

56th ANNUAL REPORT 2025



QUETTA TEXTILE MILLS LIMITED



ANNUAL REPORT
JUNE 30, 2025
Index

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Tauqir Tariq	Chairman
Mr. Tariq Iqbal	Chief Executive
Mr. Asim Khalid	Director
Mr. Omer Khalid	Director
Mrs. Saima Asim	Director
Mr. Muhammad Saeed	Independent Director
Mr. Abbas Ali	Independent Director

AUDIT COMMITTEE

Chairman	Mr. Muhammad Saeed
Member	Mr. Tauqir Tariq
Member	Mr. Asim Khalid

HUMAN RESOURCE & REMUNERATION COMMITTEE

Chairman	Mr. Abbas Ali
Member	Mr. Tariq Iqbal
Member	Mrs. Saima Asim

CHIEF FINANCIAL OFFICER

Mr. Omer Khalid

COMPANY SECRETARY

Nudrat Maund Khan

AUDITORS

J.A.S.B & Associates Chartered Accountants

SHARE REGISTRAR

C & K Management Associates (Pvt) Ltd
M-13, Progressive Plaza, Beaumont Road,
Civil Lines Quarters, Near PIDC, Karachi

BANKERS

Allied Bank Limited
Al-Baraka Bank (Pakistan) Limited
Bank Alfalah Limited
Bank Islami (Pakistan) Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metro Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Silk Bank Limited
Standard Chartered Bank (Pakistan) Limited
Summit Bank Limited
United Bank Limited

REGISTERED OFFICE

Nadir House (Ground Floor)
I. I. Chundrigar Road, Karachi

MILLS

P/3 & B/4, S.I.T.E., Kotri.
49 K.M., Lahore, Multan Road, Bhai Pheru

WEB SITE ADDRESS

www.quettagroup.com



CORPORATE VISION & MISSION STATEMENTS

VISION

Quetta Textile Mills Limited is a manufacturer of yarns & fabrics in Pakistan. The Company aims to become a market leader by producing high quality products with the help of latest technologies. The Company strives to explore new markets worldwide and at the same time tries to integrate its supply chain and diversify its customers portfolio. The Company aims to be fittest in a changing market scenario through effective balancing, Modernization & Replacement of existing machinery.

MISSION

Our aim is to make Quetta Textile Mills Limited a secure & rewarding investment for its shareholders & investors, a reliable source of high quality yarns & fabrics at affordable prices to its customers all over the world, a secure place of work to its employees & an ethical partner to its business association.



QUETTA TEXTILE MILLS LIMITED
NOTICE OF MEETING

Notice is hereby given that the **66th Annual General Meeting** of the Shareholders of **Quetta Textile Mills Limited** will be held on **Monday 26th January 2026 at 9 :15 A.M.** at the registered office of the Company at **Nadir House (Ground Floor), I.I. Chundrigar Road, Karachi** to transact the following business: -

Ordinary Business:

1. To confirm the minutes of the Extra Ordinary General Meeting to held on January 23, 2026.
2. To receive, consider and adopt Audited Financial Statement of the Company for the year ended June 30, 2025 together with Auditors', Chairman's and Directors' Report thereon.

As required under section 223(7) of the Companies Act, 2017, the Financial Statement of the Company and scam QR code have been uploaded on the following link: <http://www.quettagroup.com/reports>



3. To appoint Auditors for the year 2025-2026 and fix their remuneration. The Board has recommended, as suggested by Audit committee, the appointment of M/s. J.A.S.B & Associates Chartered Accountant, the retiring auditors and being eligible to offer themselves for re-appointment.
4. To transact any other ordinary business of the Company with the permission of the Chairperson.
Moreover, the notice and annual report for June 2025 have also been sent electronically to shareholder under the provisions of SRO 452(1)/2025 of 2025 issued by Securities and Exchange Commission of Pakistan on March 17, 2025.

By order of the Board of Directors

Nudrat Maund Khan

Company Secretary

Karachi:

Dated: January 05, 2026

Notes:

1. In pursuance of SMD/SE/2(20)2021/117 to ensure the participation of members in the general meeting. Members are advised to send their Name, Folio/CDC Account Number, CNIC Number, Valid email address and cell number for registration, at the earliest but not later than 48 hours before AGM on E-mail: sale@quettagroup.com along with a valid copy of both sides of CNIC.
2. A member entitled to attend the Annual General Meeting can appoint a proxy to attend and vote instead of him/her. Proxies in order to be valid must be received at the registered office of Company 48 hours before meeting commences. 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 meeting an attested CNIC must be attached with Proxy Form. Shareholder holding Physical share are required to bring Original CNIC and/or copy.
3. For the purpose of entitlement of dividend, the Register of the members of the Company will remain closed at registered office from 20th January, 2026 to 26th January, 2026 (both days inclusive) and if dividend approved will be paid to such members whose name will appear in the Company's register of member at the close of business on 19th January, 2025.
4. According to Section 119 of the Company Act, 2017 and Regulation 19 of the Companies Regulation, 2018 all members have physical shares are advised to provide their mandatory information such as CNIC number, address, email address, contact numbers, Bank account detail etc, to our share Registrar.
5. Members are requested to submit a copy of their Computerized National Identity Card/Smart National Identity Card (CNIC/SNIC)/NICOP, if not already provided and notify immediately changes, if any, in their registered address to our Shares Registrar, C&K Management Associate (Pvt) Ltd.
6. According Section 242 of Companies Act 2017 and SECP's circular no 18 dated August 1, 2017. All shareholders are requested to provide IBAN, Bank name and Branch name with address and also requested again to provide Computerized National Identity Card to Shares Registrar, CDC and sub account holder update with their brokers.
7. In accordance with the directive issued by the SECP Vide SRO 452 (1)/2025 dated 17th March 2025 the Company would like to inform all the shareholders that no gifts will be distributed at the AGM.

8. Conversion Physical share into Book Entry form

With reference of Section 72 of the Companies Act, 2017 and Further Letter No. CSD/ED/Misc./2016/-639-640 dated March 26, 2021 from Securities and Exchange Commission of Pakistan (SECP). The Shareholders of Quetta Textile Mills Limited having physical folio/share certificates are requested to convert their shares from physical form into Book Entry Form as soon as possible. In this respect kindly contact following Share Registrar of the Company. A separate notice also sent to shareholders who hold physical shares.

Share Registrar C & K Management Associates (Pvt) Limited

M-13, Progressive Plaza, Beaumont Road,
Civil Lines Quarters, Near PIDC,
Karachi.



Chairman's Review

I, hereby define review report for the year ended June 30, 2025 on the performance of Board and effectiveness of role played by the Board of the Company

The year ending on June 30, 2025 has again been extremely challenging for all businesses and industry. Although SBP has reduced its discount policy rate, interest rates are still high. Businesses and industries continue to suffer due to extremely high electricity and gas rates which have resulted in very high costs of doing business.

The Company's spinning operations are still closed down due to extremely high electricity and gas rates. Because of significant decline in both the local and global market, we are currently unable to resume operation at full capacity. The Company has initiated its operation at only 30% of total capacity.

The Board during year ended June 30, 2025 played an effective role in managing the affair of Company and achieving its object in the follow manner.

The Board has applied governance standards in an efficient and transparent manner as per regulations under Code of Corporate Governance Regulations 2019(Code), guidelines and provisions of Companies Act 2017. Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange.

Essential Board agendas and the associated supporting documents were providing in a timely manner before Board and Committee Meeting. Non-executive and independent directors play an equal and integral role in crucial board decisions.

The Board has taken responsibility for the recruitment, assessment, and remuneration of essential executives, including the Chief Executive Officer, Chief Financial Officer, Company Secretary, and Head of internal Audit.

The Board's overall performance and effectiveness has assessed as satisfactory for the year financial year ended June, 30 2025. 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.

A handwritten signature in black ink, appearing to read "Tauqir Tariq", enclosed in a rectangular box.

Tauqir Tariq
Chairman

Karachi

Dated: January 05, 2026

چیئرمین کا جائزہ

میں 30 جون 2025 کو ختم ہونے والے سال کے لیے بورڈ کی کارکردگی اور کمپنی کے بورڈ کے موثر کردار پر مبنی جائزہ رپورٹ پیش کرتا ہوں۔

30 جون 2025 کو ختم ہونے والا سال ایک بار پھر تمام کاروبار اور صنعت کے لیے نہایت مشکل رہا۔ اگرچہ اسٹیٹ بینک آف پاکستان (ایس بی پی) نے پالیسی ریٹ میں کمی کی ہے تاہم شرح سود اب بھی بلند سطح پر برقرار ہے۔ اس کے ساتھ ساتھ بجلی اور گیس کی انتہائی زیادہ قیمتوں کے باعث کاروباری ادارے اور صنعتیں مسلسل دبانو کا شکار ہیں۔ نتیجتاً کاروبار کرنے کی لاگت غیر معمولی حد تک بڑھ چکی ہے۔

بجلی اور گیس کی انتہائی زیادہ قیمتوں کے باعث کمپنی کے اسپننگ آپریشنز تاحال بند ہیں۔ مقامی اور عالمی مارکیٹس میں نمایاں کمی کے باعث اس وقت مکمل پیداواری صلاحیت کے ساتھ آپریشنز دوبارہ شروع کرنا ممکن نہیں۔ اسی تناظر میں کمپنی نے اپنی مجموعی پیداواری صلاحیت کے صرف 30 فیصد پر آپریشنز کا آغاز کیا ہے۔

30 جون 2025 کو ختم ہونے والے سال کے دوران بورڈ نے کمپنی کے امور کے موثر انتظام اور کمپنی کے مقاصد کے حصول میں درج ذیل انداز سے فعال اور احسن کردار ادا کیا۔

بورڈ نے کوڈ آف کارپوریٹ گورننس ریگولیشنز 2019، کمپنیز ایکٹ 2017 کی ہدایات و شرائط، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کے ضوابط کے مطابق گورننس کے معیارات کو موثر، شفاف اور ذمہ دارانہ انداز میں نافذ کیا۔

بورڈ اور کمیٹی کے اجلاسوں سے قبل بورڈ کے اہم ایجنڈے اور ان سے متعلق معاون دستاویزات بروقت فراہم کی جاتی رہیں۔ نان ایگزیکٹو اور آزاد ڈائریکٹرز نے کلیدی بورڈ فیصلوں میں مساوی اور موثر کردار ادا کیا۔

بورڈ نے چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، کمپنی سیکریٹری اور ہیڈ آف انٹرنل آڈٹ سمیت اہم انتظامی عہدوں پر تقرری، کارکردگی کے جائزے اور معاوضے کے تعین کی ذمہ داری خود نبھائی۔

بورڈ کی 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے مجموعی کارکردگی اور موثریت کو اطمینان بخش قرار دیا گیا ہے۔ یہ جائزہ بنیادی عناصر کی جانچ پر مبنی ہے جن میں وژن، مشن اور اقدار، اسٹریٹجک منصوبہ بندی میں شمولیت، پالیسیوں کی تشکیل، ادارے کی کاروباری سرگرمیوں کی نگرانی، مالی وسائل کے انتظام پر نظر، موثر مالی نگرانی، تمام ملازمین کے ساتھ منصفانہ سلوک اور بورڈ کے امور کی انجام دہی میں کارکردگی شامل ہیں۔



توقیر طارق
چیئرمین

کراچی

05-January-2026



DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of the Company submit their Report together with the audited financial statements of the Company for the year ended June 30, 2025.

Financial Results

Summary of the company's key financial numbers are presented below:

	June 30, 2025	June 30, 2024	Variation
	(Rupees in '000)		
Sales	1,064,980	888,780	19.82 %
Cost of Sales	(2,272,791)	(1,534,686)	48.09 %
Gross Loss / Profit	(1,207,811)	(645,906)	86.99 %
(Loss)/Profit before taxation	(1,623,359)	(692,504)	134.42%
Taxation	(13,387)	(11,347)	17.98%
Profit / (Loss) after taxation	(1,636,746)	(703,851)	132.54%
Other comprehensive Profit	17,321	13,488	28.42%
Accumulated loss brought forward	(6,530,501)	(4,944,150)	32.09%

Review of Operations:

The above are results of the company for the year ended June 30, 2025. Turnover for the year was Rs. 1,064 million, an increase of Rs. 175.2 million. The company made a Loss before Tax of Rs. 1,623 million as compared to a Loss before Tax of Rs. 692.5 million last year. The primary reason for the increase in losses was the rise in cost of sales, mainly driven by soaring energy prices, power levies, provisioning of GIDC and the overall high cost of doing business. Additionally, during the fiscal year, the Company faced challenges in achieving better pricing due to weak local and global demand for textile products.

The company's current liabilities exceed its current assets by Rs. 7.764 million. Current Ratio is 0.35 : 1, as compared to last year's Current Ratio of 0.4 :1.

Director and sponsors of the Company have committed that they would continue support to the company in the future.

Chairman's Review:

The directors' hereby endorse the Chairman's review report on the performance of the Company.

Earning per Shares:

The Loss share (EPS) of current year is Rs. (125.90), as compared to Earing Rs. (54.14) for the previous year.

Dividend:

The Board of Directors have recommended 'Nil' dividend for the year ended June 30, 2025.

Retire Benefit Funds:

The Company operates un-funded gratuity scheme for its employees as reflected in the financial statements.

Economic Review

Pakistan's economy, industry and almost all manufacturing businesses are going through a tough phase due to very high electricity and gas rates and low demand for goods and services in the local and international markets.

The textile industry of Pakistan is facing multiple crisis, such as electricity and gas rates, high cost of doing business, lay-offs to lower their cost of production and cost of doing business. Many spinning and weaving manufacturing concerns have closed down or curtailed their productions. Un-employment and lay-offs are on the rise.



The persistent trend of high electricity and gas rates and levy of gas have substantially depleted the financial reserves of businesses, eroding their earnings entirely. Therefore, it is crucial for the Government to take decisive action and make concerted efforts to lower electricity and gas rates at a reasonable level in order to ensure the continued viability of the industry.

Electricity and gas tariff has jolted the trade and industries as these exorbitant costs are resulting in closures and layoffs which are further deteriorating economic activities.

Future Textile Outlook:

Going forward, next year is again expected to be a challenging one for Pakistan as it seeks fiscal stability while complying with the toughest IMF program conditions. The economic outlook depends on factors like political stability, IMF reforms and industry supportive monetary measures, boosting industrial activity and demand.

This year has been by far the toughest year for all businesses whether commercial or industrial due to global and domestic uncertainties and challenges for Pakistan's external economic environment.

Related Party Transactions:

The related parties comprise of directors and key management personnel amounts due to related parties are shown in the relevant notes to the financial statements.

Financial Management:

Cash flow Management:

The Company has an effective Cash Flow Management system in Place whereby cash inflows and outflows is projected on regular basis. Working Capital requirements are planned to be financed through internal cash generation and short-term borrowings from external resources where necessary.

Risk Mitigation:

The Inherent risks and un-certainties in running a business directly affect the success of business. The management of Quetta Textile Mills Limited has identified its exposure to the potential risks. As a part of our policy to produced forward looking statement we are outlining the risks which may affect our business. This exercise also helps the management focus on a strategy to mitigate risk factors.

Credit Risk:

All financial assets of the company except cash in hand are subject to credit risk. The company believes that it is not exposed to major concentration of credit risk. Exposure is managed through application of credit limits to its customers secured by and on the base of past experience, sales volume, consideration of financial position, past track records, and recoveries, economic conditions of particularly the textile sector and generally the industry. The company believes that it is prudent to provide Provision of doubtful debts.

Liquidity Risk:

Prudent liquidity risk management ensures availability of the sufficient funds for meeting contractual commitments. The Company's fund management strategy aims at managing liquidity risk through internal cash generation and committed credit lines with financial institutions.

Interest Rate Risk:

Majority of the interest rate exposure arises from short and long term borrowing from banks. Therefore, a change in interest rates at the reporting date would not affect the profit and loss accounts.



Foreign Exchange Risk:

Foreign currency risk arises mainly where receivables and payables exist due to transaction in foreign currencies. The company is mainly exposed to short term USD/ PKR parity on its imports of raw material and Plant and Machinery.

Production Facilities

Performance of our production facilities was excellent with unprecedented levels of output. Our team continued to improve efficiencies through harmonized efforts, eliminating wastage and avoidance of shutdowns on numerous occasions. The Company is determined to continue its focus on maximum capacity utilization for sustained profitability and to maintain its position as the leading Textile Manufacturer of the Country.

Auditors:

The present auditor's JASB & Associates, Chartered Accountants retired and being eligible offer themselves for re-appointment.

Safety, Health and Environment:

We maintain our commitment to higher standard of Safety, Health and Environment. All our employees undergo continuous training on all aspects of safety especially with regards to the safe production, delivery, storage and handling of the materials. In addition, we have initiated a rotation exercise at the mill whereby our aim is to ensure that all supervisors are also safety managers and are fully cognizant of all aspects of safety training. Due these controls and with the blessing of Al-Mighty Allah no major accidents or incidents took place at the mill.

Environmental Protection Measures:

Your company always ensures environment preservation and adopts all the possible means for environment protection. We have been taking various steps to ensure minimal dust and emission from our plant and our production lines are installed with pollutant trapping and suppression systems to control dust particles and other emissions.

Corporate Social Responsibility

Your Company is fully aware of its corporate social responsibility and has been working positively to raise the educational, health and environmental standards of the Country in general and local communities in particular.

Currently we are supporting following projects:

- Two Madrasa's in Kotri
- Four (04) water filtration plants - Three (03) in Kotri, Jamshoro and one (01) in Hyderabad.

We believe that the industry has the power to transform society and therefore strives to maximize the positive impact of industrialization.

Pattern of Shareholding:

The pattern of shareholding and relevant information thereon is annexed accordingly.

Summary of Financial Data:

Financial data for last six years in summarized form is annexed.

Composition of Board:

The composition of board is in compliance with the requirements of Code of Corporate Governance regulations 2017 applicable on listed entities which is given below:



Total number of directors:

- | | |
|-----------|---|
| a) Male | 6 |
| b) Female | 1 |

Composition

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

Remuneration of Directors:

The Company fixed the remuneration of the directors in the General Meeting and in future remuneration of the Directors will be determined by the Company in Board of Directors' Meeting as provided by Section 170 of the Companies Act, 2017. The remuneration of the Board of Directors is determined on the basis of standards in the market and reflects demands to competencies and efforts in light of the scope of their work and increase in responsibilities of the directors.

Board of Directors' Meetings:

A total of 11 meetings of the Board of Directors were held during 11 months' period from July 01, 2024 to June 30, 2025. Attendance at the Board Meetings by each Director is as follows:

Name of Directors	Number of Meetings Attended
Mr. Tariq Iqbal	11
Mr. Asim Khalid	11
Mr. Omer Khalid	11
Mr. Tauqir Tariq	04
Mrs. Saima Asim	09
Mr. Major Rtd. Muhammad Saeed	02
Mr. Abbas Ali	03

Leave of absence was granted to the directors who could not attend some of the meetings.

Board Audit Committee:

The Board of Directors in compliance with the Code of Corporate Governance has established an Audit Committee. The name of its members is given in the company profile.

The Committee meets at least once every quarter and assists the Board in fulfilling its oversight responsibilities. A total of four Board of Audit Committee meetings were held during 12 months' period from July 01, 2024 to June 30, 2025. Attendance at the Board Audit Committee Meeting by each Director / members is as follow:

Name of Members	Number of Meetings Attended
Mr. Major Rtd. Muhammad Saeed	02
Mr. Asim Khalid	04
Mr. Tauqir Tariq	04
Mr. Abbas Ali	02

The term of reference of the Audit Committee based on the scope as defined by the Securities and Exchange Commission of Pakistan (SECP) and the guidelines given by the board of directors from time to time to improve the system and pressures. Within the frame work of term of reference determined by board of directors, the Audit Committee, among other things, will recommend appointment of external auditors and review of periodical statements



Human Resource and Remuneration Committee:

Human Resource planning and management is one of the essential matters and is at the spotlight at the senior management level. The Company has a Human Resource and Remuneration Committee that guides in the section evaluation, compensation and succession planning of key management personnel. Its responsibility entails recommending improvement in the company's human resource policies and procedures and their periodic review. The Committee keeps abreast with industries "Best Practices" and ensures to discuss and implement this as and when the situation arises.

Corporate Governance:

The Board of Directors hereby declares that for the year ended June 30, 2025:

- a) The Financial statements, prepared by the management of the Company, present its state of affairs fairly, the results of its operations, cash flows and change in equity.
- b) Proper books of accounts of the Company have been maintained.
- c) Appropriate accounting policies as stated in the notes to the financial statements have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d) The International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed and explained.
- e) There is no significant doubt upon the Company's ability to continue as a going concern.
- f) The system of internal control is sound in design and has been effectively implemented and monitored.
- g) Key operating and financial data for the last six years in summarized form is annexed.
- h) Outstanding duties, statutory charges and taxes if any, have been adequately disclosed in the annexed audited financial statements.

Reservations in Independent Auditors' Report to the Members :

The auditors have given their remarks over financial stability of the company by showing their concerns towards use of 'going concern' assumption. The management very briefly explains various mitigating factors that are in company's favour to be a going concern for the future in note 3.6 in these financial statements: -

- (a) The main factor in the company's favour is that the company is getting complete co-operation from our bankers who have re-structured our outstanding amounts and entered into scattered and stepped-up settlement arrangements. Along-with this, mark-up rates have also been reduced to cost of fund. Mark-up amounts have been re-structured to be paid at 'tail-end', after re-payments of principal amounts. In some cases, mark-up has been waived entirely. This has been done to enable positive and retained cash flows to maintain its liquidity and will improve its Current Ratio. The company had filed "Leave to Defend" well in time to challenge their claims against those banks who have filed suits in Sindh High Court and Banking Court against the company. Negotiations with the remaining banks is also under process for settlement of claims. Our legal team is confident that they will be able to succeed in settling the due amounts with banks, and also would be able to get reductions in the claim amounts.
- (b) The banks have filed cases for recovery which are exaggerated and with exorbitant mark-up and other charges, whereas, as per records of the company, the amount, if any payable, against the subject facilities, are much less than the alleged claims of the banks. In all these cases, the company has filed "Leave to Defend" applications and denied the alleged claims of the banks, which are pending before the Hon'ble Courts for adjudications. The management contesting the cases vigorously and also making efforts for amicable



settlement of claim of each bank individually as out of court settlement. The company has finalized compromise/settlement agreements in three suits. A fourth compromise/settlement agreement with another bank is presently under discussions in another suit, and will be in the final stages of mutual agreement shortly.

- (c) Some banks that are in litigations have not responded to balance confirmation letter of auditors.
- (d) The Board notes the observation of the external auditors in their report regarding non-compliance with certain requirements of IAS 12 Income Taxes (with respect to recognition of deferred taxation, including deferred tax on surplus arising on revaluation of fixed assets amounting to Rs. 329.14 million as at the reporting date) and IFRS 16 Leases. The Company has historically followed the accounting practices permissible under the applicable regulatory framework in Pakistan, including the treatment of surplus on revaluation of property, plant and equipment in accordance with the directives/SROs issued by the Securities and Exchange Commission of Pakistan (SECP) from time to time. The management continues to monitor developments in the application of these International Financial Reporting Standards (IFRS), particularly in the context of local regulatory requirements, taxation laws, and the Company's financial position. The Board is committed to ensuring full compliance with all applicable accounting standards and is actively reviewing these matters in consultation with financial and legal advisors. Appropriate steps will be taken in future periods to align the accounting treatment as necessary, subject to detailed evaluation of the impact and available regulatory guidance. The Directors are confident that the financial statements, taken as a whole, present fairly the state of the Company's affairs and appreciate the auditors' focus on these technical areas to strengthen financial reporting practices."
- (e) The Board acknowledges the observation of the external auditors, J.A.S.B. & Associates, in their report for the year ended June 30, 2025, that this is their first year of appointment as auditors of the Company. As required under ISA 510 – Initial Audit Engagements – Opening Balances, they requested access to the working papers of the predecessor auditor to verify the opening balances, but no response was received from the outgoing auditor. The Company has maintained proper books of account and internal control systems, and the opening balances as at July 1, 2024, have been carried forward from the duly audited financial statements for the preceding year. Management performed its own review and reconciliation procedures for these balances, supported by underlying records, ledgers, and confirmations where applicable. The Directors are satisfied that the opening balances are fairly stated and that there are no material misstatements or adjustments required in this regard. The Board appreciates the professional diligence of the current auditors in highlighting this matter as part of their responsibility to obtain sufficient appropriate audit evidence. The Company remains fully committed to facilitating a smooth audit process and will continue to extend full cooperation to the auditors, including proactive steps to ensure timely communication and access to relevant information in future periods. The Directors confirm that, to the best of their knowledge and belief, the financial statements as a whole present fairly the state of the Company's affairs as at June 30, 2025, and the results of its operations for the year then ended."

Conclusion:

In the end, I would like to thank the supporting financial institutions and creditors for their continued support they have shown towards the company. To the workers, staff and officers, I extend my gratitude for their dedication and honesty.

For and on behalf of the Board

TARIQ IQBAL
Chief Executive

Omer Khalid
Director

ڈائریکٹرز رپورٹ بنام حصص یافتگان

کمپنی کے ڈائریکٹرز 30 جون، 2025 کو ختم ہونے والے سال کیلئے اپنی رپورٹ کے ہمراہ آڈٹ شدہ مالی گوشوارے پیش کرتے ہیں۔

مالیاتی نتائج

کمپنی کے اہم مالیاتی اعداد و شمار کا خلاصہ درج ذیل ہے

فیصدی فرق	30 جون، 2024	30 جون، 2025	
	روپے ہزاروں میں		
	888,780	1,064,980	فروخت
19.82 فیصد	(1,534,686)	(2,272,791)	فروخت کی لاگت
48.09 فیصد	(645,906)	(1,207,811)	مجموعی نقصان/منافع
86.99 فیصد	(692,504)	(1,623,359)	(نقصان)/قبل از ٹیکس منافع
134.42 فیصد	(11,347)	(13,387)	ٹیکسیشن
17.98 فیصد	(703,851)	(1,636,746)	منافع/(نقصان) بعد از ٹیکس منافع
132.54 فیصد	13,488	17,321	دیگر مجموعی منافع
28.42 فیصد	(4,944,150)	(6,530,501)	آگے بڑھتا ہوا جمع شدہ نقصان
32.09 فیصد			

آپریشنز کا جائزہ

مذکورہ بالا مالیاتی نتائج 30 جون، 2025 کو ختم ہونے والے سال کیلئے ہیں۔ سال کیلئے کمپنی کی آمدن 1,064 ملین روپے رہی جس میں 175.2 ملین روپے کا اضافہ ہوا۔ کمپنی کا قبل از ٹیکس نقصان گزشتہ سال کے 692.5 ملین روپے کے قبل از ٹیکس نقصان کے مقابلے میں 1,623 ملین روپے رہا۔ نقصانات میں اضافہ کی بنیادی وجہ توانائی کی بڑھتی ہوئی قیمتوں، پاور لیویز، جی آئی ڈی سی کی پرویژننگ اور بلند کاروباری لاگت کے باعث فروخت کی لاگت میں اضافہ ہے۔ اس کے علاوہ مالی سال کے دوران مقامی اور عالمی سطح پر ٹیکسٹائل مصنوعات کی کمزور طلب کے باعث کمپنی کو بہتر قیمتیں حاصل کرنے میں بھی نمایاں مشکلات کا سامنا رہا۔

کمپنی کے موجودہ واجبات کمپنی کے موجودہ اثاثوں سے 7.764 ملین روپے تجاوز کر گئے۔ موجودہ تناسب گزشتہ کے 0.4:1 کے موجودہ تناسب کے مقابلے میں 0.35:1 رہا۔

کمپنی کے ڈائریکٹرز اور سپانسرز نے مستقبل میں کمپنی کی معاونت جاری رکھنے کے عزم کا اظہار کیا ہے

چیئرمین کا جائزہ

ڈائریکٹرز کمپنی کی کارکردگی پر چیئرمین کی جائزہ رپورٹ کی تصدیق کرتے ہیں

موجودہ سال کیلئے فی حصص نقصان 125.90 روپے رہا جبکہ گزشتہ سال یہ آمدن 54.14 روپے تھی۔

منافع منقسمہ

بورڈ آف ڈائریکٹرز نے 30 جون، 2025 کو ختم ہونے والے سال کیلئے منافع منقسمہ نہ دینے کی سفارش کی ہے۔

ریٹائرمنٹ بینیفٹ فنڈز:

کمپنی اپنے ملازمین کے لیے غیر فنڈڈ گریجویٹی اسکیم چلا رہی ہے جیسا کہ مالی گوشواروں میں ظاہر کیا گیا ہے۔

معاشی جائزہ

پاکستان کی معیشت، انڈسٹری اور تمام مینوفیکچرنگ کاروبار بجلی اور گیس کے بہت زیادہ ریٹس، اشیا اور مقامی اور عالمی مارکیٹوں میں خدمات میں کمی کی باعث مشکل مرحلے سے گزر رہے ہیں۔

پاکستان کی ٹیکسٹائل انڈسٹری کو متعدد بحرانوں کا سامنا ہے جس میں بجلی اور گیس کے زیادہ ریٹس، کاروبار کرنے کی بلند لاگت، پیداواری لاگت اور کاروبار کرنے کی مجموعی لاگت میں کمی لانے کے لیے ملازمین کی برطرفیاں شامل ہیں۔ بہت سے اسپننگ اور ویونگ مینوفیکچرنگ کمپنیاں بند ہو گئی ہیں یا انہوں نے اپنی پیداوار میں کمی کی ہے۔ بے روزگاری اور ملازمتوں سے برطرفیوں میں اضافہ ہو رہا ہے۔

بجلی اور گیس کے بلند ریٹس اور گیس پر عائد لیویز کے مسلسل رجحان نے کاروباری اداروں کے مالی ذخائر کو شدید طور پر کمزور کر دیا ہے حتیٰ کہ ان کی آمدن مکمل طور پر ختم ہوتی جا رہی ہے۔ لہذا صنعت کی بقا کو یقینی بنانے کے لیے یہ ضروری ہے کہ حکومت فیصلہ کن اقدامات کرے اور بجلی و گیس کی قیمتوں کو معقول سطح پر لانے کے لیے سنجیدہ اور مربوط کوششیں کرے۔

بجلی اور گیس ٹیرف نے تجارت اور صنعتوں کو ہلا کر رکھ دیا ہے کیونکہ حد سے زیادہ لاگتوں کی وجہ سے کمپنیوں کی بندش اور ملازمتوں سے برطرفیوں کا باعث بن رہے ہیں جس سے معاشی سرگرمیوں میں مزید بگاڑ پیدا ہو رہا ہے۔

ٹیکسٹائل انڈسٹری کی مستقبل کی پیش بینی

توقع ہے کہ اگلا سال بھی پاکستان کیلئے مشکل سال ہو گا کیونکہ پاکستان آئی ایم ایف پروگرام کی سخت شرائط پر عمل درآمد کرتے ہوئے مالی استحکام کیلئے کوشاں ہے مستقبل کی معاشی پیش بینی کا انحصار سیاسی استحکام، آئی ایم ایف اصلاحات، صنعتوں کیلئے معاون مالی اقدامات، صنعتی سرگرمیوں اور طلب جیسے عوامل پر ہے۔

یہ سال چاہے تجارتی ہوں یا صنعتی تمام کاروبار کے لیے عالمی اور مقامی سطح پر غیر یقینی صورتحال اور پاکستان کے بیرونی معاشی ماحول کو درپیش چیلنجز کے باعث اب تک کا سب سے مشکل سال ثابت ہوا ہے۔

متعلقہ فریق سے لین دین

متعلقہ فریقین میں ڈائریکٹرز اور کلیدی انتظامی عملہ شامل ہیں۔ متعلقہ فریقین کے ذمے واجب الادا رقوم کی تفصیلات مالی گوشواروں کے متعلقہ نوٹس میں ظاہر کی گئی ہیں۔

کمپنی نے کیش فلو مینجمنٹ کا ایک موثر نظام نافذ کر رکھا ہے جہاں کیش ان فلوز اور کیش فلوز کی ریگولر بنیادوں پر منصوبہ بندی کی جاتی ہے۔ ورکنگ کیپٹل کی ضروریات کو اندورنی طور پر کیش کا بندوبست اور بیرونی ذرائع سے قلیل مدت قرضوں، اگر ضرورت ہو، کے ذریعے پورا کیا جاتا ہے۔

خطرے میں کمی

کسی بھی کاروبار کو چلانے میں موجود فطری خطرات اور غیر یقینی صورتحال براہ راست کاروبار کی کامیابی کو متاثر کرتی ہے۔ کوئٹہ ٹیکسٹائل ملز لمیٹڈ کی انتظامیہ نے کاروبار کو درپیش ممکنہ خطرات کی نشاندہی کی ہے۔ آئندہ کیلئے پیشگی منصوبہ بندی کے بیان کے طور پر ہم ان خطرات کی وضاحت کر رہے ہیں جو ہمارے کاروبار کو متاثر کر سکتے ہیں۔ اس اقدام سے کمپنی کی انتظامیہ کو خطرات میں کمی کیلئے موثر حکمت عملی اختیار کرنے میں مدد ملتی ہے۔

کریڈٹ رسک

کمپنی کے تمام مالی اثاثے ماسوائے دستیاب نقد رقم، کریڈٹ رسک سے مشروط ہے۔ تاہم کمپنی کو یقین ہے کہ اسے کریڈٹ رسک کے کسی بڑے ارتکاز کا سامنا نہیں ہے۔ کمپنی کریڈٹ رسک کے موثر انتظام کیلئے ضمانت شدہ، ماضی کے تجربات، فروخت کے حجم، مالی حیثیت اور سابقہ ادائیگیوں کے ریکارڈ کو مدنظر رکھ کر اپنے صارفین پر کریڈٹ حدود نافذ کرتی ہے۔ کمپنی کو یقین ہے کہ مشکوک قرضوں کیلئے مناسب حد تک واجب الادا رقم مختص کرنا محتاط اور موزوں طرز عمل ہے۔

لیکوئیڈٹی رسک

لیکوئیڈٹی رسک کا موثر انتظام اس امر کو یقینی بناتا ہے کہ معاہدہ ذمہ داریوں کی تکمیل کیلئے وافر مالی وسائل دستیاب ہیں۔ کمپنی کی فنڈ مینجمنٹ حکمت عملی لیکوئیڈٹی رسک کے انتظام پر مرکوز ہے۔ جس کے تحت اندورنی طور پر نقد کی تخلیق اور مالی اداروں کے ساتھ حاصل اور منظور شدہ کریڈٹ سہولتوں کے ذریعے مالی ضروریات پوری کی جاتی ہیں۔

انٹریسٹ ریٹ رسک

شرح سود سے متعلق خطرے کا زیادہ تر انحصار بینکوں سے حاصل کردہ قلیل اور طویل مدتی قرضوں پر ہوتا ہے۔ اس لئے رپورٹنگ کی تاریخ پر شرح سود میں کسی بھی قسم کی تبدیلی کمپنی کے منافع یا نقصان کے کھاتوں کو متاثر نہیں کرے گی۔

فارن ایکس چینج رسک

غیر ملکی کرنسی کا خطرہ بنیادی طور پر اس وقت پیدا ہوتا ہے جب غیر ملکی کرنسی میں لین دین کے نتیجے میں وصولیاں اور ادائیگیاں موجود ہوں۔ کمپنی کو بالخصوص خام مال اور پلانٹ و مشینری کی درآمدات کے حوالے سے قلیل مدتی امریکی ڈالر/پاکستانی روپے کی شرح تبادلہ میں اتار چڑھائوں کے خطرے کا سامنا رہتا ہے۔

ہمارے پیداواری مراکز کی کارکردگی شاندار رہی اور پیداوار کی سطح تاریخ میں پہلی مرتبہ غیر معمولی حد تک بلند رہی۔ ہماری ٹیم نے مربوط کاوشوں کے ذریعے کارکردگی میں مسلسل بہتری لاتے ہوئے ضیاع کے خاتمے اور متعدد مواقع پر پیداواری تعطل سے بچانے کو یقینی بنایا۔ کمپنی پائیدار منافع کے حصول کے لیے زیادہ سے زیادہ پیداواری صلاحیت کے موثر استعمال پر اپنی توجہ برقرار رکھنے کے لیے پرعزم ہے۔ کمپنی ملک کی صف اول کی ٹیکسٹائل مینوفیکچرنگ کمپنی کے طور پر اپنی قیادت کو مستحکم رکھنے کے عزم کا اعادہ کرتی ہے۔

آڈیٹرز

موجودہ آڈیٹرز جے اے ایس بی اینڈ ایسوسی ایٹس، چارٹرڈ اکائونٹنٹس نے سبکدوش ہو گئے ہیں، انہوں نے اہلیت کی بنا پر خود کو دوبارہ تقرری کیلئے پیش کیا۔

حفاظت، صحت اور ماحول

ہم حفاظت، صحت اور ماحول کے اعلیٰ ترین معیارات کیلئے اپنے عزم کو برقرار رکھتے ہیں۔ ہمارے ملازمین حفاظت کے تمام پہلوئوں بلخصوص محفوظ پیداوار، ڈیلیوری، سٹوریج اور میٹریل کی ہنڈلنگ سے متعلق مسلسل تربیت حاصل کرتے ہیں۔ اس کے علاوہ ہم نے مل میں ایک روٹیشن ایکسٹرنل ایگزیکٹو کا آغاز کیا گیا ہے جس کا مقصد یہ یقینی بنانا ہے کہ تمام سپروائزرز نہ صرف اپنے شعبے کے حوالے سے فرائض انجام دیں بلکہ وہ بطور سیفٹی منیجر بھی کام کریں اور حفاظتی تربیت کے تمام پہلوئوں سے مکمل طور پر باخبر ہوں۔ ان کنٹرولز اور اللہ تعالیٰ کے فضل و کرم سے مل میں کسی بڑے حادثے یا ناخوشگوار واقعے کا سامنا نہیں کرنا پڑا۔

ماحولیاتی تحفظ کیلئے اقدامات

آپ کی کمپنی ماحولیاتی تحفظ کو ہمہ وقت یقینی بنانے کیلئے تمام ممکنہ اقدامات اٹھاتی ہے۔ ہم نے اپنے پلانٹ سے دھول مٹی اور اخراج کو کم کرنے کیلئے مختلف اقدامات اٹھائے ہیں۔ ہماری پیداواری لائنز گرد و غبار کے ذرات اور دیگر اخراج کو کنٹرول کرنے کے لیے آلودگی کو روکنے اور دبانے کے موثر نظام کی حامل ہیں جس سے ماحولیاتی اثرات کو کم سے کم رکھنے کو یقینی بنایا جاتا ہے۔

کارپوریٹ سماجی ذمہ داری

آپ کی کمپنی اپنی کارپوریٹ سماجی ذمہ داری سے مکمل طور پر آگاہ ہے اور ملک میں بلعموم اور بلخصوص طبقات کیلئے تعلیم، صحت اور ماحولیاتی معیارات کو بلند کرنے کیلئے مثبت انداز میں کام کر رہی ہے۔

کمپنی درج ذیل منصوبوں پر کام کر رہی ہے

* کوٹری میں دو مدرسوں

* چار واٹر فلٹریشن پلانٹس۔ کوٹری، جامشورو میں تین اور حیدرآباد میں ایک

ہمیں یقین ہے کہ صنعت میں معاشرے کو مثبت طور پر تبدیل کرنے کی بھرپور صلاحیت موجود ہے اسی لیے ہم اس کے مثبت اثرات کو زیادہ سے زیادہ بڑھانے کے لیے مسلسل کوشاں ہیں۔

کوئٹہ ٹیکسٹائل ملز لمیٹڈ



شیئر ہولڈنگ کا پیٹرن

شیئر ہولڈنگ کا پیٹرن اور متعلقہ معلومات منسلک ہے

مالی اعداد و شمار کا خلاصہ

گزشتہ چھ سال کے مالی اعداد و شمار کا خلاصہ منسلک ہے

بورڈ کی تشکیل

بورڈ کی تشکیل لسٹڈ اداروں پر لاگو کوڈ آف کارپوریٹ گورننس ریگولیشنز 2017 کی ضروریات کے مطابق ہے جس کی تفصیل درج ذیل ہے:

ڈائریکٹرز کی کل تعداد

6	اے) مرد
1	بی) خواتین
2	اے) آزاد ڈائریکٹرز
2	بی) ایگزیکٹو ڈائریکٹرز
3	سی) نان ایگزیکٹو ڈائریکٹرز

ڈائریکٹرز کا معاوضہ

کمپنی نے ڈائریکٹرز کا معاوضہ اجلاس عام میں طے کیا تھا اور آئندہ ڈائریکٹرز کا معاوضہ کمپنیز ایکٹ، 2017 کے سیکشن 170 کے تحت بورڈ آف ڈائریکٹرز کے اجلاس میں طے کیا جائے گا۔ بورڈ آف ڈائریکٹرز کے معاوضے کا تعین مارکیٹ میں رائج معیارات کی بنیاد پر کیا جاتا ہے جو ان کام کے دائرہ اختیار میں ان کی اہلیت اور قابلیت اور ڈائریکٹرز کی ذمہ داریوں میں اضافے کے تناظر میں موزوں عکاسی کرتا ہے۔

بورڈ آف ڈائریکٹرز کے اجلاس

یکم جولائی 2024 سے 30 جون 2025 تک کے 11 ماہ کے عرصے کے دوران بورڈ آف ڈائریکٹرز کے کل 11 اجلاس منعقد ہوئے ہر ڈائریکٹر کی بورڈ کے اجلاسوں میں شرکت کی تفصیل درج ذیل ہے:

ڈائریکٹر کا نام	اجلاس میں شرکت کی تعداد	ڈائریکٹر کا نام	اجلاس میں شرکت کی تعداد
طارق اقبال	11	عاصم خالد	11
عمر خالد	11	توقیر طارق	4
صائمہ عاصم	9	میجر ریٹائرڈ محمد سعید	2
عباس علی	3		

جن ڈائریکٹرز نے بعض اجلاسوں میں شرکت نہیں کی، انہیں باقاعدہ طور پر رخصت کی منظوری دی گئی

بورڈ آڈٹ کمیٹی

بورڈ آف ڈائریکٹرز نے کوڈ آف کارپوریٹ گورننس کی تعمیل میں ایک آڈٹ کمیٹی قائم کی ہے۔ کمیٹی کے اراکین کے نام کمپنی پروفائل میں درج ہیں۔

کمیٹی کا کم از کم ہر سہ ماہی میں ایک مرتبہ اجلاس منعقد ہوتا ہے۔ کمیٹی بورڈ کو اپنی نگرانی سے متعلق ذمہ داریاں موثر انداز سے ادا کرنے میں معاونت فراہم کرتی ہے۔ یکم جولائی 2024 سے 30 جون 2025 تک کے 12 ماہ کے عرصے کے دوران بورڈ کی آڈٹ کمیٹی کے کل چار اجلاس منعقد ہوئے ہر ڈائریکٹر / رکن کی آڈٹ کمیٹی کے اجلاسوں میں شرکت کی تفصیل درج ذیل ہے:

اراکین کے نام	اجلاس میں شرکت کی تعداد
جناب میجر ریٹائرڈ محمد سعید	2
جناب عاصم خالد	4
جناب توقی طارق	4
عباس علی	2

آڈٹ کمیٹی کے اختیارات و فرائض سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے طے کردہ دائرہ کار اور بورڈ آف ڈائریکٹرز کی طرف سے وقتاً فوقتاً نظام اور کنٹرولز کو بہتر بنانے کے لیے جاری کردہ ہدایات کی بنیاد پر مرتب کیے گئے ہیں۔ بورڈ آف ڈائریکٹرز کی جانب سے مقرر کردہ ان اختیارات و فرائض کے دائرہ کار کے اندر رہتے ہوئے، آڈٹ کمیٹی دیگر امور کے علاوہ بیرونی آڈیٹرز کی تقرری کی سفارش کرے گی اور مالی گوشواروں و دیگر متواتر رپورٹس کا جائزہ لے گی۔

انسانی وسائل اور معاوضہ کمیٹی

انسانی وسائل کی منصوبہ بندی اور انتظام کمپنی کے اہم ترین امور میں شامل ہے اور یہ اعلیٰ انتظامیہ کی سطح پر خصوصی توجہ کا مرکز ہے۔ کمپنی میں انسانی وسائل اور معاوضہ کمیٹی قائم ہے جو کلیدی انتظامی عملے کی کارکردگی کے جائزے، معاوضے کے تعین اور منصوبہ بندی کے سلسلے میں رہنمائی فراہم کرتی ہے۔ کمیٹی کی ذمہ داریوں میں کمپنی کی انسانی وسائل کی پالیسیوں اور طریقہ کار میں بہتری کی سفارش اور ان کا باقاعدہ متواتر جائزہ شامل ہے۔ کمیٹی صنعت میں رائج بہترین عملی طریقوں سے باخبر رہتی ہے اور حالات کے تقاضوں کے مطابق ان پر غور و خوض کرتے ہوئے ان کے نفاذ کو یقینی بناتی ہے۔

کارپوریٹ گورننس

بورڈ آف ڈائریکٹرز 30 جون، 2025 کیلئے ختم ہونے والے سال کیلئے اعلان کرتی ہے کہ

(ا) کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالی گوشوارے کمپنی کے امور کار، اس کی سرگرمیوں کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔

(ب) کمپنی کے حساب کتاب کے کھاتے مناسب انداز میں برقرار رکھے گئے ہیں۔

(سی) مالیاتی گوشواروں اور اکائونٹنگ کے اندازوں کی تیاری میں اکائونٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی گئی ہے اور شماریاتی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔

(ڈی) مالیاتی گوشواروں کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (آئی ایف آر ایس) ، جہاں تک وہ پاکستان میں قابل اطلاق ہیں کی پیروی کی گئی ہے اور ان سے کسی بھی انحراف کو مناسب انداز میں ظاہر اور واضح کیا گیا ہے۔

(ای) جاری خدشات کے تناظر میں کمپنی کی کاروبار کو جاری رکھنے کی اہلیت پر کوئی شک و شبہات نہیں ہے۔

(ایف) انٹرنل کنٹرولز کے سسٹم کو موثر انداز میں نافذ کیا گیا ہے۔ سسٹم کو مزید بہتر بنانے کیلئے جائزہ اور نگرانی کا عمل جاری ہے۔

(جی) اہم آپریٹنگ اور مالیاتی ڈیٹا کا خلاصہ اس رپورٹ کے ساتھ منسلک ہے۔

(ایچ) واجب الادا ذمہ داریوں، قانونی واجبات اور ٹیکسز ، اگر کوئی ہیں، کو آٹھ شدہ مالی گوشواروں میں مناسب انداز میں بیان کیا گیا ہے۔

آزاد آڈیٹرز کی رپورٹ میں تحفظات بنام اراکین

آڈیٹرز نے کمپنی کی مالی پائیداری کے حوالے سے اپنی رائے دیتے ہوئے جاری خدشات کے مفروضے کے استعمال پر تحفظات کا اظہار کیا ہے۔ انتظامیہ نے مالی گوشواروں کے نوٹ 3.6 میں نہایت اختصار کے ساتھ ان مختلف تدریجی عوامل کی وضاحت کی ہے جو مستقبل میں کمپنی کے بطور جاری خدشات برقرار رہنے کے حق میں ہیں جن کی تفصیل ذیل میں بیان کی گئی ہے :

(اے) کمپنی کے حق میں سب سے اہم بات ہمارے بینکرز کی جانب سے مکمل تعاون ہے جنہوں نے کمپنی کی واجب الادا رقم کی ازسرنو ترتیب کی ہے اور تصفیہ کے مرحلہ وار اور تدریجی انتظامات کیے ہیں۔ اس کے ساتھ ساتھ مارک اپ کی شرحوں بھی فنڈز کی لاگت کی سطح تک کم کر دی گئی ہیں۔ مارک اپ کی رقم کو اس انداز سے ازسرنو ترتیب کیا گیا ہے کہ ان کی ادائیگی اصل رقم کی واپسی کے بعد آخری مرحلے پر کی جائے گی۔ بعض معاملات میں مارک اپ مکمل طور پر معاف کر دیا گیا ہے۔ یہ اقدامات اس لیے کیے گئے ہیں تاکہ مثبت کیش فلو کو ممکن بنایا جا سکے جس سے کمپنی کی لیکویڈیٹی برقرار رہے گی اور موجودہ تناسب میں بہتری آئے گی۔ کمپنی نے سندھ ہائی کورٹ اور بینکنگ کورٹ میں کمپنی کے خلاف دعوے دائر کرنے والے بینکوں کے خلاف بروقت دفاع کی اجازت کیلئے درخواست دائر کی ہے تاکہ ان دعووں کو چیلنج کیا جا سکے۔ باقی بینکوں کے ساتھ دعووں کے تصفیے کے لیے مذاکرات بھی جاری ہیں۔ کمپنی کی قانونی ٹیم کو یقین ہے کہ وہ نہ صرف واجب الادا رقم کے تصفیے بلکہ دعووں کی رقم میں خاطر خواہ کمی حاصل کرنے میں بھی کامیاب رہے گی۔

(بی) بینکوں نے ریکوری کے لیے جو مقدمات دائر کیے ہیں ان میں دعووں کو بڑھا چڑھا کر پیش کیا گیا اور حد سے زیادہ مارک اپ اور دیگر چارجز شامل کیے گئے ہیں جبکہ کمپنی کے ریکارڈ کے مطابق متعلقہ سہولیات کے تحت اگر کوئی رقم واجب الادا ہے بھی تو وہ بینکوں کے مابین دعووں سے کہیں کم ہے۔ ان تمام مقدمات میں کمپنی نے دفاع کی اجازت کیلئے درخواستیں دائر کرتے ہوئے بینکوں کے مابین دعوؤں کی تردید کی ہے جو اس وقت معزز عدالتوں میں فیصلے کے لیے زیر سماعت ہیں۔ انتظامیہ ان مقدمات کا بھرپور قانونی دفاع کر رہی ہے اور ساتھ ہی باہم رضامند تصفیے کے لیے بھی سنجیدہ کوششیں جاری رکھے ہوئے ہیں۔ کمپنی نے تین مقدمات میں مصالحتی / اسٹیلمنٹ معاہدوں کو حتمی شکل دے دی ہے۔ ایک اور بینک کے ساتھ چوتھے مقدمے میں مصالحتی / اسٹیلمنٹ معاہدے پر اس وقت بات چیت جاری ہے جو جلد ہی باہمی رضامندی کے ساتھ حتمی مراحل میں داخل ہو جائے گا۔

(سی) بعض بینک جو قانونی مقدمات میں فریق ہیں، آڈیٹرز کی جانب سے ارسال کردہ بیلنس سے متعلق تصدیقی مراسلوں کا جواب فراہم نہیں کر سکے۔

(ڈی) بورڈ نے بیرونی آڈیٹرز کی رپورٹ میں شامل ان مشاہدات کا نوٹس لیا ہے جو IAS 12 انکم ٹیکسز (خصوصاً موخر ٹیکس کی شناخت سے متعلق بشمول مقررہ تاریخ تک 329.14 ملین روپے کے مقررہ اثاثہ جات کی ری ویلیویشن سے پیدا ہونے والے سرپلس پر موخر ٹیکس) اور IFRS 16 لیزز کی بعض ضروریات پر عدم تعمیل سے متعلق ہیں۔ کمپنی ایس ای سی پی کی طرف سے وقتاً فوقتاً جاری کردہ ہدایات/ایس آر اوز کے مطابق پاکستان میں نافذ العمل ریگولیٹری فریم ورک کے تحت اکائونٹنگ طریقہ کار پر عمل کرتی

ریگولٹری تقاضوں، ٹیکس قوانین اور کمپنی کی مالی پوزیشن کے تناظر میں انٹرنیشنل رپورٹنگ اسٹیٹرنڈ (آئی ایف آر س) کے اطلاق

سے متعلق پیش رفت پر مسلسل نظر رکھے ہوئے ہے۔ بورڈ تمام قابل اطلاق اکائونٹنگ معیارات کی مکمل تعمیل کو یقینی بنانے کے لیے پرعزم ہے اور ان امور کا مالی اور قانونی مشیروں سے مشاورت کے ساتھ فعال طور پر جائزہ لے رہا ہے۔ مستقبل میں اثرات کے تفصیلی تجزیے اور دستیاب ریگولٹری رہنمائی سے مشروط جہاں ضروری ہو، مناسب اقدامات کیے جائیں گے تاکہ اکائونٹنگ کو ہم آہنگ کیا جاسکے۔ ڈائریکٹرز کو اس بات پر مکمل اعتماد ہے کہ مجموعی طور پر مالی گوشوارے کمپنی کے امور کی منصفانہ عکاسی کرتے ہیں اور وہ مالی رپورٹنگ کے طریقہ کار کو مزید مضبوط بنانے کے لیے آڈیٹرز کی جانب سے ان تکنیکی پہلوئوں پر توجہ کو سراہتے ہیں۔

(ای) بورڈ 30 جون 2025 کو ختم ہونے والے سال کیلئے اپنی رپورٹ میں بیرونی آڈیٹرز جے اے ایس بی اینڈ ایسوسی ایٹس کے مشاہدے کا اعتراف کرتا ہے کہ یہ کمپنی کے آڈیٹرز کے طور پر ان کی تقرری کا پہلا سال ہے۔ ISA 510 ابتدائی آڈٹ اسائنمنٹس: اوپننگ بیلنسز کے تقاضوں کے تحت انہوں نے ابتدائی بیلنسز کی توثیق کے لیے سابق آڈیٹر کے ورکنگ پیپرز تک رسائی کی درخواست کی تاہم سبکدوش ہونے والے آڈیٹر کی جانب سے کوئی جواب موصول نہیں ہوا۔ کمپنی نے باقاعدہ طور پر حساب کتاب کے مناسب کھاتے اور اندرونی کنٹرول کے موثر نظام برقرار رکھے ہوئے ہیں اور یکم جولائی 2024 کے اوپننگ بیلنسز گزشتہ سال کے باقاعدہ آڈٹ شدہ مالی گوشواروں سے منتقل کیے گئے ہیں۔ انتظامیہ نے ان بیلنسز کے لیے اپنی سطح پر جائزہ اور مطابقت کیلئے کارروائیاں انجام دیں جن کی تائید متعلقہ ریکارڈز، لیجرز اور جہاں قابل اطلاق ہو، تصدیقی شواہد سے کی گئی۔

ڈائریکٹرز اس بات سے مطمئن ہیں کہ اوپننگ بیلنسز منصفانہ طور پر بیان کیے گئے ہیں اور اس ضمن میں کسی ٹھوس غلط بیانی یا ایڈجسٹمنٹ کی ضرورت نہیں۔ بورڈ موجودہ آڈیٹرز کی پیشہ ورانہ قابلیت کو سراہتا ہے کہ انہوں نے مناسب اور وافر آڈٹ شواہد کے حصول کی اپنی ذمہ داری کے تحت اس معاملے کی نشاندہی کی۔ کمپنی ایک بلاکاوٹ آڈٹ عمل کو یقینی بنانے کے لیے پرعزم ہے اور مستقبل میں بھی آڈیٹرز کے ساتھ مکمل تعاون جاری رکھے گی جس میں بروقت رابطہ اور متعلقہ معلومات تک رسائی کو یقینی بنانے کے لیے پیشگی اقدامات شامل ہیں۔ ڈائریکٹرز اپنے علم اور یقین کے مطابق تصدیق کرتے ہیں کہ مجموعی طور پر مالی گوشوارے 30 جون 2025 کو کمپنی کے امور کی منصفانہ عکاسی کرتے ہیں اور اس سال کے لیے کمپنی کے عملی نتائج درست طور پر پیش کرتے ہیں۔

آخر میں، میں کمپنی کے ساتھ مسلسل تعاون اور اعتماد کے اظہار پر معاون مالیاتی اداروں اور کریڈیٹرز کا نہ دل سے شکر گزار ہوں۔ اسی طرح ورکروں، عملے اور افسران کی لگن، دیانت داری اور انتھک محنت پر اظہار تشکر کرتا ہوں۔

منجانب بورڈ



عمر خالد

ڈائریکٹر



طارق اقبال

چیف ایگزیکٹو

QUETTA TEXTILE MILLS LIMITED

		2025	2024	2023	2022	2021	2020
OPERATING DATA							
Sales	Rs. '000'	1,064,980	888,780	3,392,968	5,027,979	4,982,224	3,616,535
Cost of Good Sold	Rs. '000'	(2,272,792)	(1,534,687)	(4,371,024)	(4,849,928)	5,151,705	4,198,855
Gross Profit/(Loss)	Rs. '000'	(1,207,811)	(645,906)	(978,056)	178,051	(169,481)	(582,320)
Profit / (Loss) Before Taxation	Rs. '000'	(1,623,359)	(692,504)	(942,626)	76,978	(300,026)	(737,351)
Profit / (Loss) after Taxation	Rs. '000'	(1,636,747)	(703,599)	(985,068)	33,443	(368,304)	(714,070)
FINANCIAL DATA							
Equity Balance	Rs. '000'	(5,421,023)	(3,834,670)	(3,191,341)	(2,358,760)	(2,441,451)	(2,127,839)
Property, Plant & Equipment	Rs. '000'	9,912,147	10,317,030	10,492,542	10,644,951	5,599,759	5,756,072
Current Assets	Rs. '000'	4,265,328	4,531,678	4,518,236	5,442,374	3,365,025	2,406,240
current Liabilities	Rs. '000'	12,029,863	10,964,374	10,417,079	10,453,054	8,355,212	7,568,695
PROFITABILITY RATIOS							
Gross Profit Margin	%	(1.13)	(0.73)	(28.83)	3.54	(3.40)	(16.10)
Operating Profit Margin	%	(1.54)	(0.81)	(32.90)	2.96	(6.43)	(20.16)
Net Profit Margin	%	(1.54)	(0.79)	(29.03)	0.67	(7.39)	(19.74)
LIQUIDITY RATIOS							
Current Ratio	Times	0.35	0.41	0.43:1	0.52:1	0.40:1	0.32:1
Quick Ratio	Times	0.09	0.08	0.08	0.09	0.09	0.09
ACTIVITY / TURNOVER RATIOS							
Days in Receivables	Days	87.41	57.08	20.36	13.74	13.49	25.22
Accounts Receivables Turnover	Times	3.92	6.01	17.92	26.56	27.05	14.47
Inventory Turnover	Times	0.42	0.31	1.28	1.60	2.91	4.55
Total Assets Turnover	Times	0.08	0.06	0.23	0.31	0.56	0.44
Return on Total Assets	%	(0.12)	(0.05)	(0.07)	0.002	(0.04)	(0.09)
Return on Equity	%	(1.01)	(0.22)	(0.25)	0.01	1.36	(7.09)
LEVERAGE RATIOS							
Long Term Debts to Equity	Times	(0.29)	(0.15)	(0.19)	(0.31)	(0.36)	(0.23)
Total Debts Equity	Times	(2.32)	(3.02)	(3.45)	(4.74)	(3.78)	(3.79)
Long Term Debts to Total Assets	Times	0.03	0.04	0.04	0.05	0.10	0.06
Total Debts to Total Assets	Times	0.89	0.78	0.73	0.70	1.03	0.99
Equity to Total Assets	Times	0.11	0.22	0.27	0.30	(0.03)	0.01
Interest Coverage Ratio	Times	(228)	(97.09)	(32.02)	2.17	(8.82)	(14.51)
OTHERS							
Earning / (Loss) Per Share	Rs	(125.91)	(54.14)	(75.77)	2.57	(28.33)	(54.93)
Breakup Value of Share w/o Revaluation Surplus	Rs	(417.00)	(294.97)	(245.49)	(181.44)	(187.80)	(163.68)
Breakup Value of Share with Revaluation Surplus	Rs	125.09	251.55	306.73	376.61	(20.77)	7.75
Cash Dividende	%	NIL	NIL	NIL	NIL	NIL	NIL



Quetta Textile Mills LIMITED

Registered Office : Nadir House, G/FI, I. I. Chundrigar Road, Karachi – 74000, Pakistan
Phones: +92 (21) 32414334~6 Email: sales@QuettaGroup.com W: www.QuettaGroup.com

QUETTA TEXTILE MILLS LIMITED PATTERN OF SHAREHOLDING (FORM - A)

Pattern of holding of the shares held by the shareholders as at 30-06-2025 is given below

No of Shareholders	Shareholding					Total Share Held
185	From	1	To	100	Shares	3,751
90	From	101	To	500	Shares	27,362
41	From	501	To	1,000	Shares	37,221
56	From	1,001	To	5,000	Shares	157,582
13	From	5,001	To	10,000	Shares	95,804
6	From	10,001	To	15,000	Shares	75,552
1	From	15,001	To	20,000	Shares	20,000
3	From	25,001	To	30,000	Shares	76,352
2	From	30,001	To	35,000	Shares	66,577
1	From	45,001	To	50,000	Shares	48,000
1	From	55,001	To	60,000	Shares	58,250
1	From	90,001	To	95,000	Shares	95,000
1	From	120,001	To	125,000	Shares	122,109
1	From	130,001	To	135,000	Shares	133,144
1	From	145,001	To	150,000	Shares	147,000
1	From	210,001	To	215,000	Shares	214,663
1	From	300,001	To	305,000	Shares	304,850
1	From	340,001	To	345,000	Shares	342,460
1	From	470,001	To	475,000	Shares	471,897
1	From	475,001	To	480,000	Shares	478,053
1	From	485,001	To	490,000	Shares	485,205
1	From	530,001	To	535,000	Shares	532,723
1	From	560,001	To	565,000	Shares	563,139
1	From	565,001	To	570,000	Shares	567,750
1	From	580,001	To	585,000	Shares	584,569
1	From	590,001	To	595,000	Shares	592,697
1	From	595,001	To	600,000	Shares	596,611
1	From	650,001	To	655,000	Shares	653,728
1	From	690,001	To	695,000	Shares	694,353
1	From	795,001	To	800,000	Shares	797,726
1	From	880,001	To	885,000	Shares	884,272
1	From	900,001	To	905,000	Shares	903,649
1	From	925,001	To	930,000	Shares	928,397
1	From	925,001	To	930,000	Shares	1,239,554
422			Total			13,000,000

Categories of Shareholders	No of Shareholders	Share Held	Percentage %
Directors, Chief Executive Office, their Spous and Minor children	10	5,021,908	38.63
Individuals	398	7,901,030	60.78
Investment Corporation of Pakistan	1	250	0.00
Insurance Companies	1	364	0.00
Joint Stock Companies	8	64,952	0.50
Financial Institutions	2	9,697	0.07
Others	2	1,799	0.01
Total	422	13,000,000	100.00



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DETAIL OF PATTERN OF SHAREHOLDING AS PER REQUIREMENT OF CODE OF CORPORATE GOVERNANCE AS AT 30TH JUNE 2025

Name of shareholders	No of Shareholders	Share held	Percentage
1 Directors, CEO their Spouse and Minor Childern	10		
Mr. Tariq Iqbal (Director & CEO)		563,139	4.33
Mr. Asim Khalid (Director)		1,238,297	9.53
Mr. Omer Khalid (Director)		1,189,308	9.15
Mrs. Saima Asim (Director)		8,700	0.07
Mr. Tauqir Tariq (Director)		797,726	6.14
Mr. Muhammad Saæed (Director)		521	0.00
Mr. Abbas Ali (Director)		500	0.00
Mrs. Tabbasum Tariq (W/o Director)		694,353	5.34
Mrs. Sadaf Khalid (W/o Director)		44,159	0.34
Mrs. Tahmina Tauqir (W/o Director)		485,205	3.73
2 Associates Companies, undertakings and Related Parties		-	-
3 NIT and ICP	1	250	0.00
4 Executive		Nil	
5 Public Sector Companies & Corporations		Nil	
6 Bank Development Finance Institution, Non-Banking Finance Institution, Insurance Companies, Modarabas & Mutual Fund	3		
National Industries Co-operate Finance Corpration Ltd		364	0.00
National Bank Of Pakistan		9,697	0.07
7 Others	10	66,751	0.51
8 General Public	398	7,901,030	60.78
Total	422	13,000,000	100.00

Shareholders Hoding 05% or More

1 - Mr. Asim Khalid	1,238,297	9.53
2 - Mr. Omer Khalid	1,189,308	9.15
3 - Mrs. TabbasumTariq	694,353	5.34
4 - Mr. Tauqir Tariq	797,726	6.14
5 - Mr. Muhammad Khalid	903,649	6.95
6 - Mrs. Amna Javed	1,239,554	9.54
7 - Mrs. Saadia Tanvir	884,272	6.80
8 - Mr. Javed Iqbal	928,397	7.14



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

Name of Company: Quetta Textile Mills Limited
Year ended June 30, 2025.

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

1. The total numbers of directors are (07) as per the following
 - a) Male 6
 - b) Female 1
2. The Composition of board is as follows:
 - a) Independent Director Mr. Muhammad Saeed.
Mr. Abbas Ali
 - b) Non-executive Mr. Tauqir Tariq
Mr. Asim Khalid
 - c) Executive Mr. Tariq Iqbal
Mr. Omer Khalid
 - d) Female Director/ Non-Executive Mrs. Saima Asim
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 significant policies along with the dates of approval or amended has been maintained;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. All the directors, except one director meet the requirements of Director training program under code of Corporate Governance Regulation 2019.
(Explanation given below for not meet by one director)
10. The Board has approved appointment of Chief Financial Officer. Company Secretary and Head of Internal Audit. Including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the board;
12. The board has formed committees comprising of members given below:

Audit Committee

Mr. Muhammad Saeed	Chairman / Independent Director
Mr. Tauqir Tariq	Member / Non-Executive Director
Mr. Asim Khalid	Member / Non-Executive Director

a) HR and Remuneration Committee

Mr. Abbas Ali	Chairman / Independent Director
Mr. Asim Khalid	Member / Non-Executive Director
Mrs. Saima Asim	Member / Non-Executive Director

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/half yearly / yearly) of the committee were as per following:

a) Audit Committee	Four quarterly meeting
b) HR and Remuneration Committee	Once a year

15. The Board has set up an effective internal audit function, which has suitable, qualified and experienced staff.

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 Accountant 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 Auditor, Company Secretary or Director of the Company.

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

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

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

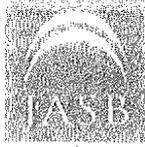
1) The calculation of minimum number of Independent Directors as per regulation no 6(1), is calculated on basis of general rule only number exceeding 0.5 shall be rounded to next number,

Role of board to address sustainability risk and opportunities.	10A	Newly introduced regulation by SECP during June, 2024. Being reviewed by the board for compliance in future.
Requirement to attain DTP Certification.	19	Except three directors, all directors are exempt from training program. The remaining directors plan to acquire required director training certification as early as possible during the next year.
Nomination Committee	29 (1)	Currently, the board has not constituted a separate NC. The function is being performed by the board.
Risk Management Committee.	30 (1)	The board intends to constitute RMC. Currently the board is performing these duties.

Karachi:
Dated: January 5, 2026



TAUQIR TARIQ
Chairman



Independent Auditors' Report
To the Members of Quetta Textile Mills Limited

Report on the Audit of the Financial Statements

Adverse Opinion

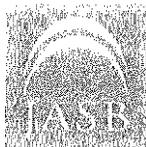
We have audited the annexed financial statements of Quetta Textile Mills Limited, which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss and statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, because of significance of inappropriateness of going concern assumption & other factors as described in basis for adverse opinion paragraph below, the statement of financial position, statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

- a) : As described in Note 3.6 to the financial statement the company has incurred net loss of Rupees 1,636.75 million during the year ended June 30, 2025 and as of that date, reported accumulated losses of Rupees 6,530.50 million. The company's current liabilities exceed its current assets by Rs. 7,764.54 million. These conditions along with adverse key financial ratios and litigation with banks indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. These circumstances give rise to significant uncertainty as to the ability of the company to continue operations as going concern in the foreseeable future and therefore, the company may be unable to realize its assets and discharge its liabilities in the normal course of business. The management has prepared financial statements on going concern basis, but in our judgment, management's use of going concern assumption in these financial statements is inappropriate.
- b) The company has not accounted for markup for the year ended June 30, 2025 on outstanding balances in respect of short-term borrowings, long-term financing from banks. Therefore, we are unable to ascertain the financial impact of the same on the financial statements.

J.A.S.B. Associates Chartered Accountants



J.A.S.B. (Institute of Chartered Accountants of Pakistan)

- c) As disclosed in notes to the financial statements, balance payable to various banks in respect of short-term financing amounting to Rs. 1,743.07 million, in respect of long-term financing amounting to Rs. 1,977.95 million, in respect of sukuk amounting to Rs. 61134 million, margin with bank guarantee amounting to Rs. 5.1 million and in respect of balance payable to Orix leasing amounting to Rs. 11.37 million, remains unconfirmed. All the balances payable are in litigation. We were also unable to satisfy ourselves as to the correctness and terms and conditions of the reported balances by performing other alternate auditing procedures.
- d) As disclosed in note 13, the cash and bank balance amounting to Rs. 6.46 million unconfirmed as we have not received confirmation as required by ISA 505, therefore, we were unable to satisfy ourselves as to the correctness of the reported balance.
- e) The company does not comply with the requirements of IAS-12 with respect to deferred taxation and IFRS 16. Further, the Deferred Tax on Surplus on Revaluation of Fixed Assets has not been recognized in the financial statement amounting to Rs. 329.14 million as on reporting date and accordingly impact of deferred tax on incremental depreciation (current year & prior years) and on disposed items of Property, Plant & Equipment has not been properly recognized in the income statement.
- f) The Company holds inventories and cash balance amounting to Rs. 3,140.45 million and 0.675 million respectively as of June 30, 2025. These inventories comprises of stores, spares & loose tools and stock in trade. We have not received response from predecessor auditor against our request to share audit working papers with respect to observing physical counting of inventories & cash balance. We were unable to obtain sufficient appropriate audit evidence about the observing of physical counting of these inventories and cash balance mainly because we were appointed as auditor after close of financial year. Consequently were unable to determine whether any adjustment to these amounts were necessary.
- g) This is first year of audit by J.A.S.B. & Associates and accordingly as required under ISA-510, we requested the outgoing auditor to allow access to review working papers to verify opening balances of the financial statements for the year ended June 30, 2025, however, we have not received any response from the predecessor auditor.

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

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. Following are the Key audit matters:



S.No.	Key Audit Matter	How the Matter Was Addressed in Our Audit
1	<p>Valuation of Stock in Trade (Refer to notes 8 to the financial statement).</p> <p>Stock in trade amounted to Rs. 2,563.06 million as at the reporting date. The valuation of stock in trade at cost has different components, which includes judgment in relation to the allocation of labor and overheads which are incurred in bringing the stock to its present location and condition. Judgment has also been applied by the management in determining the Net Realizable Value [NRV] of stock in trade.</p> <p>The estimates and judgments applies by the management are influenced by the amount of direct cost incurred historically, expectations of repeat orders to utilize the stock in trade, sales contract in hand and historically realized sales prices.</p> <p>The significance of the balance coupled with the judgment involved has resulted in the valuation of stock in trade being identified as a key audit matter.</p>	<p>Our audit procedures in respect of valuation of stock in trade, amongst others, included the following;</p> <ul style="list-style-type: none"> • Assessing historical cost recorded in the stock in trade valuation; testing on a sample basis with purchase invoices. • Obtaining an understanding of management's process for allocating raw material, labor, and overhead costs to stock of finished goods and work in process and evaluating the appropriateness and consistency of the allocation bases used. • Testing the reasonability of the assumptions applies by the management in allocating direct labor and direct overhead costs to stock in trade. And • Assessing management's determination of the net realizable value of stock in trade by performing tests on the sales prices secured by the company for similar or comparable items of stock in trade.
2	<p>Revenue recognition (refer to notes 29 to the annexed financial statements)</p> <p>The amount of revenue is the most significant class of transaction on the statement of profit or loss. Net revenue is reported at Rs. 1,064.98 million.</p> <p>We identified revenue recognition as a key audit matter since it is a key performance measure for the Company and gives rise to the risk associated with the judgment in determining the timing of satisfaction of performance obligations as well as creates an incentive for fraudulently overstating revenue by recognizing revenue before such performance obligations are satisfied.</p>	<p>Our audit procedures in respect of recognition of revenue, amongst others, included the following:</p> <ul style="list-style-type: none"> • Assessing the appropriateness of the Company's revenue recognition accounting policies by comparing with accounting standards; • Obtaining understanding of and testing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period and testing, on a sample basis, invoices and credit notes, recorded before and after the reporting period with underlying documentation to assess whether revenue has been

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	recognized in the appropriate accounting period; and
	• Critically assessing manual journals posted to revenue to identify unusual or irregular items.

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

Management is responsible for the other information. The other information comprises the information included in the Company's Annual Report for 2025, but does not include the financial statements and our auditors' report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

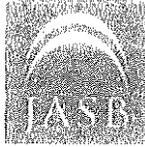
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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



Institute of Accountants and Statisticians

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion, except for the effects of the matters discussed in the basis for adverse opinion section of our report:

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

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- b) The statement of financial position, the statement of profit or loss and statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The financial statements of the company for the year ended June 30, 2024 were audited by another auditor who had expressed adverse opinion vide their report dated October 05, 2024.

The engagement partner on the audit resulting in this independent auditor's report is Bas harat Rasool, FCA.


Chartered Accountants
Karachi.



Dated: **5 JAN 2026**

UDIN: AR202510452UcjH21E4a



Independent Auditors' Review Report
To the Members of Quetta Textile Mills Limited
Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulation, 2019

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

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

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

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

Based on our review, except for the below mentioned instances of non-compliance, 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 Code were observed which are stated as under:

Requirement	Regulation	Non-Compliances
Role of board to address sustainability risk and opportunities.	10A	Noted for Compliance.
Requirement to attain Director's Training Program Certification.	19	Except one director, all others are exempt from Director's Training Program.
Nomination Committee	29(1)	Currently, the board has not constituted a separate Nomination Committee. The function is being performed by the board.
Risk Management Committee	30(1)	The board intends to constitute Risk Management Committee. Currently the board is performing these duties.

Jasb & Associates

Chartered Accountants

Karachi.

Date:

Engagement Partner: Basharat Rasool, FCA

UDIN: CR202510452Q1bxDrYZC

J.A.S.B. & Associates Chartered Accountants

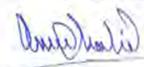
QUETTA TEXTILE MILLS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 ----- (Rupees)	2024 -----
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	9,848,683,087	10,256,360,220
Long term deposits	6	63,463,433	60,669,433
		9,912,146,520	10,317,029,653
CURRENT ASSETS			
Stores and spares & loose tools	7	577,383,240	593,969,373
Stock in trade	8	2,563,064,391	2,909,414,624
Trade debts	9	271,413,807	147,901,796
Other financial assets	10	66,659,336	118,007,492
Advances, deposits, prepayments and other receivables	11	68,215,289	64,669,931
Tax refund due from government	12	710,237,493	691,935,076
Cash and bank balances	13	8,354,836	5,779,998
		4,265,328,392	4,531,678,290
TOTAL ASSETS		14,177,474,912	14,848,707,943
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
20,000,000 (June 30, 2024: 20,000,000) ordinary shares of Rs. 10 each		200,000,000	200,000,000
15,000,000 (June 30, 2024: 15,000,000) preference shares of Rs. 10 each		150,000,000	150,000,000
		350,000,000	350,000,000
Issued, subscribed and paid-up capital	14	130,000,000	130,000,000
Capital reserve	15		
Share premium		651,751,200	651,751,200
Revaluation surplus on property, plant and equipment		7,047,164,552	7,104,771,535
		7,698,915,752	7,756,522,735
Revenue reserve	15		
General reserves		115,000,000	115,000,000
Accumulated Loss		(6,530,501,789)	(4,944,149,596)
		(6,415,501,789)	(4,829,149,596)
Loan from directors and others	16	212,728,470	212,728,470
		1,626,142,433	3,270,101,609
NON CURRENT LIABILITIES			
Long term finances	18	468,343,338	582,183,564
Liabilities against assets subject to finance lease	20	3,249,994	-
Deferred liabilities	21	49,875,715	32,048,417
		521,469,047	614,231,981
CURRENT LIABILITIES			
Trade and other payables	22	6,667,875,023	6,016,193,661
Accrued mark-up	23	1,033,771,528	1,036,252,984
Short term borrowings	24	1,743,068,909	1,743,205,264
Loan from directors and others	25	109,316,357	109,066,357
Current portion of:			
Long term finances	18	1,509,606,437	1,399,006,210
Redeemable capital - Sukuk	19	611,335,643	611,335,643
Liabilities against assets subject to finance lease	20	8,124,676	12,516,552
Unclaimed dividend		36,468	36,467
Provision for GIDC	34	333,515,000	
Provision for taxation	27	13,213,389	36,761,215
		12,029,863,430	10,964,374,353
CONTINGENCIES AND COMMITMENTS	28		
		14,177,474,912	14,848,707,943

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

QUETTA TEXTILE MILLS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees)	2024 -----
Sales	29	1,064,980,446	888,780,269
Cost of sales	30	(2,272,791,810)	(1,534,686,686)
Gross (Loss)		<u>(1,207,811,364)</u>	<u>(645,906,417)</u>
Other income	31	15,146,745	31,036,056
Distribution cost	32	(3,446,431)	(4,496,983)
Administrative expenses	33	(39,306,067)	(47,495,113)
Other operating expenses	34	(380,859,466)	(17,832,266)
		(423,611,964)	(69,824,362)
Loss from operations		(1,616,276,583)	(684,694,723)
Finance cost	35	(7,082,708)	(7,809,182)
(Loss) before Taxation		<u>(1,623,359,291)</u>	<u>(692,503,905)</u>
Taxation	35	(13,387,425)	(11,347,061)
(Loss) for the year		<u>(1,636,746,716)</u>	<u>(703,850,966)</u>
Earnings per share - basic and diluted	36	<u>(125.90)</u>	<u>(54.14)</u>

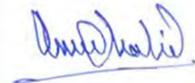
The annexed notes form an integral part of these financial statements.




CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

QUETTA TEXTILE MILLS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

Note	2025 ----- (Rupees) -----	2024 -----
(Loss) for the year	(1,636,746,716)	(703,850,966)
Other comprehensive Income/(Loss)		
Items that may not be reclassified to statment of profit or loss subsequently:		
Re-measurement of defined benefits liability	(17,321,341)	(13,488,310)
Effect of Surplus on Revalaution of PPE with respect to incremental depreciaton-net of tax	67,715,864	74,009,934
Total comprehensive (Loss) for the year	(1,586,352,193)	(643,329,342)

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




CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

QUETTA TEXTILE MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Capital Reserves		Revenue Reserves		Sub total	Loan from directors and others	Total equity	
	Share Capital	Share premium	Revaluation surplus on property, plant and equipment	Accumulated (loss)				General reserve
R u p e e s								
Balance as at July 01, 2023	130,000,000	651,751,200	7,178,781,469	(4,300,820,254)	115,000,000	3,774,712,415	212,728,470	3,987,440,885
(Loss) for the year	-	-	-	(703,850,966)	-	-	-	(703,850,966)
Other comprehensive loss	-	-	-	(13,488,310)	-	-	-	(13,488,310)
Total comprehensive (loss) for the year	-	-	-	(717,339,276)	-	-	-	(717,339,276)
Surplus transferred to accumulated loss on account of incremental depreciation charged during the year-net of tax	-	-	(74,009,934)	74,009,934	-	-	-	-
Balance as at June 30, 2024	130,000,000	651,751,200	7,104,771,535	(4,944,149,596)	115,000,000	3,774,712,415	212,728,470	3,270,101,609
(Loss) for the year	-	-	-	(1,636,746,716)	-	-	-	(1,636,746,716)
Other comprehensive loss	-	-	-	(17,321,341)	-	-	-	(17,321,341)
Re-measurement of defined benefits liability	-	-	-	-	-	-	-	-
Revaluation loss on property, plant and equipment	-	-	-	-	-	-	-	-
Effect of Surplus on Revaluation of PPE with respect to incremental depreciation-net of tax	-	-	10,108,882	-	-	-	-	10,108,882
Total comprehensive Income/(loss) for the year	-	-	10,108,882	(1,654,068,057)	-	-	-	(1,643,959,175)
Surplus transferred to accumulated loss on account of incremental depreciation charged during the year-net of tax	-	-	(67,715,864)	67,715,864	-	-	-	-
Deferred tax liability on revaluation surplus	-	-	-	-	-	-	-	-
loan received from director and others	-	-	-	-	-	-	-	-
Balance as at June 30, 2025	130,000,000	651,751,200	7,047,164,553	(6,530,501,789)	115,000,000	3,774,712,415	212,728,470	1,626,142,434

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

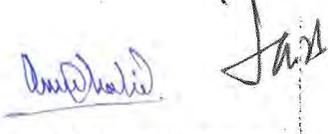
QUETTA TEXTILE MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

Note	2025	2024
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before Taxation	(1,623,359,291)	(692,503,905)
Adjustment for non-cash charges and other items:		
Depreciation	183,804,017	183,575,667
Financial charges	7,082,708	7,809,182
(Profit) / loss on Disposal of Plant	20,601,094	(1,255,301)
Provision for gratuity	11,347,873	15,874,419
Reversal of markup provisions	-	-
Provision for diminution/ (appreciation) in the value of investment	(150,875)	(53,936)
Provision for GIDC	333,515,000	-
Provision for Expected Credit Loss	18,347,011	13,967,832
Provision for NRV write down	-	-
(Loss) before working capital changes	(1,048,812,463)	(472,586,042)
WORKING CAPITAL CHANGES		
(Increase)/decrease in current assets:		
Stocks, stores and spares	362,936,366	37,683,087
Trade debts	(141,859,019)	(32,051,585)
Tax refund due from government	(16,491,811)	-
Advances, deposits, prepayments and other receivable	(3,545,358)	7,842,605
	201,040,178	13,474,107
Increase in current liabilities:		
Trade and other payables	871,080,264	685,354,411
Accrue markup	(2,481,456)	-
	868,598,808	685,354,411
Cash generated from operating activities	20,826,523	226,242,476
Interest paid	(7,082,708)	(7,809,182)
Gratuity paid	(10,841,916)	(85,887,932)
Taxation paid	(38,745,858)	(71,131,141)
	(56,670,482)	(164,828,255)
Net cash (used in)/generated from operating activities	(35,843,959)	61,414,221
CASH FLOWS FROM INVESTING ACTIVITIES		
Long term deposits	(2,794,000)	(8,808,413)
Purchase of property, plant and equipment	(6,018,000)	-
Other financial assets	51,499,031	6,200,125
Proceeds from disposal of property, plant and equipment	-	2,000,000
Net cash generated from investing activities	42,687,031	(608,288)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances	(3,239,999)	148,801,827
Loan from directors and others - subordinated	250,000	-
Liabilities against assets subject to finance lease	(1,141,882)	-
Short term borrowings	(136,355)	(211,291,161)
Net cash used in financing activities	46.1 (4,268,236)	(68,261,473)
Net (decrease) in cash and cash equivalents	2,574,836	(7,455,540)
Cash and cash equivalent at the beginning of the year	5,779,959	13,235,499
Cash and cash equivalent at the end of the year	13 8,354,836	5,779,959

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

1 THE COMPANY AND ITS OPERATIONS

1.1 The Company was incorporated in Pakistan as a public limited Company in January 29, 1970 under the Companies Act, 1913 (repealed) (now The Companies' Act 2017) as a public limited company. The shares of the Company are listed on Pakistan Stock Exchange. The registered office of the company is situated at ground floor Nadir House I.I Chundrigarh road Karachi. The company is principally engaged in manufacturing and sale of Yarn and Fabric.

1.2 Geographical location and address of business units

Registered Office	Nadir House, Ground Floor, I.I. Chundrigar Road, Karachi.
Sub Office	7-8/A, Justice Sardar Iqbal Road, Gulberg V, Lahore.
Mills	P/3, S.I.T.E., Kotri.
Mills	B/4, S.I.T.E., Kotri.
Mills	49 K.M., Lahore, Multan Road, Bhai Pheru.

2 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS OCCURRED DURING THE YEAR

- During the year, the company, the company recognized net revaluation gain of 10.108 Million and was recorded in Other Comprehensive Income
- During the year, the company traded one of its Plant and Machinery with an unpaid creditor of Rs. 219,298,906. The transaction resulted in a Loss of Rs. 20,601,094.
- For a detailed discussion about the Company's performance, refer to the Directors' Report.

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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017.

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

3.2 Basis of measurement

These financial statements have been prepared on the historical cost convention except

- 1 Obligations under the defined benefit plan are stated at Present Value
- 2 Investment in Associates are accounted for using equity method and

3.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the Company's functional currency. All financial information presented in Pakistan Rupees has been rounded off to the nearest rupee.

3.4 Accounting Estimates, judgements and financial risk management.

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by the management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

Critical Judgements

Management has made the following Judgements, apart from those involving estimates, which has the most significant effect on the amounts recognized in the financial statements.

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

- a) Determining the residual values and useful lives of property, plant and equipment
- b) Provisions for slow moving stores, spares and loose tools
- c) valuation of stock in trade at lower of cost and NRV
- d) Impairment of financial assets and provisions for loss allowance
- e) Impairment of non financial assets
- f) Provision for taxation including deferred tax
- g) Accounting for retirement benefit obligation
- h) Provisions against liabilities and contingencies

3.5 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

The following amendments are effective for the year ended June 30, 2025. These amendments are either not relevant to the company's operations or are not expected to have significant impact on the company's financial statements other than certain additional disclosures.

Amendments to IAS 1, "Presentation of Financial Statements - Classification of Liabilities as current or non current along with Non - Current Liabilities with covenants

Amendment to IFRS 16 'Leases - Clarification on how seller - lessee subsequently measures sale and Lease Back transactions

Amendment to IAS 7 ' Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures' - Supplier Finance Arrangements

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

The following standards and amendments are effective for accounting periods beginning on or after the date mentioned against each of them. These amendments are either not relevant to the company's operations or are not expected to have significant impact on the company

	Effective date (annual reporting periods)
IAS 21 The Effects of changes in Foreign Exchange Rates - Clarification on how entity accounts when there is Long term lack of exchangeability	01-Jan-25
IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments	01-Jan-26
IFRS 17 Insurance Contracts	01-Jan-26
IFRS 9 Financial Instruments – Classification and Measurement of Financial Instruments (Amendments)	01-Jan-26
IFRS 9 Amendment to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Nature - Dependent Electricity instruments disclosures - Contracts referencing	01-Jan-26

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

- IFRS 1 First-time Adoption of International Financial Reporting Standards
- IFRS 18 Presentations and Disclosures in the Financial Statements
- IFRS 19 Subsidiaries without Public Accountability Disclosures

The following interpretation issued by the IASB has been waived off by SECP:

- IFRIC 12 Service concession arrangements

3.6 Going concern assumptions

During the year, the Company incurred net loss amounting to Rs. 1,636.75 million (2024: loss of Rs. 703.85 million) and has reported accumulated losses amounting to Rs.6,530.51 million (2024: Rs. 4,944.15 million) at the year end. Accordingly, it resulted in reduction of equity to Rs. 1,626.14million (2024: Rs. 3,270.10 million). In addition, the Company's current liabilities exceeded its current assets by Rs.7,764.53 million (2024: Rs. 6,432.66 million) at the year end. The main reason of losses was due to significant decline in both the local and global market, The Company is currently unable to resume operation at full capacity. The Company has initiated its operation at only 30% of total capacity.

These financial statements have been prepared by the management on going concern basis on the grounds that the Company will be able to achieve satisfactory levels of growth in the future based on the plans drawn up by the management for this purpose.

To substantiate its going concern assumption:

3.6.1 The management has prepared five years future plan showing positive growth in operation and business of the company which is supported by increase in production of yarn during the year. Management believes that, company will be able to achieve satisfactory levels of profitability in the future based on the plans drawn up by the management for this purpose;

3.6.2 The company's weaving mills sales suffered due to adverse market conditions. However, the management continue operations to conversion by doing job work. Now we have orders and are continuing operations on mostly conversion basis. Based on the availability of conversion market and orders. The management anticipates better operational efficiencies and plant utilization.

3.6.3 During the year, the directors and sponsors of the company had injected amounting to Rs. 0.25 million for financial support. They have committed that they would also continue such support in future.

3.6.4 The management has also undertaken adequate steps towards the reduction of fixed cost and expenses which are at various stages of implementation. Such steps include, but not limited to, rightsizing of the men power, resource conservation, close monitoring of other fixed cost etc. The management is certain to generate sufficient savings as consequences of adapting all such measures.

The management anticipates that above steps will not only bring the Company out of the existing financial crisis but also contribute significantly towards the improvement of the company financial position in the foreseeable future.

3.7 Significant accounting judgments and estimates

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgment, estimates and assumptions that affect the application of policies and the reported amounts of revenues, expenses, assets and liabilities.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates, assumptions and judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

3.7.1 Property, plant and equipment

The Company reviews appropriateness of the rate of depreciation, useful life and residual value used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available to the Company. Any change in the estimates in the future might affect the carrying amount of respective item of operating property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

3.7.2 Stock in trade and stores, spares and loose tools

The Company reviews the net realizable value (NRV) of stock-in-trade and stores and spares to assess any diminution in the respective carrying values. NRV is estimated with reference to the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

3.7.3 Taxation

In applying the estimate for income tax payable, the Company takes into account the applicable tax laws and the decision by appellate authorities on certain issues in the past. Instance where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent Liabilities.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Borrowings

Mark-up bearing borrowings are recognized initially at cost, less attributable transaction cost. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings on an effective interest basis.

4.2 Employee benefits

4.2.1. Defined benefit plans

The Company operates an unfunded gratuity scheme (defined benefit plan) for all its permanent employees who have completed minimum qualifying period of service as defined under the respective scheme. Liability is adjusted annually to cover the obligation and the adjustment is charged to profit or loss. The determination of the Company's obligation under the scheme requires assumptions to be made of future outcomes, the principal ones being in respect of increases in remuneration, expected average remaining working lives of employees and discount rate used to derive present value of defined benefit obligation.

There is risk that the final salary at the time of cessation of service is greater than what the entity has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Amounts recognized in the balance sheet represent the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost.

Actuarial gains and losses are recognized in comprehensive income for the period in which these arise.

4.3 Taxation

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid /payable in excess of the calculation based on taxable income or any minimum tax, which is not adjustable against the future 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 21/IAS 37.

4.3.1 Current

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on higher of the taxable income at current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any, or minimum of turnover. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

4.3.2 Levy

A levy is an outflow of resources embodying economic benefits that is imposed by Government on entities in accordance with the legislation other than

- a. Those outflows of resources that are within the scope of other standards
- b. fines or other penalties that are imposed for breach of regulation

In these financial statements, levy includes revenue taxes, if any, final taxes and super taxes which are based on other than taxable profits. The corresponding advance tax paid has been netted off and the net position is shown in the Statement of financial position

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid /payable in excess of the calculation based on taxable income or any minimum tax, which is not adjustable against the future 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 21/IAS 37.

4.3.3 Deferred

Deferred tax is accounted for using the balance sheet liability method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. In this regard, the effects on deferred taxation of the portion of income that is subject to final tax regime is also considered in accordance with the requirement of "Technical Release - 27" of the Institute of Chartered Accountants of Pakistan. Deferred tax is measured at rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences to the extent that future taxable profits will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is not recognized for timing differences that are not expected to reverse and for the temporary differences arising from the initial recognition of goodwill and initial recognition of assets and liabilities in a transaction that is not a business combination and that at the time of transaction affects neither the accounting nor the taxable profit.

4.4 Provisions

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of past events, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

4.5 Trade and other payables

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

4.6 Dividend

Dividend is recognized as a liability in the period in which it is approved by shareholders.

4.7 Property, plant and equipment and depreciation

Owned assets

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment loss (if any). Cost comprises of acquisition cost and other directly attributable cost. Except land, building and plant and machinery which are stated at revalued amount being the fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses (if any).

Revaluation is performed with sufficient regularity so that the fair value and carrying value don't differ materially at the end of reporting period.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation is charged to income on reducing balance method over its estimated useful life at the rates specified in property, plant and equipment note. Depreciation on additions to and disposal of property, plant and equipment is charged on pro rata basis.

The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

The gain or loss on disposal of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

Where the carrying amount of asset exceeds its estimated recoverable amount it is written down immediately to its recoverable amount.

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance lease. Asset acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of minimum lease payments at the inception of the lease less accumulated depreciation and impairment losses, if any. Depreciation is charged on the same basis as used for owned assets.

Financial charges are allocated to accounting period in a manner so as to provide a constant rate of charge on outstanding liability.

4.8 Capital work in process

Capital work in progress and stores held for capital expenditure are stated at cost and represents expenditure incurred on property, plant and equipment during construction and installation. Cost includes borrowing cost as referred in accounting policy of borrowing cost. Transfers are made to relevant property, plant and equipment category as and when assets are available for intended use.

4.9 Investments

4.9.1 Investments in associate - Equity Method

Investment in associates is accounted for using the equity method. These are entities in which the company has significant influence which is neither a subsidiary nor a joint venture of the company.

4.9.2 Derivative financial instruments

The Company uses derivative financial instruments such as forward exchange contracts and interest rate swaps to hedge its risks associated with foreign currency borrowings and effects on cash flow of any fluctuations in interest rates. Such derivative financial instruments are stated at fair value.

4.9.3 Financial assets at fair value through profit or loss

Financial assets classified as held for trading and those designed as such are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near item. Gains or losses on such investments are recognized in profit and loss account.

4.9.4 Available for sale

Other investments not covered in any of the above categories including investments in associates in which the Company has no significant influence are classified as being available for sale are stated at fair value, with any resultant gain or loss being recognized directly in equity. Gains or losses on available for sale investments are recognized directly in equity until the investments are sold or disposed off, or until the investments are determined to be impaired, at that time cumulative gain or loss previously reported in the equity is included in current year's profit and loss account.

4.10 Financial instruments

All the financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to profit and loss account currently. Financial assets are stated at their nominal value as reduced by the appropriate allowances for estimating irrecoverable amount. Mark up bearing financial liabilities are recorded at the gross proceeds received. Other financial liabilities are stated at their nominal value.

4.11 Stores and spares

Stores and spares are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

4.12 Stock-in-trade

Stock-in-trade is stated at the lower of cost and net realizable value except waste which is valued at net realizable value. Cost is determined as follows;

Raw material	At weighted average cost
Work in progress	At average manufacturing cost
Finished goods	At average manufacturing cost or net realizable value which ever is
Waste	Net realizable value

Raw material in transit is stated at invoice price plus other charges paid thereon upto the balance sheet date.

Average manufacturing cost in relation to work in process and finished goods, consist of direct material and proportion of manufacturing overheads based on normal capacity.

Net realizable value is the estimated selling price in the ordinary course of business less costs of completion and selling

4.13 Trade debts

Trade debts originated by the Company are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. An estimated provision for doubtful debt is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

4.14 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, cash in transit and balances with bank for the purpose of cash flow statement.

4.15 Revenue recognition

According to the core principles of IFRS-15, the company recognizes the revenue from sale when the company satisfies a performance obligation (at a point of time) by transferring promised goods to customers being when the goods are dispatched to customers. Revenue is measured at fair value of the consideration received or receivable and is reduced for allowances such as taxes, duties, commission, sales returns and discounts.

- Interest income is recognized on the basis of constant periodic rate of return.-
- Unrealised gains / (losses) arising on revaluation of securities classified as 'fair value through other comprehensive income' are included in other comprehensive income in the period in which they arise.
- Unrealised gains / (losses) arising on revaluation of securities classified as 'fair value through profit or loss' are included in profit or loss in the period in which they arise.

4.16 Borrowing costs

Borrowing costs incurred on long term finances directly attributable for the construction / acquisition of qualifying assets are capitalized up to the date, the respective assets are available for the intended use. All other mark-up, interest and other related charges are taken to the profit and loss account currently.

4.17 Impairment

All company's assets are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. If any such indication exists, the assets' recoverable amount is estimated. Impairment losses are recognized in the profit and loss account currently.

4.18 Foreign currency translation

Foreign currency transactions are translated into Pak Rupees at exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are retranslated into Pak Rupees at the rates of exchange prevailing at the balance sheet date.

Exchange differences, if any, are taken to profit and loss account.

4.19 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are set off and only the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amount and the company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.20 Segment reporting

Segment reporting is based on the operating (business) segments of the company. An operating segment is a component of the company that engages in a business activities from which it may earn revenues and incur expenses, including revenues and expenses that relates to transactions with any of the company's other components. An operating segment's operating results are reviewed by the CEO to make decision about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

4.21 Financial instruments

4.21.1 Financial assets

Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held to maturity and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

4.21.2 Recognition

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase or sell the asset. All financial assets are initially recognized at fair value plus transaction costs except for those financial assets which are designated as 'financial assets at fair value through profit or loss'. 'Financial assets carried at fair value through profit or loss' are initially recognized at fair value and transaction costs are charged to the profit and loss account. Financial assets are derecognized when the right to receive cash flows from such assets has expired or have been transferred and the Company has transferred substantially all risks and rewards, incidental to the ownership of such financial assets.

Dividend income from 'financial assets at fair value through profit or loss' and 'available-for-sale financial assets' is recognized in the profit and loss account when the Company's right to receive payments is established.

Equity instruments that do not have a quoted market price in an active market and whose fair values cannot be reliably measured or determined are stated at cost.

4.21.3 Measurement

'Available-for-sale financial assets' and 'financial assets at fair value through profit or loss' are subsequently measured at fair value whereas 'held to maturity financial assets' and 'loans and receivables' are subsequently measured at amortized cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' are recognized in the profit and loss account in the period in which they arise.

Changes in the fair value of 'available-for-sale financial assets' are recognized in other comprehensive income. When financial assets classified as available-for-sale are sold or impaired, the accumulative fair value adjustments recognized in other comprehensive income till the time of disposal or impairment are charged to the profit and loss account.



4.21.4 Impairment

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. If such evidence is identified to exist, the said financial asset or group of financial assets are impaired and an impairment loss is recognized in the profit and loss account for the amount by which the assets' carrying amount exceed their recoverable amount. Impairment losses of equity instruments, once recognized, are not reversed through the profit and loss account.

4.21.5 Off-setting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle either on a net basis, or to realize the asset and settle the liability simultaneously.

4.21.6 Financial liabilities

These are initially recognized at cost, which is the fair value of the consideration expected to be paid. All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the obliging instrument/ contract.

A financial liability is derecognized 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 or modification is treated as a derecognizing of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the profit and loss account.

4.22 Earnings per share - basic and diluted

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

4.23 Related party transactions

All transactions with related parties are carried out by the Company at arms' length price using the method.

Nature of the related party relationship as well as information about the transactions and outstanding balances are disclosed in the relevant notes to the financial statements.

4.24 Capital Management

The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors monitors the return on capital and level of dividends to ordinary shareholders. The company seeks to keep a balance between the higher return that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position. There were no changes in the company's approach to capital management during the year. Further, the company is not subject to externally imposed capital requirements.



5. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets
Capital work in progress

5.1 Operating fixed assets

2025														
Freehold Land	Leasehold Land	Building on Freehold Land	Building on Leasehold Land	Labor Colony Freehold Land	Labor Colony Leasehold Land	Plant and Machinery	Electrical Fittings	Factory Equipment	Office Premises	Office Equipment	Furniture and Fixtures	Vehicles	Leased-Plant and Machinery	Total

(Rupees)

At June 30, 2024

Cost	1,353,535,000	2,014,891,750	1,968,198,405	1,104,066,694	628,622,331	267,859,344	8,446,194,601	139,975,964	42,807,224	27,739,936	27,142,777.00	17,732,779	76,307,393	20,645,650	16,135,719,848
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net book value	1,353,535,000	2,014,891,750	1,968,198,405	1,104,066,694	628,622,331	267,859,344	8,446,194,601	139,975,964	42,807,224	27,739,936	27,142,777	17,732,779	76,307,393	20,645,650	16,135,719,848
Year ended June 30, 2024															16,304,889,584
Opening net book value	1,353,535,000	2,014,891,750	1,968,198,405	1,104,066,694	628,622,331	267,859,344	8,446,194,601	139,975,964	42,807,224	27,739,936	27,142,777	17,732,779	76,307,393	20,645,650	16,135,719,848
Additions / disposal	-	-	-	-	-	-	6,018,000	-	-	-	-	-	-	-	6,018,000
Transfer from CWIP (Note 4.2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation	648,155,000	142,718,455	60,008,049	6,508,415	98,374,499	19,589,303	(968,284,165)	-	-	-	-	-	-	(9,363,485)	10,108,882
Disposals - cost	-	-	-	-	-	-	(240,000,000)	-	-	-	-	-	-	-	(240,000,000)
Disposals - Acc. Dep.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	(926,147)	(32,831,231)	(19,130,804)	(13,056,797)	(5,260,535)	(106,372,948)	(1,200,838)	(330,483)	(1,537,180)	(334,984)	(229,261)	(2,321,786)	(292,004)	(183,804,017)
Closing net book value	2,001,690,000	2,156,764,058	1,995,378,223	1,097,442,305	713,940,034	282,188,112	7,137,655,468	138,775,126	42,476,741	38,606,676	26,807,783	17,804,618	73,985,607	10,990,181	15,738,642,717

At June 30, 2025

Cost	2,001,690,000	2,157,610,205	2,028,207,454	1,110,573,109	726,996,630	287,448,647	7,483,928,416	139,975,964	42,807,224	40,143,767	27,142,777	17,732,779	76,307,393	11,282,166	15,911,846,730
Accumulated depreciation	-	(17,610,205)	(862,820,256)	(353,911,028)	(159,713,800)	(85,956,035)	(4,485,513,026)	(133,171,215)	(40,934,483)	(21,878,004)	(25,244,478.00)	(16,430,301)	(63,150,629)	(6,871,216)	(8,063,163,645)
Net book value	2,001,690,000	2,140,000,000	1,335,387,199	756,662,081	587,283,000	221,492,624	2,998,415,390	6,804,749	1,872,735	18,315,763	1,998,289	1,295,478	13,156,790	4,410,947	9,848,683,087
Depreciation rates	-	99	2.5%	2.5%	2.5%	2.5%	2.5%	15%	15%	15%	15%	15%	15%	2.5%	-
		Years													

2024														
Freehold Land	Leasehold Land	Building on Freehold Land	Building on Leasehold Land	Labor Colony Freehold Land	Labor Colony Leasehold Land	Plant and Machinery	Electrical Fittings	Factory Equipment	Office Premises	Office Equipment	Furniture and Fixtures	Vehicles	Leased-Plant and Machinery	Total

(Rupees)

At June 30, 2023

Cost	1,353,535,000	2,014,891,750	1,968,198,405	1,104,066,694	628,622,331	267,859,344	8,446,194,601	139,975,964	42,807,224	27,739,936	27,142,777	17,732,779	78,074,093	20,645,650	16,137,486,548
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net book value	1,353,535,000	2,014,891,750	1,968,198,405	1,104,066,694	628,622,331	267,859,344	8,446,194,601	139,975,964	42,807,224	27,739,936	27,142,777	17,732,779	78,074,093	20,645,650	16,137,486,548
Year ended June 30, 2023															16,306,856,284
Opening net book value	1,353,535,000	2,014,891,750	1,968,198,405	1,104,066,694	628,622,331	267,859,344	8,446,194,601	139,975,964	42,807,224	27,739,936	27,142,777	17,732,779	78,074,093	20,645,650	16,137,486,548
Additions / disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from CWIP (Note 4.2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals -Cost	-	-	-	-	-	-	-	-	-	-	-	-	(1,766,700)	-	(1,766,700)
Disposals -Acc. Dep.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	(926,147)	(33,543,830)	(19,723,294)	(12,870,909)	(5,311,994)	(104,215,130)	(1,412,761)	(388,803)	(1,314,551)	(394,110)	(268,542)	(2,862,931)	(360,678)	(183,875,567)
Closing net book value	1,353,535,000	2,013,965,603	1,934,654,575	1,084,341,400	615,751,425	262,547,450	8,341,979,471	138,563,213	43,418,421	26,425,985	26,748,667	17,464,237	73,444,462	20,284,972	15,952,144,281

As at 30 June 2024

Cost	1,353,535,000	2,014,891,750	1,968,198,405	1,104,066,694	628,622,331	267,859,344	8,446,194,601	139,975,964	42,807,224	27,739,936	27,142,777	17,732,779	76,307,393	20,645,650	16,135,719,848
Accumulated depreciation	-	(16,704,058)	(659,989,024)	(334,780,224)	(126,657,004)	(60,695,468)	(4,379,140,077)	(131,670,317)	(40,604,006)	(20,290,814)	(24,909,484)	(16,211,040)	(60,828,817)	(6,579,215)	(5,879,359,629)
Net book value	1,353,535,000	1,998,187,692	1,308,209,381	769,286,470	501,965,327	207,163,876	4,067,054,524	8,005,587	2,203,218	7,449,122	2,233,293	1,521,739	15,478,576	14,066,435	10,256,360,222
Depreciation rates	0.00%	99	2.50%	2.50%	2.50%	2.50%	2.50%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	2.50%	-

* Depreciation on plant & machinery is charged using unit production method.

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QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

5.1.1 Depreciation for the year has been allocated as under:

		2025	2024
		(Rupees)	
Cost of sales - spinning	30	106,863,658	106,730,895
Cost of sales - weaving	30	46,899,980	49,221,496
		<u>153,763,638</u>	<u>155,952,391</u>
Cost of sales - power plant	30.3.1	27,505,399	25,091,445
Administrative expenses	33	2,534,980	2,531,831
		<u>183,804,017</u>	<u>183,575,667</u>

5.1.2 Disposal of property, plant and equipment:

Particulars	Cost	Accumulated depreciation	Net Written down value	Sales proceeds	Gain / (Loss)	Mode of disposal	Particulars of buyer
June 30, 2025	992,043,386	752,043,386	240,000,000	219,398,906	(20,601,094)	Trade in with Creditor	Al Basit Cotton Ginners
June 30, 2024	1,766,700	1,022,001	744,699	2,000,000	1,255,301	Negotiation	Mr. Naveed Naseer, Karachi

5.1.3 Particular of Immovable Asset in the name of the Company are as follows:

Location	Addresses	Total Area (In Acres)
Kotri	P/3, S.I.T.E., Kotri.	20
Kotri	B/4, S.I.T.E., Kotri.	10
Bhai Pheru	49 K.M., Lahore, Multan Road, Bhai Pheru.	41.18
Lahore	7-8/A, Justice Sardar Iqbal Road, Gulberg V, Lahore.	0.375

5.1.4 The Company's land and buildings (both freehold and leasehold), plant and machinery, and power house were revalued by M/s. SIPRA & Company (Private) Limited, an independent professional valuer, as of April 2, 2025. The valuation, based on a professional assessment of current market values, resulted in an increase in revaluation surplus of Rs. 220.393 million. The Market Value determined by the valuer for the revalued assets —including land and buildings (freehold and leasehold), plant and machinery, and power house amounted to Rs.10,322.212 million.

5.1.5 Had there been no revaluation the related figures of land, building and plant and machinery as at June 30, 2025 would have been as follows:

Note	2025	2024
		(Rupees)
Freehold Land	75,752,071	75,752,071
Leasehold land	4,152,099	4,152,099
Building on freehold land	234,872,426	240,894,796
Building on leasehold land	68,895,719	70,662,276
Building on freehold land [Grid]	26,742,164	27,427,861
Labour colony on freehold land	19,832,842	20,341,376
Labour colony on leasehold land	17,667,563	18,120,577
Plant and machinery	2,296,502,813	2,355,387,501
Plant and machinery [Grid]	78,262,287	80,269,012
	<u>2,822,679,984</u>	<u>2,893,007,569</u>

5.1.6 Leased Plant and Machinery has not been classified as "Right of Use Asset" in accordance with IFRS16

QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees)	
6	LONG TERM DEPOSITS		
	Security deposits:		
	-WAPDA	7,893,190	7,893,190
	-Gas companies	54,233,075	51,439,075
	-Others	1,337,168	1,337,168
		<u>63,463,433</u>	<u>60,669,433</u>
6.1	These deposits do not carry any interest or mark-up and are not recoverable within one year. IFRS 9 requires long-term non interest bearing financial assets to be discounted at average borrowing rate of the company. The impact of discounting is considered insignificant by the management.		
7	STORES, SPARES AND LOOSE TOOLS		
	Spinning:		
	-Stores	104,883,277	105,416,394
	-Spares and accessories	194,783,228	195,773,304
	-Loose tools	16,404,063	16,487,444
		<u>316,070,568</u>	<u>317,677,142</u>
	Weaving:		
	-Stores	156,495,359	166,637,177
	Power plant:		
	-Oil and stores	107,392,672	112,251,246
		<u>579,958,599</u>	<u>596,565,565</u>
	Less: Provision for slow moving stores, spares and loose tools	(2,575,359)	(2,596,192)
		<u>577,383,240</u>	<u>593,969,373</u>
7.1	Stores,spares and loose tools cost Rs:579.958 Million (2024: 596.565 Million) have been valued at Rs:577.383 Million (2024: 593.969 Million) being the replacement cost of stores,spares and loose tools. The amount charge to profit and loss in respect of stores,spares and loose tools down to net realizable value is Rs: 2.575 Million (2024:2.956 Million).		
7.1	No item of stores, spares and loose tools is pledged as security as at reporting date.		
8	STOCK IN TRADE		
	Spinning:		
	-Raw material - in hand	200,950,500	129,914,623
	-Work-in-process	-	70,874,300
	-Finished goods	2,207,280,921	2,507,280,921
	-Waste	-	2,860,010
		<u>2,408,231,421</u>	<u>2,710,929,854</u>
	Weaving:		
	-Finished goods	154,832,970	198,484,770
		<u>2,563,064,391</u>	<u>2,909,414,624</u>
8.1	No item of stock in trade is pledged as security as at reporting date.		
8.2	The stated waste stock is valued at NRV.		
9	TRADE DEBTS		
	Considered good		
	-Local debts - unsecured	9.1 309,051,320	167,192,298
	-Less: Allowance for Expected Credit Loss	9.2 (37,637,513)	(19,290,502)
		<u>271,413,807</u>	<u>147,901,796</u>
9.1	At the year end, there is no receivable from export customer.		
9.2	Particulars of allowance for Expected Credit Loss		
	Balance at beginning of the year	19,290,502	5,322,670
	Charge during the year	34 18,347,011	13,967,832
	Balance at the end of the year	<u>37,637,513</u>	<u>19,290,502</u>

QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025		2024	
		(Rupees)		(Rupees)	
		2025	2024	2025	2024
		(Rupees)		(Rupees)	
14	ISSUED, SUBSCRIBED AND PAID UP CAPITAL				
		2025	2024		
		Number of shares			
		1,200,000	1,200,000	12,000,000	12,000,000
		9,875,000	9,875,000	98,750,000	98,750,000
		1,925,000	1,925,000	19,250,000	19,250,000
		<u>13,000,000</u>	<u>13,000,000</u>	<u>130,000,000</u>	<u>130,000,000</u>

14.1 The company had issued 9,875,000 Ordinary Shares in the ratio of 316 shares for every 100 ordinary Shares at exercise price of Rs. 76/= per share having premium of Rs. 66/= per share.

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

14.3 Major Shareholders

Name of Shareholders	Position	Percentage
----------------------	----------	------------

1 Directors, CEO, Spouse and Minor Children

Mr. Tariq Iqbal	Director and CEO	4.33%
Mr. Asim Khalid	Director	9.53%
Mr. Omer Khalid	Director	9.15%
Mr. Tauqir Tariq	Director	6.14%
Mrs. Tabbasum Tariq	W/O Director	5.34%

14.4 Movement in Share Capital

	2025	
	No of Shares	Amount
Opening	13,000,000	130,000,000
Shares Issued During the Year	-	-
Closing	<u>13,000,000</u>	<u>130,000,000</u>

15 RESERVES

Capital reserve	15.0	651,751,200	651,751,200
Revenue Reserve	15.1	(6,415,501,789)	(4,829,149,596)
		<u>(5,763,750,589)</u>	<u>(4,177,398,396)</u>

15.0 Capital reserve

Share premium		651,751,200	651,751,200
Revaluation surplus	17	7,047,164,552	7,104,771,535
		<u>651,751,200</u>	<u>651,751,200</u>

15.1.1 This reserve can be utilised by the company only for the purpose specified in section 81 of the companies Act, 2017.

		2025	2024
		(Rupees)	
15.1	Revenue Reserve		
	General reserves	115,000,000	115,000,000
	Accumulated loss	(6,530,501,789)	(4,944,149,596)
		<u>(6,415,501,789)</u>	<u>(4,829,149,596)</u>

15.2.1 A revenue reserve being maintained to have adequate resources for future requirements and business operations.

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QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees)	2024 -----
16	LOAN FROM DIRECTORS AND OTHERS - SUBORDINATED		
	Loan from directors and others	<u>212,728,470</u>	<u>212,728,470</u>
16	These are unsecured and interest-free loans repayable at the discretion of the Company. In compliance with TR-32 issued by the Institute of Chartered Accountants of Pakistan, these loans have been treated as part of equity.		
17	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
	Balance as at July 01, 2024	7,461,574,818	7,565,814,161
	Add: Surplus on revaluation of land, building and plant & machinery-net	10,108,882	-
	Less: Transferred from surplus on revaluation of Property Plant	(67,715,864)	(74,009,934)
	Equipment on account of incremental depreciation		
	Less: Deferred Tax	(27,658,592)	(30,229,409)
		<u>7,376,309,243</u>	<u>7,461,574,818</u>
	Less: Related to deferred tax effect:		
		17.2	
	Balance as at July 01, 2024	356,803,283	387,032,692
	Deferred tax liability on revaluation surplus	-	
	Recognition of deferred tax liability due to the transfer of incremental depreciation to equity from surplus on revaluation	(27,658,592)	(30,229,409)
		<u>329,144,691</u>	<u>356,803,283</u>
	Closing balance	<u><u>7,047,164,552</u></u>	<u><u>7,104,771,535</u></u>

17.1 On 27 July 2017, 28 to 29 June 2018, 16 to 24 June 2022 and 2 April 2025, further revaluation was made of the Land, Building, Labour Colony, Grid station and plant & machinery by M/s. SIPRA & Company (Private) Limited, registered Valuers and Surveyors, on the basis of market value which resulted in net revaluation surplus of Rs. 10,108,882/-.

17.2 Represents disclosure from memorandum records. Deferred tax liability with respect to surplus on revaluation of Property, Plant and Equipment has not been recognized in these financial statements

		2025 ----- (Rupees)	2024 -----	
18	LONG TERM FINANCES			
	Loans from banking companies - secured.			
	Al-Baraka Bank (Pakistan) Limited	18.1	471,777,177	474,377,177
	Bank Al Falah Limited	18.2	18,881,717	18,881,716
	First Al Noor Modaraba	18.3	19,980,000	20,620,000
	Faysal Bank Limited	18.4	178,715,000	178,715,000
	Habib Bank Limited	18.4	235,665,204	235,665,204
	Habib Bank Limited	18.4	8,129,727	8,129,727
	Meezan Bank Limited - [Bai Muajjal]	18.4	12,759,074	12,759,074
	National Bank of Pakistan-[LTF-II Frozen Markup]	18.4	61,850,000	61,850,000
	National Bank of Pakistan - [LTF]	18.4	50,746,000	50,746,000
	National Bank of Pakistan - [LTF-I]	18.4	139,907,100	139,907,100
	Soneri Bank Limited	18.4	481,567,000	481,567,000
	Standard Chartered Bank	18.4	116,978,416	116,978,416
	Allied Bank Limited [LTF]	18.4	180,993,360	180,993,360
			<u>1,977,949,775</u>	<u>1,981,189,774</u>
	Less: Current maturity shown under current liabilities	18.5	<u>(1,509,606,437)</u>	<u>(1,399,006,210)</u>
			<u><u>468,343,338</u></u>	<u><u>582,183,564</u></u>

18.1 Previously, the bank AL Baraka had restructured its existing outstanding balances in istisna amounting to Rs. 300 million, local modarba amounting to Rs.197 million and diminishing musharakah of Rs.0.890 million. Total amount merged into Istisna Facility is Rs. 497.890 million.

Securities/ Margins

1st pari passu Equitable mortgage and hypothecation (each) charge dated March 17, 2006 registered vide supplemental letter of hypothecation of Plant, Machinery and equipment dated March 08, 2006 for PKR 420 million on present and future fixed assets of the company inclusive of 25% margin.

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	Note	2025	2024
		(Rupees)	
18.2	Previously, Bank Alfalah had approved a settlement of entire principal of CF Hypo facility of Rs. 28.49 million along with overdue markup and future markup @7.00% or cost of funds (whichever is higher). The bank had approved stepped-up repayment plan for 6 years. 1st Pari Passu charge on stocks & book debts for Rs. 40 million to cover CF - Hypo facility of Rs. 30 million with 25% margin. Ranking charge of Rs. 120 million [is ranked 2nd on receivables and 7th on stocks up to Rs. 32 million and 2nd on receivables and 9th over stocks for the rest of Rs. 88 million] over stocks including furnace oil and book debts.		
18.3	The Company had been availing finance facility from First Al-Noor Modaraba for many years however, dispute arose between the parties which led them to file cases against each other. The modaraba filed Suit No. 2/2016 for recovery of Rs.25,678,083 and a Criminal Complaint No. 31/2016 for dishonored cheques. The company also filed Suit No. 146/2017 for recovery of Rs. 76,898,349. Both the parties were pleading their respective cases for recovery of amounts. During the financial period under audit, both the parties arrive at conclusion to settle their dispute out of the court. The agreed amount of full and final settlement is Rs. 25 million which will be fully repaid in seven years.		
18.4	The banks have filed cases for recovery which are exaggerated and exorbitant upon unauthorized and unlawful mark-up and other charges, whereas as per records of the company, the amount, if any payable, against the subject facilities, are much lesser than the alleged claims of the banks. In all these cases, the company has filed leave to defend applications and denied the alleged claims of the banks, which are pending before the Hon'ble Courts for adjudications. The management contesting the cases vigorously and also making efforts for amicable settlement of claim of each bank individually as out of court settlement and has succeeded to compromise two suits in previous period.		
18.5	Current maturity includes Rs. 1,484.500 million in respect of overdue.		
19	REDEEMABLE CAPITAL - SUKUK		
	Islamic mode of financing		
	Diminishing musharaka Sukuk certificate	611,335,643	611,335,643
	Less: Current portion shown under current liabilities	(611,335,643)	(611,335,643)
19.1	The company had issued privately placed Sukuk Certificates of Rs. 1,385,000,000 divided into 277,000 certificates of Rs. 5,000 each. The significant terms and conditions and security of the Sukuk / certificates are as follows:		
	Tenure	7 years	7 years
	Date of first installment	March 31, 2010	March 31, 2010
	Date of last installment	March 20, 2020	March 20, 2020
	Rate of return per annum	6 M KIBOR + 1.75%	6 M KIBOR + 1.75%
	Convertible/non convertible	Non Convertible	Non Convertible
	Redeemable/perpetual	Redeemable	Redeemable
19.2	Security: First Pari Passu charge of Rs. 1.846 billion (June 30, 2024 Rs. 1.846 billion) on all fixed assets of the company.		
19.3	The banks have filed cases for recovery which are exaggerated and exorbitant upon unauthorized and unlawful mark-up and other charges, whereas as per records of the company, the amount, if any payable, against the subject sukkuks, are much lesser than the alleged claims of the banks. In all these cases, the company has filed leave to defend applications and denied the alleged claims of the banks, which are pending before the Hon'ble Courts for adjudications. The management contesting the cases virogously and also making efforts for amicable settlement of claim of each bank individually as out of court settlement and has succeeded to compromise two suits in previous period.		
19.4	Current maturity includes Rs. 611.336 million in respect of overdue.		

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QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees)	2024 -----
20	LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Payable within one year		8,124,676	21,304,702
Payable after one year but not more than five years		3,249,994	-
		<u>11,374,670</u>	<u>21,304,702</u>
Less: deferred finance cost		-	(3,016,150)
		<u>11,374,670</u>	<u>18,288,552</u>
Add: security deposit	6	-	(5,772,000)
Less: Current portion shown under current liabilities	20.5	(8,124,676)	(12,516,552)
Present value of minimum lease payments		<u>3,249,994</u>	<u>-</u>
20.1	The Company has entered into lease agreement for Plant & Machinery and Vehicles with various leasing companies and financial institutions on monthly, quarterly and half yearly payment basis. The lease contains bargain purchase option. During the year, the company entered into a final settlement with Orix Leasing amounting to Rs. 23 Million, vide Agreement No. LIT/4556/2024 dated 18 November 2024. As per the agreement, the company is required to pay Rs. 5 Million each in November and December 2024 with the remaining balance payable in twenty-four equal monthly installments of Rs. 541,667		
20.2	The lease is secured by personal guarantees of two directors and security deposit equivalent to 0.1% to 10% of the facility amount.		
20.3	Implicit rate of return on lease varies ranging from NIL (2024: NIL).		
20.4	Taxes, repairs and maintenance, insurance and other cost relating to the lease assets are borne by the Company.		
20.5	Current maturity includes Rs. 1,624,672 in respect of overdue.		
		2025 ----- (Rupees)	2024 -----
21	DEFERRED LIABILITIES		
Deferred taxation	21.1	-	-
Staff retirement benefits - gratuity	21.4	49,875,715	32,048,417
		<u>49,875,715</u>	<u>32,048,417</u>
21.2	No Deferred Tax has been recognized as the effective rate is zero percent as per the approach (a) of ICAP Guidance IAS 12 "Application Guidance on accounting for minimum taxes and final taxes" and IFRIC 21 "Levies".		
21.3	For Previous year, deferred tax asset arose amounting to Rs 337.722 million. This has not been recognised as it is not probable to earn taxable profits for the company in the foreseeable future.		
	The deferred liability arises at the year end as stated in note 21.2, however Management decides to adopt approach (a) as per the guideline of "IAS 12 application guidance on accounting for Minimum taxes and final tax" & the effective rate used for the calculation of deferred tax is zero (0%).		
		2025 ----- (Rupees)	2024 -----
21.4	Staff retirement benefits - gratuity		
	Movement in the net liability recognized in the Balance sheet:		
Opening net liability		32,048,417	88,573,620
Expense for the year in profit and loss account		11,347,873	15,874,419
Remeasurement recognized in other comprehensive income		17,321,341	13,488,310
		<u>60,717,631</u>	<u>117,936,349</u>
Transferred to Current Liability		-	(20,757,085)
Benefits paid during the year		(10,841,916)	(65,130,847)
Closing Balance of Defined Benefit Obligation		<u>49,875,715</u>	<u>32,048,417</u>
21.5	Expense for the year in profit and loss account		
Current service cost		6,820,851	13,610,059
Interest cost		4,527,021	2,264,360
Net actuarial (gain)/ loss recognized in the year		<u>11,347,873</u>	<u>15,874,419</u>

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QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees)	2024 -----
21.6	Historical information		
	Present value of defined benefit	2025 ----- 49,875,715	2024 ----- 88,573,620
21.7	General description		
	The scheme provides for terminal benefits for all of its permanent employees who attain the minimum qualifying period. Annual charges is made using the actuarial technique of Projected Unit Credit Method.		
21.8	Principal actuarial assumption		
	Following are a few important actuarial assumption used in the valuation.		
	Discount rate	% 11.75	% 14.75
	Expected rate of increase in salary	10	10
21.9	Expected gratuity expenses for the year ending June 30, 2026 works out Rs. 12,120,054/-		
21.10	Expected year of services (years)	9	8
21.11	Sensitivity analysis for actuarial assumption		
	The below information summarizes how the defined benefit obligation at the end of the reporting period would have increased / decreased as a result of change in respective assumption by 100.		
		----- 2025 ----- Increase in assumptions	----- Decrease in assumptions
	Discount rate	(1,429,716)	1,515,633
	Increase in future salaries	1,557,845	(149,332)
		-----	-----
		2025 ----- (Rupees)	2024 -----
22	TRADE AND OTHER PAYABLES		
	Trade Creditors	6,232,680,747	5,603,492,899
	Accrued liabilities	391,653,699	373,105,093
	Payable against letter of credit	8,525,249	8,525,249
	Unearned rental income	2,149,029	1,712,119
	Sales tax payable	3,868,590	5,020,012
	Gratuity Payable	20,757,085	20,757,085
	Withholding income tax payable	3,397,683	1,330,563
	Others	1,000,000	-
	Audit Fee Payable	33.3	-
	Workers' profit participation fund	-	-
	Sindh Worker's Welfare Fund	22.1	2,250,641
		6,667,875,023	6,016,193,661
22.1	Sindh Worker's Welfare Fund		
	Balance at the beginning of the Year	2,250,641	1,731,262
	Interest on fund utilized in company's business	-	519,379
		2,250,641	2,250,641
	Paid during the year	-	-
		2,250,641	2,250,641
	Allocation for the year	-	-
	Balance at the end of the year	2,250,641	2,250,641

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QUETTA TEXTILE MILLS LIMITED
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FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees) -----	2024 -----
23	ACCRUED INTEREST/ MARK-UP		
	Accrued interest/ mark-up on secured:		
	- long term finances	62,710,555	64,696,192
	- redeemable capital - Sukuk	233,045,065	233,045,065
	- short term borrowings	738,015,908	738,511,727
		<u>1,033,771,528</u>	<u>1,036,252,984</u>
23.1	Markup on Long Term financing, Short term borrowings, Sukuks for the year as well as for the previous years has not been accrued by the company.		
24	SHORT TERM BORROWINGS		
	Secured - Banking companies		
	-Finances under mark-up arrangement	24.1 1,741,822,893	1,742,461,411
	-Book overdraft	24.3 1,246,016	743,853
		<u>1,743,068,909</u>	<u>1,743,205,264</u>
24.1	Aggregate facilities amounting to Rs. 1,743.068 million (June 30, 2024: Rs. 1,743.205 million) were available to the Company from banking companies. These were secured against hypothecation charge of stock in trade, book debts, plant & machinery, export bills under collection.		
24.2	The banks have filed cases for recovery which are exaggerated and exorbitant upon unauthorized and unlawful mark-up and other charges, whereas as per records of the company, the amount, if any payable, against the subject facilities, are much lesser than the alleged claims of the banks. In all these cases, the company has filed leave to defend applications and denied the alleged claims of the banks, which are pending before the Hon'ble Courts for adjudications. The management contesting the cases virogously and also making efforts for amicable settlement of claim of each bank individually as out of court settlement and has succeeded to compromise two suits.		
24.3	This represents Cheques issued in excess of bank balance. Since there was no banking facility, this has been grouped under Book overdraft.		
25	LOAN FROM DIRECTORS AND OTHERS		
	-Loan from Directors	103,462,298	26,656,986
	-Loan from Others	5,854,059	82,409,371
		<u>109,316,357</u>	<u>109,066,357</u>
25.1	These are interest free, unsecured and repayable on demand.		
25.2	The loan has been taken for the fulfillment of working capital requirement.		
26	UNCLAIMED DIVIDEND		
	Unclaimed dividend	36,468	36,468
		<u>36,468</u>	<u>36,468</u>
27	PROVISION FOR TAXATION		
	Provision for taxation	13,213,389	36,761,215
		<u>13,213,389</u>	<u>36,761,215</u>
28	CONTINGENCIES AND COMMITMENTS		
28.1	Contingencies		
	Guarantees issued by banks on behalf of the Company	104,073,007	260,177,270
		<u>104,073,007</u>	<u>260,177,270</u>
28.2	Company has filed a suit No. 202 of 2011 against Enshaa NLC Development (Pvt) Limited before the Honorable Sindh High Court, Sindh seeking declarations, possession, permanent injunction and/or recession and damage in respect of the reservation contract followed by an agreement executed between parties whereby the defendants are liable to construct the project. The matter is at the stage of hearing and opinion of the legal advisor of the company is favorable and there is no likelihood of unfavorable outcome or any potential loss.		

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QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees)	
29 SALES			
Export sale -Yarn		-	5,844,370
Less : sales tax		-	-
		<u>-</u>	<u>5,844,370</u>
Local sale			
Yarn		747,046,377	529,505,929
Fabric		50,329,124	-
Waste		56,293,366	866,297
Processing		403,008,059	511,492,134
		<u>1,256,676,926</u>	<u>1,041,864,360</u>
Less : sales tax			
Yarn		(113,956,227)	(80,772,091)
Fabric		(7,677,324)	-
Waste		(8,587,124)	(132,147)
Processing		(61,475,806)	(78,024,224)
		<u>(191,696,480)</u>	<u>(158,928,462)</u>
		<u>1,064,980,446</u>	<u>888,780,268</u>
30 COST OF SALES			
Raw material consumed	30.1	290,689,889	273,867,179
Salaries, wages and benefits	30.2	480,385,287	321,575,824
Stores and spares consumed		18,469,760	20,151,366
Fuel, power and water	30.3	896,276,637	676,061,770
Rent, rates and taxes		1,437,510	1,031,300
Insurance expenses		500,342	1,083,419
Repairs and maintenance		1,386,545	1,724,744
Vehicle running and maintenance		8,869,499	10,581,776
Entertainment expenses		4,351,504	2,236,337
Communication expenses		558,330	1,018,897
Printing and stationery		140,725	669,810
Subscription		297,958	124,100
Travelling		609,356	740,840
Other expenses		528,709	1,374,926
Depreciation expenses	5.1.1	153,763,638	155,952,391
		<u>1,858,265,689</u>	<u>1,468,194,679</u>
Work in process			
Opening stock		70,874,321	93,286,287
Closing stock		-	(70,874,321)
Cost of goods manufactured		<u>1,929,140,010</u>	<u>1,490,606,645</u>
Finished goods			
Opening balance		2,705,765,691	2,749,845,732
Closing stock		(2,362,113,891)	(2,705,765,691)
		<u>2,272,791,810</u>	<u>1,534,686,686</u>
30.1 Raw material consumed			
Opening balance		132,774,650	104,619,330
Purchases		358,865,739	302,022,499
		<u>491,640,389</u>	<u>406,641,829</u>
Less: closing stock		(200,950,500)	(132,774,650)
		<u>290,689,889</u>	<u>273,867,179</u>

30.2. Salaries, wages and benefits include Rs. 9,706,109- (2024: Rs. 14,408,821-) in respect of staff retirement benefits.

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QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees) -----	2024 -----
30.3 Fuel, power and water			
Electricity purchase from out-side		21,520,645	14,580,170
Electricity produced by self	30.3.1	860,584,813	649,502,814
Water charges		378,199	1,656,639
Gas charges		13,792,980	10,322,147
		<u>896,276,637</u>	<u>676,061,770</u>
30.3.1 Electricity produced by self			
Salaries and wages	30.3.2	12,975,386	8,687,998
Gas consumed		812,133,953	607,746,395
Stores and spares consumed		6,445,674	7,032,531
Repair and maintenance		92,436	115,050
Insurance expenses		8,756	18,948
Vehicle running and maintenance		197,664	235,702
Subscription		1,029,841	428,870
Communication expenses		5,241	9,560
Printing and stationery		2,165	10,300
Entertainment expenses		174,241	89,615
Other expenses		14,058	36,500
Depreciation	5.1.1	27,505,399	25,091,345
		<u>860,584,813</u>	<u>649,502,814</u>
30.3.2 Salaries, wages and benefits include Rs. 262,165/- (2024: Rs. 389,892-) in respect of staff retirement benefits.			
31 OTHER INCOME			
Income from financial assets			
-Interest Income on saving accounts/ term deposit receipt		13,055,184	21,683,701
Income from assets other than financial assets			
-Profit on sale of property, plant and equipment	5.1.2	-	1,255,301
-Rental income		1,907,485	1,380,333
-Appreciation in the fair value of investment		150,875	53,936
-Exchange gain		16,293	-
-Dividend Income		16,908	14,090
-Liability written back		-	6,648,695
		<u>15,146,745</u>	<u>31,036,056</u>
31.1 Sales are shown net of sales & further tax, amounting Rs. NIL (2024: Rs. NIL-).			
32 DISTRIBUTION COST			
On export sales			
-Freight		-	76,500
-Clearing and forwarding		-	92,510
		-	<u>169,010</u>
On local sales			
-Freight		-	27,370
-Commission		-	-
		-	<u>27,370</u>
Salaries and wages		<u>3,446,431</u>	4,300,603
		<u>3,446,431</u>	<u>4,496,983</u>
32.1 Salaries, wages and benefits include Rs. 69,634- in respect of staff retirement benefits.			

QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees)	2024 -----
33 ADMINISTRATIVE EXPENSES			
Director's remuneration	33.1	6,780,000	713,550
Salaries and benefits	33.2	16,480,566	24,021,182
Meeting fee		100,000	200,000
Printing and stationery		286,420	339,977
Communication		1,050,037	1,464,766
Travelling		816,838	460,738
Vehicle running and maintenance		3,412,576	5,806,282
Legal and professional charges		50,000	500,000
Auditors' remuneration	33.3	1,777,430	1,777,430
Rent, rates and taxes		1,290,033	3,830,741
Entertainment		383,685	673,328
Electricity, gas and water charges		1,555,218	2,305,283
Fees And Subscription		1,591,335	1,288,103
Repairs and maintenance		697,400	349,525
Insurance		7,543	46,228
Security, gardening and sanitation		102,630	302,188
Advertisement		17,280	24,420
Bad debt expenses		95,969	-
Miscellaneous		276,126	859,541
Depreciation	5.1.1	2,534,980	2,531,831
		<u>39,306,067</u>	<u>47,495,113</u>
33.1	The Chief Executive and Directors of the company have waived off their remuneration and meeting fee.		
33.2	Salaries, wages and benefits include Rs.1,309,963- (2024: Rs. 1,076,315-) in respect of staff retirement benefits.		
33.3 Auditors' remuneration			
Audit fee		1,537,300	1,537,300
Half yearly review fee		185,130	185,130
Code of corporate governance review fee		30,000	30,000
Out of pocket expenses		25,000	25,000
		<u>1,777,430</u>	<u>1,777,430</u>
34 OTHER OPERATING EXPENSES			
Provision for slow moving stores, spares and loose tools		2,575,359	2,596,192
Provision for GIDC	34.1	333,515,000	-
Loss on currency exchange		-	26,745
Donations	34.2	49,000	130,500
Loss on Disposal		20,601,096	-
Allowance for Expected Credit Loss	9.2	18,347,011	13,967,832
Orix leasing settlement account		5,772,000	-
Impairment of advances	11.2	-	1,110,997
		<u>380,859,466</u>	<u>17,832,266</u>
34.1	Represents provision for GIDC recognized in light of decision by Honourable Supreme Court of Pakistan.		
34.2	No director or his spouse had any interest in the donee.		
35 FINANCE COST			
Mark-up on:			
-short term finances		4,104,774	7,132,853
-lease finances		2,229,996	-
-Sindh Worker's Welfare Fund		-	519,379
Bank charges, commission and others charges		747,939	156,950
		<u>7,082,708</u>	<u>7,809,182</u>

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QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees) -----	2024 -----
35 TAXATION			
Current year			
For the year		13,312,256	11,095,142.00
Prior year		75,169	251,919
		<u>13,387,425</u>	<u>11,347,061</u>
35.1 Tax Reconciliation			
Loss Before Tax		<u>(1,623,359,291)</u>	<u>(692,503,905)</u>
Tax Rate		<u>29%</u>	<u>29%</u>
Estimated Tax		<u>(470,774,194)</u>	<u>(200,826,132)</u>
Effect of Prior Year Taxes		75,169	251,919
Effect of Turnover Tax due to taxable losses		<u>484,086,450</u>	<u>211,921,274</u>
		<u>13,387,425</u>	<u>11,347,061</u>
36 EARNINGS PER SHARE - BASIC AND DILUTED			
(Loss) after taxation		<u>(1,636,746,716)</u>	<u>(703,850,966)</u>
		Number of shares	
Weighted average number of ordinary shares		<u>13,000,000</u>	<u>13,000,000</u>
		-----Rupees-----	
Earnings per share - basic and diluted		<u>(125.90)</u>	<u>(54.14)</u>
36.1	There is no dilutive effect on basic earnings per share.		

37 REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration including all benefits to Chief Executive, Directors and Executives of the company is as follows:

	Chief Executive		Directors		Executives	
	2025	2024	2025	2024	2025	2024
Remuneration	-	-	6,780,000	713,550	6,780,000	51,605,913
	<u>-</u>	<u>-</u>	<u>6,780,000</u>	<u>713,550</u>	<u>6,780,000</u>	<u>51,605,913</u>
Number of persons	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>43</u>	<u>58</u>

37.1 In addition, some of the above persons have been provided with the company maintained cars.

38 TRANSACTIONS WITH RELATED PARTIES

The related parties comprises directors and key management personnel. Amounts due to related parties are shown in the relevant notes to the financial statements. Transactions with related parties are disclosed below:

Nature of transaction	Relationship	2025 -----Rupees-----	2024
Loan received	Directors	250,000	
Salaries and other benefits	Directors	6,780,000	713,550

The Company continues to have a policy whereby all transactions with related parties are entered at arm's length price using admissible valuation method and expenses are charged on actual basis. No related party transactions were incurred into during the year.

QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

39 SEGMENT ANALYSIS

The segment information for the reportable segments for the year ended June 30, 2025 is as follows:

39.1	Operating results	Note	Spinning		Weaving		Power Generation		Company	
			2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
	Sales									
	Expert		-	-	-	5,844,370	-	-	-	5,844,370
	Yarn		633,090,150	448,733,838	-	-	-	-	633,090,150	448,733,838
	Fabrics		42,651,800	-	-	-	-	-	42,651,800	-
	Waste		47,706,242	734,150	-	-	-	-	47,706,242	734,150
	Processing		47,208,116	25,963,744	294,324,137	407,504,166	-	-	341,532,253	433,467,910
	Steam income		-	-	-	-	-	-	-	-
			770,656,309	475,431,732	294,324,137	413,348,536	-	-	1,064,980,446	888,780,268
	Inter - segment sales		-	-	-	-	860,584,813	649,502,814	860,584,813	649,502,814
	Total sales		770,656,309	475,431,732	294,324,137	413,348,536	860,584,813	649,502,814	1,925,565,259	1,538,283,082
	Cost of sales	40	(1,546,104,670)	(965,848,645)	(726,687,140)	(568,838,079)	(860,584,813)	(649,502,814)	(3,133,376,623)	(2,184,189,538)
	Gross loss		(775,448,362)	(490,416,913)	(432,363,003)	(155,489,543)	-	-	(1,207,811,364)	(645,906,456)
	Distribution cost	41	(1,629,558)	(2,680,110)	(1,816,873)	(1,816,873)	-	-	(3,446,431)	(4,496,983)
	Administrative expenses	42	(28,373,769)	(25,718,648)	(10,836,329)	(21,776,465)	-	-	(39,210,098)	(47,495,113)
			(30,003,327)	(28,398,756)	(12,653,202)	(23,593,338)	-	-	(42,656,529)	(51,992,096)
	Operating results		(805,451,689)	(518,815,672)	(445,016,205)	(179,082,881)	-	-	(1,250,467,894)	(697,898,551)
39.2	Segment assets		10,073,018,316	10,551,770,279	2,325,449,385	2,435,973,701	107,392,672	922,498,210	12,505,860,373	13,910,242,190
39.3	Unallocated assets								916,930,387	941,061,930
									14,177,474,912	14,851,304,119
39.4	Segment liabilities		5,834,390,645	5,264,169,453	616,778,440	556,497,914	216,705,938	195,526,294	6,667,875,023	6,016,193,661
39.5	Unallocated liabilities								5,659,258,809	5,671,479,030
									12,327,133,832	11,687,672,691
39.6	Depreciation		105,232,953	106,730,895	48,530,685	49,221,496	27,505,399	25,091,345	181,269,037	181,043,736
39.7	Inter-segment pricing									
	Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.									
39.8	There were no major customer of company which formed 10 percent or more of the Company's revenue.									

QUETTA TEXTILE MILLS LIMITED
 NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

40	COST OF SALES	Note	Spinning		Weaving		Power Generation		Company	
			2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
	Raw material consumed	40.1	290,689,889	273,867,179	-	-	-	-	290,689,889	273,867,179
	Stores and spares consumed		8,555,659	9,334,840	9,913,901	10,816,526	6,445,674	7,032,531	24,915,434	27,183,897
	Salaries, wages and benefits		339,669,962	180,860,499	140,715,325	140,715,325	12,975,386	8,687,998	493,360,673	330,263,822
	Fuel, power and water:									
	Inter-segment		382,686,251	288,821,965	477,898,562	360,680,849	-	-	860,584,813	649,502,814
	Others		35,691,824	26,558,956	-	-	812,133,953	607,746,395	847,825,777	634,305,351
	Repairs and maintenance		924,255	1,149,694	462,290	575,050	92,436	115,050	1,478,981	1,839,794
	Insurance expenses		270,883	586,558	229,459	496,861	8,756	18,948	509,098	1,102,367
	Rent, rates and taxes		1,437,510	1,031,300	-	-	-	-	1,437,510	1,031,300
	Vehicle running and maintenance		6,855,661	8,179,162	2,013,838	2,402,614	197,664	235,702	9,067,163	10,817,478
	Entertainment expenses		1,948,324	1,001,288	2,403,180	1,235,049	174,241	89,615	4,525,745	2,325,952
	Communication expenses		68,450	124,914	489,880	893,983	5,241	9,560	563,571	1,028,457
	Printing and stationery		14,953	71,173	125,772	598,637	2,165	10,300	142,890	680,110
	Subscription		178,775	(308,480)	119,183	432,580	1,029,841	428,870	1,327,799	552,970
	Travelling		589,533	716,740	19,823	24,100	-	-	609,356	740,840
	Other expenses		415,267	1,079,917	113,441	295,009	14,058	36,500	542,767	1,411,426
	Depreciation expenses		105,232,953	106,730,895	48,530,685	49,221,496	27,505,399	25,091,345	181,269,037	181,043,736
			1,175,230,349	899,806,600	683,035,340	568,388,079	860,584,813	649,502,814	2,718,850,502	2,117,697,493
	Work in process									
	Opening stock		70,874,321	93,286,287	-	-	-	-	70,874,321	93,286,287
	Closing stock		-	(70,874,321)	-	-	-	-	-	(70,874,321)
			70,874,321	22,411,966	-	-	-	-	70,874,321	22,411,966
	Cost of goods manufactured		1,246,104,670	922,218,566	683,035,340	568,388,079	860,584,813	649,502,814	2,789,724,823	2,140,109,459
	Cost of other material		-	-	-	-	-	-	-	-
	Cost of other material sold		-	-	-	-	-	-	-	-
			1,246,104,670	922,218,566	683,035,340	568,388,079	860,584,813	649,502,814	2,789,724,823	2,140,109,459
	Finished goods									
	Opening balance		2,507,280,921	2,550,910,962	198,484,770	198,934,770	-	-	2,705,765,691	2,749,845,732
	Finished goods purchase:									
	Purchase		-	-	-	-	-	-	-	-
	Yarn purchase		-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
	Closing stock		(2,207,280,921)	(2,507,280,921)	(154,832,970)	(198,484,770)	-	-	(2,362,113,891)	(2,705,765,691)
			1,546,104,670	965,848,645	726,687,140	568,838,079	860,584,813	649,502,814	3,133,376,623	2,184,189,538

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QUETTA TEXTILE MILLS LIMITED
 NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

Note	Spinning		Weaving		Power Generation		Company	
	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
40.1								
Raw material consumed								
Opening balance	132,774,633	104,619,330	-	-	-	-	132,774,633	104,619,330
Purchases:								
Inter-segment	-	-	-	-	-	-	-	-
Other	358,865,739	302,022,499	-	-	-	-	358,865,739	302,022,499
	358,865,739	302,022,499	-	-	-	-	358,865,739	302,022,499
Closing stock	(200,950,500)	(132,774,633)	-	-	-	-	(200,950,500)	(132,774,633)
	290,689,872	273,867,196	-	-	-	-	290,689,872	273,867,196
41								
DISTRIBUTION COST								
On export sales								
Export development surcharge	-	-	-	-	-	-	-	-
Freight	-	76,500	-	-	-	-	-	76,500
Clearing and forwarding	-	92,510	-	-	-	-	-	92,510
	-	169,010	-	-	-	-	-	169,010
On local sales								
Freight	-	27,370	-	-	-	-	-	27,370
Commission	-	-	-	-	-	-	-	-
	-	27,370	-	-	-	-	-	27,370
Salaries and wages	1,629,558	2,483,730	1,816,873	1,816,873	-	-	3,446,431	4,300,603
	1,629,558	2,680,110	1,816,873	1,816,873	-	-	3,446,431	4,496,983

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QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	Spinning		Weaving		Power Generation		Company	
		2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
42 ADMINISTRATIVE EXPENSES									
Director's remuneration		4,906,240	386,389	1,873,760	327,161	-	-	6,780,000	713,550
Salaries and benefits		11,925,902	13,007,513	4,554,664	11,013,669	-	-	16,480,566	24,021,182
Meeting fee		72,363	108,300	27,637	91,700	-	-	100,000	200,000
Printing and stationery		207,263	184,098	79,157	155,879	-	-	286,420	339,977
Communication		759,843	793,171	290,194	671,595	-	-	1,050,037	1,464,766
Travelling		591,092	249,490	225,746	211,248	-	-	816,838	460,738
Vehicle running and maintenance		2,469,457	3,144,102	943,119	2,662,180	-	-	3,412,576	5,806,282
Legal and professional charges		36,182	270,750	13,818	229,250	-	-	50,000	500,000
Auditors' remuneration		1,286,209	962,450	491,221	814,952	-	-	1,777,430	1,777,430
Rent, rates and taxes		933,512	2,074,378	356,521	1,756,395	-	-	1,290,033	3,830,741
Entertainment		277,648	364,646	106,037	308,721	-	-	383,685	673,328
Electricity, gas and water charges		1,125,409	1,248,397	429,809	1,056,972	-	-	1,555,218	2,305,283
Fees and subscription		1,151,544	697,508	439,991	590,595	-	-	1,591,335	1,288,103
Repairs and maintenance		504,663	189,268	192,737	160,257	-	-	697,400	349,525
Insurance		5,458	25,032	2,085	21,196	-	-	7,543	46,228
Amortization		-	-	-	-	-	-	-	-
Security, gardening and sanitation		74,267	163,635	28,363	138,553	-	-	102,630	302,188
Advertisement		12,504	13,223	4,776	11,197	-	-	17,280	24,420
Miscellaneous		199,814	465,441	76,312	394,100	-	-	276,126	859,541
Depreciation		1,834,399	1,370,986	700,582	1,160,845	-	-	2,534,980	2,531,831
		28,373,769	25,718,648	10,836,329	21,776,465	-	-	39,210,098	47,495,113

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QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees)	2024 -----
43 RECONCILIATIONS OF REPORTABLE SEGMENTS SALES, COST OF SALES, ASSETS AND LIABILITIES			
43.1 Sales			
Total sales for reportable segment	39.1	1,925,565,259	1,538,283,082
Elimination of inter-segment	39.1	(860,584,813)	(649,502,814)
Total sales		<u>1,064,980,446</u>	<u>888,780,268</u>
43.2 Cost of sales			
Total cost of sales for reportable segment	40	3,133,376,623	2,184,189,038
Elimination of inter-segment	40.1	(860,584,813)	(649,502,814)
Total cost of sales		<u>2,272,791,810</u>	<u>1,534,686,224</u>
43.3 Profit or loss			
Total loss for reportable segments		(1,250,467,894)	(697,898,551)
Other operating Income		15,146,745	31,036,056
Other operating expenses		(380,859,466)	(17,832,266)
Interest expense		(7,082,708)	(7,809,182)
Total profit/(loss) before tax		<u>(1,623,263,323)</u>	<u>(692,503,944)</u>
43.4 Assets			
Total assets for reportable segments	39.2	12,505,860,373	13,910,242,190
Long term deposits	6	63,463,433	60,669,433
Other financial assets	10	66,659,336	118,007,492
Advances, deposits, prepayments and other receivables	11	68,215,289	64,669,931
Tax refund due from government	12	710,237,493	691,935,076
Cash and bank balances	13	8,354,836	5,779,998
Unallocated assets	39.3	916,930,387	941,061,930
		<u>13,422,790,760</u>	<u>14,851,304,120</u>
43.5 Liabilities			
Total liabilities for reportable segments	39.4	6,667,875,023	6,016,193,661
Long term finances	18	1,977,949,775	1,981,189,774
Redeemable capital - Sukuk	19	611,335,643	611,335,643
Loan from directors and others	25	109,316,357	109,066,357
Liabilities against assets subject to finance lease	20	11,374,670	12,516,552
Deferred liabilities	21	49,875,715	32,048,417
Accrued interest/ mark-up	23	1,033,771,528	1,036,252,984
Short term borrowings	24	1,743,068,909	1,743,205,264
Unclaimed dividend		36,467	36,467
Provision for taxation	27	13,213,389	36,761,215
Loan from directors and others	25	109,316,357	109,066,357
Unallocated liabilities	39.5	5,659,258,809	5,671,479,030
		<u>12,327,133,832</u>	<u>11,687,672,692</u>

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QUETTA TEXTILE MILLS LIMITED
NOTES TO AND FORMING PART OF THE THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

44 FINANCIAL INSTRUMENTS

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

- 44.1 Credit risk
44.2 Liquidity risk
44.3 Market risk

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

- 45 Credit risk
45.1 Exposure to credit risk:

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the long term investments, long term deposits, trade debts, loans and advances, trade deposits and prepayments, other receivables, other financial assets and cash and bank balances. Out of total financial assets of Rs. 478,106 million (June 30, 2024: Rs. 397,028 million), financial assets which are subject to credit risk aggregate to Rs. 469,751 million (June 30, 2024: Rs. 391,248 million). The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	Note	2025 ------(Rupees)-----	2024 -----
Long term deposits		63,463,433	60,669,433
Trade debts		271,413,807	147,901,796
Other financial assets		66,659,336	118,007,492
Advances, deposits, prepayments and other receivables		68,215,289	64,669,931
Cash and bank balances		8,354,836	5,779,998
		<u>478,106,701</u>	<u>397,028,650</u>

- 45.2 The maximum exposure to credit risk for trade debts at the reporting date by geographical region is as follows:

Domestic	<u>309,051,320</u>	<u>167,192,298</u>
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- 45.3 The maximum exposure to credit risk for debts at the reporting date by type of product is as follows:

Yarn	247,902,426	134,111,630
Fabric	61,148,894	33,080,668
	<u>309,051,320</u>	<u>167,192,298</u>

- 45.4 The aging of trade debts at the reporting date as follows:

Not past due	134,148,216	72,572,246
Past due less than one year	123,352,715	66,732,036
Past due more than year	51,550,389	27,888,016
	<u>309,051,320</u>	<u>167,192,297</u>

- 46 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credits facilities.

The Company's treasury department maintains flexibility in funding by maintaining availability under committed credits lines.

- 46.1 Financial liabilities in accordance with their contractual maturities are presented below:

	2025				
	Carrying amount	Contractual cash flow	Up to 1 year	Between 1 to 5 years	5 years and above
	Rupees				
Long term finances	1,977,949,775	1,977,949,775	-	-	-
Redeemable capital - Sukuk	611,335,643	611,335,643	-	-	-
Finance lease	11,374,670	-	-	-	-
Trade and other payables	6,658,358,109	6,658,358,109	6,658,358,109	-	-
Accrued mark-up	1,033,771,528	1,033,771,528	-	-	-
Short term borrowings	1,743,068,909	1,743,068,909	-	-	-
	<u>12,035,858,633</u>	<u>12,024,483,963</u>	<u>6,658,358,109</u>	<u>-</u>	<u>-</u>
	2024				
	Carrying amount	Contractual cash flow	Up to 1 year	Between 1 to 5 years	5 years and above
	Rupees				
Long term finances	1,981,189,774	1,981,189,774	-	-	-
Redeemable capital - Sukuk	611,335,643	611,335,643	-	-	-
Finance lease	12,516,552	-	-	-	-
Trade and other payables	6,007,592,445	6,007,592,445	6,007,592,445	-	-
Accrued mark-up	1,036,252,984	1,036,252,984	-	-	-
Short term borrowings	1,743,205,264	1,743,205,264	-	-	-
	<u>11,392,092,662</u>	<u>11,379,576,110</u>	<u>6,007,592,445</u>	<u>-</u>	<u>-</u>

46.2 The contractual cash flow relating to the above financial liabilities have been determined on the basis of mark-up / interest rates effective at the respective year-end. The rates of mark-up / interest have been disclosed in the respective notes to these financial statements.

47 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holding of financial instruments.

48 Currency risk

The company is exposed to currency risk on trade debts, borrowing and import of raw material and stores that are denominated in a currency other than the respective functional currency of the company, primarily in US Dollar and Euro. The currencies in which these transactions primarily are denominated is US Dollar and Euro. The company's exposure to foreign currency risk is as follows:

	US Dollar	Euro	Others	Rupees
Trade debts 2025	-	-	-	-
Trade debts 2024	-	-	-	-

The following significant exchange rates applied during the year:

	Averagerates		Reporting date rates	
	2025	2024	2025	2024
US Dollar to Rupee	283.97	246.89	284.10	287.50

48.1 Sensitivity analysis

5% strengthening of Pak Rupee against the following currencies at June 30, would have increased / (decreased) equity and profit and loss by the amount shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. 5% weakening of Pak Rupee against the above currencies at periods ends would have had the equal but opposites effect on the above currencies to the amount shown below, on the basis that all other variables remain constant.

	Note	2025	2024
		(Rupees)	
US Dollar		-	-

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and liabilities of the company.

49 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposures arises from short and long term borrowings from bank and term deposits and deposits in PLS saving accounts with banks. At reporting date the interest rate profile of the company's interest bearing financial instrument is as follows:

	Carrying Amount	
	2025	2024
	(Rupees)	
Fixed rate instruments:		
Financial assets	66,381,481	117,880,512
Financial liabilities	2,589,285,418	2,592,525,417
Variable rate instruments:		
Financial assets	-	-
Financial liabilities	1,754,443,579	1,755,721,816

49.1 Other Price Risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The company is not exposed to commodity price risk as it does not hold financial instruments based commodity prices.

49.2 Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit & loss. Therefore, a change in mark-up / interest rates at the reporting date would not affect profit & loss account.

Jans

49.3 Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for June 30, 2025.

	Profit and loss		Equity	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
	Rupees			
2025	17,544,436	(17,544,436)	-	-
2024	17,557,218	(17,557,218)	-	-

50 Fair value of financial assets and liabilities

The carrying value of all financial instruments reflected in the financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Fair Value Hierarchy

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

Level 1 fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3 fair value measurement are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2024 other financial assets was categorized in level 1.

There were no transfers between Level 1 and 2 in the year.

	level 1	level 2	level 3	Total
30-Jun-25				
At fair value through profit or loss				
30-Jun-24				
At fair value through profit or loss				

51 Off balance sheet items

Bank guarantees issued in ordinary course of business

Note	2025	2024
	(Rupees)	
	104,073,007	260,177,270

52 Capital risk management

The company's prime object when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. The ratio is calculated as total borrowings divided by total capital employed. Borrowings represent long term financing, long term financing from directors and others and short term borrowings. Total capital employed includes total equity as shown in the balance sheet plus borrowings.

	2025	2024
	(Rupees)	
Borrowings	4,343,728,997	4,348,247,233
Less: Cash and bank balances	(8,354,836)	(5,779,998)
Net Debts	4,335,374,161	4,342,467,235
Total equity	1,626,142,433	3,270,101,609
Total capital employed	5,961,516,594	7,612,568,844
Gearing ratio	Percentage 0.73	0.57

	2025	2024
	------(Rupees) -----	
53 FINANCIAL INSTRUMENTS BY CATEGORY		
Financial assets, measured at amortized cost		
Trade debts	271,413,807	147,901,796
Other financial assets	66,659,336	118,007,492
Advances, deposits, prepayments and other receivables	68,215,289	64,669,931
Cash and bank balances	8,354,836	5,779,998
	<u>414,643,268</u>	<u>336,359,217</u>
Financial liabilities, measured at amortized cost		
Long term finances	1,977,949,775	1,981,189,774
Liabilities against assets subject to finance lease	11,374,670	12,516,552
Redeemable capital - Sukuk	611,335,643	611,335,643
Trade and other payables	6,667,875,023	6,016,193,661
Accrued mark-up	1,033,771,528	1,036,252,984
Short term borrowings	1,743,068,909	1,743,205,264
	<u>12,045,375,548</u>	<u>11,400,693,878</u>

54 PLANT CAPACITY AND PRODUCTION

Spinning:

Total no. of spindles installed	73,488	73,488
Total no. of rotors installed	1,104	1,104
Average no. of spindles worked	13,458	13,458
Average no. of rotors worked	-	-
Numbers of shift worked per day	3	3
Capacity of industrial unit after conversion into 20/s count -KGs	29,438,125	29,438,125
Actual production after conversion into 20/s count - KGs	1,051,260	4,459,024

54.1 It is difficult to describe the production capacity in textile industry since it fluctuates widely depending upon various factors such as count of the yarn spun spindles speed twist per inch and raw material used etc.

Weaving:

Rated capacity converted into 60 picks - Square meters	82,734,576	82,734,576
Actual production converted to 60 picks - Square meters	3,291,452	5,823,300
Total numbers of looms worked	252	274
Number of shifts worked per day	3	3

It is difficult to describe the production capacity in textile industry since it fluctuates widely depending upon various factors

55 SUBSEQUENT EVENTS

There is no subsequent event after the balance sheet date.

56 Major Events

No major events occurred during the year

57 NUMBER OF EMPLOYEES

	2025	2025	2024	2024
	Total	Factory	Total	Factory
Total number of employees as at June, 30	<u>673</u>	<u>673</u>	<u>576</u>	<u>576</u>
Average number of employees worked during	<u>596</u>	<u>596</u>	<u>487</u>	<u>487</u>

58 Other Statutory and Regulatory Disclosures - Gender Pay Gap

As at the reporting date the company did not have any female employees, accordingly, the calculation of mean and medium gender pay gap is not applicable for the reporting period.

59 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison, the effects of which are not material.

RECLASSIFICATION

Corresponding figures have been rearranged and reclassified to reflect more appropriate presentation of events and

59.1 Levy Amount of 2025: 13,312,255 (2024: 11,095,142) reclassified to Current Taxation.

60 GENERAL

The figures have been rounded off to the nearest Rupee.

61 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on

15 JAN 2025 *Jus*

[Signature]

CHIEF EXECUTIVE

[Signature]

DIRECTOR

[Signature]

CHIEF FINANCIAL OFFICER



Proxy Form of Quetta Textile Mills Limited

I/We _____

Folio No. _____ of _____

_____ Being shareholder(s) of **Quetta Textile Mills Limited** and a holder of

_____ Ordinary share does hereby appoint _____

of _____

or failing him/her _____

of _____

a member of Quetta Textile Mills Limited Registered Folio no. _____ as my/our proxy to act on my/our behalf at the 66th Annual General Meeting of the Company to be held on Monday, January 26, 2026 at 9.15 a.m. at the Ground Floor, Nadir House, I. I. Chundrigar Road, Karachi and/or at any adjournment thereof.

Signed this _____ day of _____ 2026.



Signature _____

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

NOTICE:

- a) No proxy shall be valid unless it is duly stamped with a revenue stamp of Rs. 5/-
- b) In the case of Bank or Company, the proxy form must be executed under its common seal and signed by its authorized persons.
- c) Power of Attorney or other authority (if any) under which this proxy form is signed, a certified copy of that Power of Attorney must be deposited along with this form
- d) This proxy form duly completed must be deposited at the Registered Office of the Company at least 48 hours before the time of holding the meeting.
- e) In case of CDC account holder
 - 1) The proxy form shall be witnessed by two persons whose names, addresses CNIC numbers shall be mentioned on the form
 - 2) Attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - 3) The proxy shall produce his original, CNIC or passport at the time of meeting.
 - 4) In case of corporate entity, the Board of Directors' resolution/Power of Attorney with specimen signature of the proxy holder shall be submitted (unless it has been provided earlier with proxy form to the Company)

Witness – 1

Witness - 2

Name : _____

Name : _____

CNIC No : _____

CNIC No: _____

Address : _____

Address : _____

کوئٹہ ٹیکسٹائل ملز لمیٹڈ



فارم برائے قائم مقام / متبادل

میں / ہم _____
 فوئیو نمبر _____ ساکن _____
 بحیثیت حصص یافتہ کوئٹہ ٹیکسٹائل ملز لمیٹڈ جو _____
 عمومی حصص رکھتے ہیں، _____
 ساکن _____
 کو یا ان کی عدم موجودگی میں _____
 ساکن _____ کو اپنا پراکسی مقرر کرتا ہوں / کرتے ہیں

کوئٹہ ٹیکسٹائل ملز لمیٹڈ رجسٹرڈ فوئیو نمبر _____ میری / ہماری غیر موجودگی میں قائم / متبادل کمپنی کا 66 واں سالانہ جنرل میٹنگ بروز پیر 26 جنوری 2026 کو بوقت 09:15 بجے صبح گراؤنڈ فلور، نادر ہاؤس آئی آئی چندریگر روڈ، کراچی اور ایساں کے کسی بھی التوا پر۔

ریونیوٹلکٹ
 پانچ روپے

مورخہ _____ 2026 کو دستخط ہوئے

دستخط _____
 (دستخط کمپنی کے ساتھ رجسٹرڈ نمونے کے دستخط کے مطابق ہونے چاہیں)

نوٹس:

- 1- کوئی بھی پراکسی اس وقت تک درست نہیں سمجھی جائے گی جب تک اس پر پانچ (5) روپے کا محصول ٹکٹ نہ لگایا جائے۔
- 2- بینک یا کمپنی ہونے کی صورت میں پراکسی فارم پر مجاز شخص کے دستخط کے ساتھ کمپنی کی مہر لازم ہے۔
- 3- مختار نامہ یا دیگر کوئی اتھارٹی (اگر کوئی ہے) جس کے پراکسی فارم پر دستخط مثبت ہوں، کی مصدقہ نقل اس فارم کے ساتھ جمع کرایا جانا چاہیے۔
- 4- پراکسی فارم اجلاس سے 48 گھنٹے قبل تک کمپنی کے شیئر رجسٹرار آفس میں مکمل طور پر پُر اور دستخط کے ساتھ موصول ہو جانا چاہیے۔
- 5- سی ڈی سی اکاؤنٹ ہولڈر ہونے کی صورت میں
 - (i) پراکسی فارم پر دو افراد جن کے نام اور شناختی کارڈ نمبر جمع پتہ کے موجود ہوں، بطور گواہ ضروری ہیں۔
 - (ii) بنی فیشل اور زاور پراکسی کے شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول فارم کے ساتھ منسلک ہوں۔
 - (iii) پراکسی اجلاس کے موقع پر اپنا اصل شناختی کارڈ یا اصل پاسپورٹ پیش کرے گا۔
 - (iv) کارپوریٹ ادارہ ہونے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ مع پراکسی کے نمونہ دستخط (اگر پہلے فراہم نہیں کئے گئے) پراکسی فارم کے ہمراہ کمپنی کے پاس جمع کرایا جانا چاہئے

گواہ نمبر 2

گواہ نمبر 1

دستخط _____
 نام _____
 پتہ _____
 شناختی کارڈ نمبر _____

دستخط _____
 نام _____
 پتہ _____
 شناختی کارڈ نمبر _____

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