	31	(58)	(1,715)	(2,320)
Represented by:						
Share Capital	134	134	134	134	134	134
Reserves	458	4	(112)	(200)	(1,858)	(2,463)
Shareholders' equity	593	139	22	(66)	(1,724)	(2,329)
Surplus on revaluation -of fixed assets	2,401	1,906	2,049	2,240	519	622
Long term Financing	-	-	-	-	-	-
Deferred liabilities	-	-	-	-	-	-
Total capital employed	2,993	2,044	2,071	2,174	(1,205)	(1,707)
Statement of Cash Flow						
Operating activities	(53)	113	(44)	(19)	(161)	(207)
Investing activities	15	70	58	-	345	740
Financing activities	(15)	(109)	(56)	-	(196)	(578)
Cash & cash equivalents -at beginning of the year	103	30	72	90	102	147
Cash & cash equivalents -at end of the year	50	103	30	71	90	102
Debt-equity ratio	3.99	17.29	121.94	(47.30)	(1.81)	(1.68)
Debt	2,362	2,391	2,698	3,118	3,117	3,916
Equity	593	138	22	(66)	(1,723)	(2,329)

PATTERN OF SHAREHOLDING
AS AT 30-06-2025

NUMBER OF SHAREHOLDERS	SHARE HOLDING			TOTAL NUMBER OF SHARES HELD
455	1	--	100	11,905
126	101	--	500	31,549
42	501	--	1,000	37,321
71	1,001	--	50,000	444,776
1	50,001	--	100,000	96,000
10	100,001	--	1,000,000	2,679,789
2	1,000,001	--	3,000,000	2,593,048
1	3,000,001	--	8,000,000	7,515,162
708				**13,409,550**

CATEGORIES OF SHARE HOLDERS	NUMBER OF SHARE HOLDERS	SHARE HELD	PERCENTAGE
INDIVIDUALS	**690**		
HOLDING LESS THAN 10%		1,308,866	9.761%
FINANCIAL INSTITUTIONS	**7**		
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST		1,113,687	8.305%
NATIONAL BANK OF PAKISTAN		583,570	4.352%
NATIONAL BANK OF PAKISTAN		643	0.005%
NATIONAL BANK OF PAKISTAN		100	0.001%
THE BANK OF PUNJAB, TREASURY DIVISION		8,000	0.060%
TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST		3,674	0.027%
TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND		104,696	0.781%
INSURANCE COMPANY	**1**		
STATE LIFE INSURANCE CORPORATION OF PAKISTAN		236,994	1.767%
JOINT STOCK COMPANIES	**2**		
EXCEL SECURITIES (PRIVATE) LIMITED		500	0.004%
MAPLE LEAF CAPITAL LIMITED		1	0.000%
DIRECTORS, CEO & THEIR SPOUSE AND MINOR CHILDREN	**8**		
MR. NASEEM A. SATTAR		7,515,162	56.043%
MR. AZIM AHMED		479,818	3.578%
MR. QAMAR MASHKOOR		500	0.004%
MR. MUHAMMAD SAJID HAFEEZ		500	0.004%
MST. ADIA NASEEM		328,322	2.448%
MRS. SADAF NADEEM		132,281	0.986%
MRS.ZARINA NASEEM		1,479,361	11.032%
MRS. REENA AZIM		112,875	0.842%
TOTAL	**708**	**13,409,550**	**100.000%**

AL-ABID SILK MILLS LIMITED

PROXY FORM

The Company Secretary
Al-Abid Silk Mills Limited
A-34/A, S.I.T.E., Manghopir Road,
Karachi.

I/We ________________________ being a member(s) of Al-Abid Silk Mills Limited holding ________ ordinary share(s) hereby appoint ____________ of Folio/CDC Account No. _______ or failing him/her__________ Folio / CDC Account No.______________ who is / are also member(s) of Al-Abid Silk Mills Limited as my / our proxy in my / our absence to attend and vote for me / us and on my behalf at the Annual General Meeting of the Company to be held on Tuesday, October 28, 2025 and at any adjournment thereof.

As witness my / our hand / seal this ________day of ____________ **2025.**

Witness No. 1

Signature: ____________________________

Name: ____________________________

CNIC No: ____________________________

Address: ____________________________

____

Rs. 5/- Revenue Stamp

____

Signature of Member(s)
(This signature should agree with the specimen registered with the Company)
Folio / Participant ID No. __________

Witness No. 2

Signature: ____________________________

Name: ____________________________

CNIC No ____________________________

Address: ____________________________

____

Important:

1. CDC Account Holders are requested to strictly follow the guidelines mentioned in the Notice of Meeting.
2. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
3. The proxy shall produce his / her original CNIC or original passport at the time of the meeting.
4. A Member entitled to attend an Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him/her.
   (a) Members are requested to affix Revenue Stamp of Rs. 5/- at the place indicated above. The signature must tally with the specimen signature/s registered with the Company.
5. The form of proxy, duly completed and signed, must be deposited at the Company's Registered Office not less than 48 hours before the time for holding the meeting.

AL-ABID SILK MILLS LIMITED

العابد سلک ملز لمیٹڈ

کمپنی سیکریٹری
العابد سلک ملز لمیٹڈ
A-34/A، ایس۔آئی۔ٹی۔ای، منگھوپیر روڈ،
کراچی۔

میں/ہم ____
العابد سلک ملز لمیٹڈ کے ممبر ہونے کی حیثیت سے ________________ عام حصص کے حامل ہیں اور فولیو/سی ڈی سی اکاؤنٹ نمبر
________________ کے ________________ یا اس کی عدم موجودگی میں فولیو نمبر/سی ڈی سی اکاؤنٹ نمبر
________________ کے ________________ کا تقرر کرتا/کرتی ہوں جو کہ العابد سلک ملز لمیٹڈ کا ممبر بھی
ہے بحیثیت میرے/ہمارے پروکسی میری/ہماری عدم موجودگی میں کمپنی کے عام سالانہ اجلاس بروز منگل مورخہ 28 اکتوبر 2025ء کو منعقد ہوگا اور اس
کے التواء پر میری/ہماری جانب سے شرکت کرے گا اور ووٹ دے گا۔
آج اس دن ________________ 2025ء کو دستخط کئے گئے۔

-/5 روپے کا رسیدی ٹکٹ

____
ممبر کے دستخط
(دستخط کمپنی کے ساتھ رجسٹر شدہ نمونے کے دستخط کے مطابق ہونے چاہئیں)

____
فولیو نمبر ________________
شرکت کنندہ کا آئی ڈی نمبر ________________

گواہ نمبر 1
نام: ________________
پتہ: ________________
____
شناختی کارڈ نمبر ________________

گواہ نمبر 2
نام: ________________
پتہ: ________________
____
شناختی کارڈ نمبر ________________

نوٹ:

۱۔ سی ڈی سی اکاؤنٹ ہولڈرز سے استدعا ہے کہ اجلاس کے نوٹس میں بیان کردہ گائیڈ لائنز پر سختی سے عمل پیرا ہوں۔
۲۔ پروکسی فارم کے ساتھ سی این آئی سی/ایس این آئی سی یا بینیفشل اونرز اور پروکسی کی تصدیق شدہ کاپیاں پیش کی جائیں گی۔
۳۔ پروکسی اجلاس کے وقت اپنا اوریجنل سی این آئی سی/ایس این آئی سی یا اوریجنل پاسپورٹ پیش کرے گا۔
۴۔ ممبر سالانہ عام اجلاس میں شرکت کا مستحق ہوگا ساتھ ہی وہ اپنے بجائے پروکسی کے تقرر کا مستحق ہوگا کہ وہ اس کی جانب سے شرکت کرے اور ووٹ دے۔
(الف) ممبران سے درخواست ہے کہ مذکورہ جگہ پر پانچ روپے کا ریونیو اسٹامپ چسپاں کریں۔ دستخط کمپنی کے ساتھ رجسٹر شدہ نمونہ دستخطوں کے مطابق ہونے چاہئیں۔
۵۔ پراکسی فارم، مکمل اور دستخط شدہ حالت میں، اجلاس کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر میں جمع کروانا ضروری ہے۔