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Company Information

Board of Directors

Executive Directors

Mr. Waseem-ul-Haque Ansari Chief Executive Officer

Non-Executive Directors

Mr. Ishtiaq Ahmed Chairman Board of Directors

Mr. Syed Maqbool Ali

Mr. Abdul Basit (Nominee Director by DMPL)

Mr. Mehmood-ul-Hassan Asghar (Nominee Director by DMPL)

Mr. Muhammad Irfan Ali (Nominee Director by DMPL)

Independent Director

Mr. Aziz-ul-Haque

Audit Committee Members

Mr. Aziz-ul Haque Chairman

Mr. Syed Maqbool Ali Member

Mr. Ishtiaq Ahmed Member

Human Resource & Remuneration Committee

Mr. Aziz-ul Haque Chairman

Mr. Syed Maqbool Ali Member

Mr. Waseem-ul-Haque Ansari Member

Chief Financial Officer

Mr. Muhammad Haris

Company Secretary

Mr. Muhammad Hanif German

Registered Address

Dewan Centre, 3-A, Lalazar,
Beach Hotel Road, Karachi, Pakistan.

Factory

Dewan City Sajawal, District Thatta, Sindh.

Auditors

Faruq Ali & Co.
Chartered Accountants

Shares Registrar Transfer Agent

BMF Consultants Pakistan (Private) Limited
Anum Estate, Room No. 310 & 311, 3rd Floor,
49, Darul Aman Society, Main Shahrah-e-Faisal,
Adjacent to Baloch Colony Bridge, Karachi, Pakistan,

Legal Advisor

Abbas & Arif Law Associates

Website

www.yousufdewan.com

Vision Statement

The vision of Dewan Automotive Engineering Limited is to become a leading market player in the automobile sector.

Mission Statement

- ✿ To assume leadership role in the technological advancement of the industry and achieve the highest level of qualitative and quantitative indigenization.
- ✿ To offer high value, economical and qualitative solutions to address the commuting needs of a diverse range of customers.
- ✿ To seek long-term and good relations with our suppliers and dealers with fair, honest and mutually profitable dealings.
- ✿ To be a totally customer oriented company and to achieve Total Customer Satisfaction.
- ✿ To create a work environment, which motivates, recognizes and rewards achievements at all levels of the organization.
- ✿ To produce environment friendly vehicles.
- ✿ To be a contributing corporate citizen for the betterment of society, and to exhibit a socially responsible behavior.



Notice of Annual General Meeting

Notice is hereby given that 43rd Annual General Meeting of **Dewan Automotive Engineering Limited** will be held at Dewan Cement Limited Factory Site, at Deh Dhand, Dhabeji, District Malir, Karachi, Pakistan on Monday, October 27, 2025 at 04:00 p.m. to transact the following businesses;

1. To confirm the minutes of the preceding Annual General Meeting of the Company held on Thursday, October 24, 2024;
2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2025, together with the Directors' and Auditors' Reports thereon;
3. To confirm the appointment of the Statutory Auditors of the Company for the year ended June 30, 2026, and to fix their remuneration;
4. To consider any other business with the permission of the Chair.

By order of the Board

Karachi
September 29, 2025

Muhammad Hanif German
(Company Secretary)

Notes:

- a. The share transfer books of the company will remain closed from October 20, 2025 to October 27, 2025 (both days inclusive). Transfers received in order at the share registrar office M/s. BMF Consultants Pakistan (Private) Limited, Located at Anum Estate Building, Room No.310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi, Pakistan.
- b. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for his/her behalf. proxies in order to be effective must be received at the Shares Registrar Office duly stamped and signed not less than 48 hours (Working days only) before the time of holding of the meeting.

CDC Account Holder will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by Securities and Exchange commission of Pakistan for attending the meeting and appointment of proxies.

- c. Members are requested to promptly communicate the change in their addresses, if any, to the Company's share registrar.

d. Electronic Transmission of Financial Statements Etc.:

SECP through its notification No. SRO 389(1)/2023 dated March 21, 2023 has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting through email instead of sending the same through post, to those members who desires to avail this facility? The members who desire to opt to receive aforesaid statements and notice of AGM through e-mail are requested to provide their written consent on the Standard Request Form available on the Company's website: <http://www.yousufdewan.com/Dael/index.html>

e. Video Conference Facility:

Pursuant to the provisions of the Companies Act, 2017, member can avail video conference facility to participate in this Annual General Meeting provided that the company receives consent from the members holding in aggregate 10% or more shareholding, residing in a city, at least seven (7) days prior to the date of meeting. Subject to the fulfillment of the above conditions, members shall be informed of the venue along with complete information necessary to access the facility. Format of request form has been placed on the Company's website.

f. Attendance through Zoom:

The members may attend the AGM online through ZOOM, by following the below guidelines:

- (i) The member shall get himself/herself registered by sending his/her request to the Company at e-mail ID dael.corp@yousufdewan.com as per Standard Request Form available on the Company's website (<http://www.yousufdewan.com/DAEL/index.html>) or can send his/her request to the Company Secretary at Dewan Centre, 3-A Lalazar Beach Hotel Road Karachi along with a legible copy of CNIC not later than October 25, 2025.
- (ii) Zoom link shall be sent by the Company only on email ID or Mobile/WhatsApp Number mentioned in Standard request Form.

g. Deposit of physical Shares into CDC Account;

Section 72 of the Companies Act, 2017, requires all listed companies to replace the shares held in physical form with the shares to be issued in Book-Entry Form (i.e. CDC Account) within four (4) years from the date of the promulgation of the Companies Act, 2017. Pursuant to the SECP letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021, the Company is following up with all shareholders holding shares in physical form with the request to convert their Shares in Book-Entry Form (i.e. CDC Account) in order to comply with the provisions of the Companies Act, 2017. Shareholders are again requested to contact the Company's Share Registrar to understand and complete the process of conversion of shares held in physical form, into the Book-Entry Form.



h. Updating of Particulars:

The Shareholders are requested to promptly notify change in their address, if any, to the Company's Share Registrar. In case of corporate entity, the shareholders are requested to promptly notify change in their particulars of their authorized representative, if applicable.

i. Restriction on Distribution of Gifts:

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.

Directors' Report

The Board of Directors of Dewan Automotive Engineering Limited is pleased to present its annual report along with the Company's audited financial statements for the year ended 30 June 2025 and welcomes you to the 43rd Annual General Meeting.

Economy under review:

Pakistan's economy showed some recovery in fiscal year 2024-25, growing by 2.7% and seeing a significant drop in inflation to 4.7%. This improvement, however, was narrow, as the economy struggled with a decline in the agricultural sector (following a strong performance last year) and subdued growth in both the industrial and services sectors.

While fiscal discipline improved, deep-seated structural challenges and a worsening energy circular debt persist, indicating that achieving sustainable, broad-based growth remains a complex task ahead.

Nevertheless, the successful review and disbursement of funds from the IMF's ongoing programs- the \$7 billion Extended Fund Facility (EFF) and the \$1.3 billion Resilience and Sustainability Facility (RSF)-have created a solid base for achieving that strong, lasting, and inclusive economic growth.

Industry review

The automotive industry in Pakistan had a notable recovery during the year, following a severe collapse in the previous fiscal year. A more stable macroeconomic climate, reduced interest rates, and more consumer confidence all contributed to a 43% increase in overall auto sales of passenger cars. This expansion did not, however, apply to all car models and manufacturers.

Company performance

Financial Overview

The summary of financial performance for the year, along with the comparative figures are as follows:

	2025	2024
	(Rupees in '000)	
Gross Sales	--	--
Gross (loss)	(13,249)	(13,933)
Operating (loss)	(21,053)	(16,752)
Net (loss) after tax	(51,943)	(67,912)

Despite of resuming operations and manufacturing of vehicles by our sister concern to which we were supplying parts in the past, we are still facing severe working capital constraints resulting in major hurdle to start our operations and meet our sales objectives. As soon as the working capital is available, the Company will start its operations accordingly.

Future Outlook

The management team is actively engaged in a rigorous process to secure the necessary financing. Our primary focus is on obtaining the funds required to resolve the working capital constraints, which will enable manufacturing to resume its normal course. We maintain a positive outlook and are confident that, once this financial hurdle is overcome, operations will swiftly return to full capacity, allowing us to fully capitalise on the strategic opportunity by supplying our products to our sister concern.

Observation in the Auditors' Report

The Auditors have qualified the report due to significance of the matters as referred to in Para (a) & (b) under the "basis of adverse opinion" of auditors' report.

Going concern assumption:

These financial statements have been prepared on going concern assumption because the conditions being faced by the company are temporary and would reverse due to the resumption of operations of the company's sister concern to whom the supplies of its products are to be made. The Company has already settled its liabilities in respect of all its banks/financial institutions & expect to avail working capital lines for its operations. The management is confident that the company will be in operation soon & accordingly, the accounts have been prepared on going concern basis. The company has fully explained the status of the above matters in respect of note 2 to the annexed audited financial statements.

Non-revaluation of Property, Plant & Equipment:

The periodic revaluation of Property, Plant and Equipment as per IAS-16 could not be exercised due to non-availability of working capital; as operations had been halted for many years and incurring substantial cost for a formal valuation was deemed an inefficient use of scarce funds. The Company will initiate a comprehensive asset revaluation and incorporate the Fair Market Value immediately upon successfully securing the necessary capital.

Corporate Governance and financial reporting framework:

The directors are pleased to state that the company is compliant with the provisions of the Code of Corporate Governance as required by Securities and Exchange Commission of Pakistan (SECP).

Following are the statements on Corporate and Financial Reporting Framework:

- The financial statements for the year ended 30 June 2025, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flow and changes in equity.
- Proper books of accounts of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements for the year ended 30 June 2025 and accounting estimates are based on reasonable and prudent judgment.

DEWAN AUTOMOTIVE ENGINEERING LIMITED

- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements except for the departures disclosed in financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- The Management has explained their views in detail regarding the going concern ability of the company in note 2 of the annexed financial statements.
- There has been no material departure from the best practice of the corporate governance, as detailed in the listing regulations of the stock exchange of Pakistan.
- Summarized key operating and financial data for the last six years is enclosed with the report;
- All taxes have been paid and nothing is outstanding, except as disclosed in note 16 of the annexed audited financial statements.

The Board Comprises of one independent director, one executive and five non-executive Directors. The following are the names of Directors.

- Mr. Waseem ul-Haque Ansari
- Mr. Ishtiaq Ahmed
- Mr. Syed Maqbool Ali
- Mr. Abdul Basit
- Mr. Mehmood-Ul-Hassan Asghar
- Mr. Muhammad Irfan Ali
- Mr. Aziz-ul-Haque

Gender pay-gap

In compliance with the SECP's Gender Pay Gap Statement (Circular 10 of 2024), we report that for the year ended 30 June 2025, due to the Company's non-operational status, the workforce was limited to two employees, both of whom are male. Therefore, as no female employee is on payroll during the year, the calculation of the mean and median gender pay gap is not applicable.

Principal Activities of the Company

Dewan Automotive Engineering Limited is incorporated in Pakistan as a public limited Company and is listed on the Pakistan Stock Exchange. The Company's principal activity is manufacturing, assembling, trading, and selling of tractors, light commercial vehicles, and motorcycles primarily in Pakistan. It also trades in and manufactures related parts and implements.

Principal Risks and Uncertainties

The Company consider the following as key risks:

- Depreciation of Pak Rupee against US Dollar;
- Non-availability of working capital.

The Company is endeavoring internally as well as externally to cater with and mitigate the impact of aforesaid risks and uncertainties.



Corporate Social Responsibility

The Company conducts its business in a responsible manner looking after its stakeholders and the environment. The Company mainly focus providing on the job training to fresh hired work force enabling them to develop adequate skills. While employing work force, the Company encourage under-privileged people residing close to the plant, thereby increasing their standard of living. Moreover, health and safety of employees is another area of focus. The Company complies with all applicable rules and regulations in the manufacturing process to ensure environmental protection. Standard Operating Procedures have been laid down to ensure they protect the health and safety of employees. The Company is also involved in providing medical facilities to people residing in the surrounding area.

The Board of Directors comprises of individuals with diversified knowledge who endeavor to contribute toward the aim of the Company with the best of their abilities. During the year four meetings of the Board of Directors was held. The attendance of directors was as follows;

Names of Directors	No of meetings attended
Mr. Waseem-ul-Haque Ansari	4
Mr. Syed Maqbool Ali	4
Mr. Ishtiaq Ahmed	4
Mr. Muhammad Irfan Ali	4
Mr. Aziz-ul-Haque	4
Mr. Mehmood-Ul-Hassan Asghar	4
Mr. Abdul Basit	4

The audit committee comprise of three members, all of them are non-executive. During the year four meetings of audit committee was held.

Name of Director	No. of meetings attended
Mr. Aziz-ul-Haque	4
Mr. Ishtiaq Ahmed	4
Mr. Syed Maqbool Ali	4

During the year one meeting of the human resource & remuneration committee was held, members' attendance in this meeting is as under.

Name of Director	No. of meetings attended
Mr. Aziz ul Haque	1
Mr. Waseem-ul-Haque Ansari	1
Mr. Syed Maqbool Ali	1

Auditors:

The present Auditors Messer's Faruq Ali & Co, Chartered Accountants, have retired and offer themselves for re-appointment. The Board of Director on recommendation of the Audit committee has recommended the re-appointment of Messer's Faruq Ali & Co. Chartered Accountants.

Loss per share

The Loss per share is Rs. 2.43 (2024: Rs. 3.17)

Dividend

Due to loss for the year as well as accumulated losses, no dividend has been recommended by the Board.

Pattern of Shareholding:

The pattern of Shareholding of the Company as at 30 June 2025 is included in the Annual Report.

Trading in Company Shares

None of the Directors, Executives, their spouses and minor children have traded in the shares of the Company during the year.

Vote of Thanks:

On behalf of the Board, I thank you, the valued shareholders, Federal and Provincial Government and their functionaries, banks, development financial institutions, leasing companies, dealers, vendors and customers for their continued support and patronage.

The Board would also like to appreciate the valuable services, loyalty and efforts rendered by the executives, staff members and workers of the Company, during the year under review.

Conclusion:

In conclusion, we bow, beg and pray to Almighty Allah, Rehman-o-Rahim, in the name of his beloved Prophet, Muhammad, peace be upon him, for continued showering of His blessing, guidance, strength, health and prosperity to us, our Company, country and nation and also pray to Almighty Allah to bestow peace, harmony, brotherhood and unity in true Islamic spirit to whole of Muslim Ummah, Ameen, Summa Ameen.

LO-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)



Ishtiaq Ahmed
Chairman Board of Directors



Waseem-ul-Haque Ansari
Chief Executive

29 September 2025

**YD**

A YOUSUF DEWAN COMPANY

Chairman's Review

I am pleased to present a report on the overall performance of the Board of Directors and effectiveness of the role played by the board in achieving the company's objectives. The board of directors is responsible for the management of the company, which formulates all significant policies and strategies. The board is governed by relevant laws & regulations, rights, responsibilities and duties are as specified and prescribed therein.

The board of Directors comprises of individuals with diversified knowledge who endeavor to contribute towards the aim of the Company with the best of their abilities.

An annual self-evaluation of the board of Directors of the Company is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

During the financial year ended 30 June 2025, four board meetings were held. The Board of Directors of the Company received agendas and supporting material in sufficient time prior to the board and its committee meetings. All the Directors are equally involved in important decisions. The Board's overall performance and effectiveness for the year under review was satisfactory.

Ishtiaq Ahmed

Chairman

29 September 2025

Summarised Key Operating and Financial Data of Last Six Years

PARTICULARS	2025	2024	2023	2022	2021	2020
 Rs. in '000'					
Gross Sales	-	-	-	-	-	7,313
Net Sales	-	-	-	-	-	6,251
Gross (Loss) / Profit	(13,249)	(13,933)	(15,513)	(16,699)	(17,760)	(20,872)
Operating (loss)/profit	(21,053)	(16,752)	(26,196)	(19,283)	(27,118)	(26,136)
(loss) / profit before tax	(53,451)	(69,552)	(86,871)	(52,407)	(46,610)	(61,680)
(loss) / profit after tax	(51,943)	(67,912)	(85,086)	(50,805)	(44,508)	(59,386)
Retained Earnings	178,184	178,184	178,184	178,184	178,184	178,184
Share Capital	214,000	214,000	214,000	214,000	214,000	214,000
Shareholders Equity	(1,576,553)	(1,524,610)	(1,456,698)	(1,371,612)	(1,320,807)	(1,276,299)
Fixed Assets	169,417	182,586	196,962	212,681	222,079	240,058
Total Assets	186,270	204,250	211,887	235,963	240,923	255,140
FINANCIAL ANALYSIS						
Gross (loss)/profit Margin	-	-	-	-	-	-334%
Operating (loss) /profit Margin	-	-	-	-	-	-418%
(loss)/profit before tax	-	-	-	-	-	-987%
(loss) / profit after tax	-	-	-	-	-	-950%
Return on Investment						
(Loss) / Earnings per share before tax (Rs/Share)	(2.50)	(3.25)	(4.06)	(2.45)	(2.18)	(2.88)
(Loss) / Earnings per share after tax (Rs/Share)	(2.43)	(3.17)	(3.98)	(2.37)	(2.08)	(2.78)
Activity Ratios						
Sales to Total Assets-Times	-	-	-	-	-	-
Sales to Fixed Assets-Times	-	-	-	-	-	-
Liquidity Ratios						
Current ratio (excluding current maturity of LTL)	0.003	0.003	0.003	0.003	0.002	0.008
Current ratio (Including current maturity of LTL)	0.003	0.003	0.003	0.003	0.002	0.008
Book value per share (Rs.)	(73.67)	(71.24)	(68.07)	(64.09)	(61.72)	(59.64)

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

For The Year Ended 30 June 2025

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

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

- a) Male : 7
- b) Female : The requirement to have female representation in the Company's board will be compiled upon reconstitution of Board.

2. The composition of board is as follows:

- a) Independent Director : Mr. Aziz-ul-Haque
- b) Other Non-executive Directors : Syed Maqbool Ali
Mr. Ishtiaq Ahmed
Mr. Mehmood-ul-Hassan Asghar
Mr. Abdul Basit
Mr. Muhammad Irfan Ali
- c) Executive Directors : Mr. Waseem ul Haque Ansari

3. Six Directors have confirmed that they are not serving as Director in more than seven listed Companies including this Company, however, one Director is serving as Director in more than seven listed Yousuf Dewan Companies.

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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

6. All the powers of the board have been duly exercised and decision 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 requirements of Act and the regulations with respect to frequency, recording and circulating minutes of meeting of board.

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

9. Four Directors are qualified under the directors training program. During the year the board did not arrange training program. However, we will arrange the same in the next coming session.
10. The board has approved appointment of CFO, 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. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:

a) Audit Committee	:	Mr. Aziz-ul-Haque Syed Maqbool Ali Mr. Ishtiaq Ahmed	Chairman Member Member
b) HR and Remuneration Committee	:	Mr. Aziz-ul-Haque Syed Maqbool Ali Mr. Waseem-ul-Haque Ansari	Chairman Member Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

a) Audit Committee	:	4 meetings during the financial year ended June 30, 2025
b) HR and Remuneration Committee	:	1 annual meeting held during the financial year ended June 30, 2025
15. The board has set up an effective internal audit function. The staffs are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

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A YOUSUF DEWAN COMPANY

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

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

S. No.	Requirement	Reg No.	Explanation
1	Directors' Training.- All the Directors are required to acquire the prescribed certification under the Directors' Training Program.	19	Currently, four Directors are qualified under the directors training program. The Company is encouraging and planning to arrange DTP certification for the remaining Directors.

Ishtiaq Ahmad
Chairman Board of Directors

Waseem-ul-Haq Ansari
Chief Executive

Karachi: 29 September 2025



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Museum, Karachi-75350 : (021) 34301968
E-mail: info@fac.com.pk : (021) 34301969
Fax : (021) 34301965

Independent Auditor's Modified Review Report to the Members of Dewan Automotive Engineering Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors ('the Board') of **Dewan Automotive Engineering 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.

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

- The independent directors shall not be less than two or one third of total members of the board, whichever is higher, whereas board includes one independent director, who in our view does not meet the criteria of independence on account of his cross directorship in associated companies; accordingly, due to the foregoing reasons, requirements of chairman of audit and HR Remuneration Committee to be an independent director has also not been complied with.

Based on our review, except for the above 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 30 June 2025.

Further, we highlight below instances of non-compliance with the requirements of the Codes as reflected in the paragraph reference where these are stated in the Statement of Compliance:

S.No	Reference	Description
(1)	Paragraph 1	The company has no female director in its Board, as required by the Regulations.
(2)	Paragraph 2	The board of the directors includes only one independent director, which is below the limit of one third of the board, as required by regulations.
(3)	Paragraph 3	One of the directors of the Company is serving as a director in more than seven listed companies.
(4)	Paragraph 9 & 19	Four directors are qualified under the directors' training program which is less than the prescribed criteria of the directors' training program as by 30 June 2025 all the directors are required to acquire prescribed certification.



CHARTERED ACCOUNTANTS

Dated: 02 October 2025
Karachi
UDIN: CR202510178kzsYu6GZb

Engagement partner: Muhammad Faisal Nini.



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Fax : (021) 34301965

INDEPENDENT AUDITOR'S REPORT

To the members of Dewan Automotive Engineering Limited

Report on the Audit of the Financial Statements

Adverse Opinion

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

In our opinion, because of the significance of the matters discussed in the basis for adverse opinion section of our report, the 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 30 June 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

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

a) The financial statements of the Company for the year ended 30 June 2025 reflect loss after taxation of Rs.51.943 million and as of that date it has accumulated losses of Rs.2,020.547 million which resulted in net capital deficiency of Rs.1,576.553 million and its current liabilities exceeded its current assets by Rs.1,738.698 million and total assets by Rs.1,556.861 million. The operations of the Company are closed. These conditions lead us to believe that the going concern assumption used in preparation of these financial statements is inappropriate; consequently, the assets and liabilities should have been stated at their realizable and settlement amounts respectively.

- b) The revaluation of certain classes of property, plant and equipment of the Company was carried out in the year 2018 (note 5.3 to the financial statements). As per requirements of International Accounting Standard -16 'Property, Plant and Equipment', revaluation is required to be carried out with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date, whereas no revaluation has been conducted since the year 2018. The carrying amounts of said classes of property, plant and equipment may not reflect their fair values as at balance sheet date. In the absence of further revaluation, we are unable to quantify the effect that such a revaluation would have on the said assets.

Key Audit Matter(s)

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

We have determined that there are no key audit matters to communicate in our report other than the matters described in the basis for adverse opinion section.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include 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. As described in the basis for adverse opinion section of our report, we have concluded that the other information is materially misstated for the same reason.

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.



Continuation Sheet

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) Because of the matter described in Basis for Adverse Opinion section, the statement of financial position, the 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 thereon have not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) however, the same are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Faisal Nini.



CHARTERED ACCOUNTANTS

Place: Karachi

Dated: 02 October 2025

UDIN: AR202510178lrwQRGtsq

Statement of Financial Position

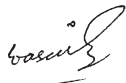
As at 30 June 2025

	Note	30 June, 2025	30 June, 2024
		————(Rs. in '000)————	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	169,417	182,586
Long term deposit		503	503
Available for sale investment	6	11,917	16,471
		181,837	199,560
CURRENT ASSETS			
Stock in trade	7	--	--
Trade debts	8	--	--
Advances	9	1,376	1,376
Advance income tax - Net		2,927	2,762
Bank balances	10	130	552
		4,433	4,690
		186,270	204,250
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 21,800,000 (2024: 21,800,000)			
Ordinary shares of Rs.10/- each		218,000	218,000
Issued, subscribed and paid-up share capital	11	214,000	214,000
Capital reserve			
Merger reserve		82,090	82,090
Settlement claim from Ford Motors	12	86,194	86,194
Surplus on revaluation of property, plant and equipment	13	51,810	55,503
Revenue reserves			
General reserve		9,900	9,900
Accumulated losses		(2,020,547)	(1,972,297)
		(1,576,553)	(1,524,610)
NON-CURRENT LIABILITIES			
Long term loan - Unsecured	14	--	284,038
Deferred taxation	15	19,692	21,200
		19,692	305,238
CURRENT LIABILITIES			
Current portion of long term loan from sponsor	14	317,185	--
Trade and other payables	16	378,618	376,294
Short term finance	17	154,879	154,879
Accrued mark-up	18	892,449	892,449
		1,743,131	1,423,622
CONTINGENCIES AND COMMITMENTS			
	19	--	--
		186,270	204,250


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



Muhammad Haris
Chief Financial Officer



Waseem-ul-Haque Ansari
Chief Executive Officer



Ishtiaq Ahmed
Chairman

Statement of Profit or Loss

For The Year Ended 30 June 2025

	Note	2025 ------(Rs. in '000)-----	2024
Sales - Net		-	-
Cost of sales	20	(13,249)	(13,933)
Gross (loss)		(13,249)	(13,933)
Operating expenses			
Administrative expenses	21	(3,250)	(2,819)
Other expenses	22	(4,554)	-
		(7,804)	(2,819)
Operating (loss)		(21,053)	(16,752)
Other income	23	1,101	7,640
Finance cost	24	(33,499)	(60,440)
(Loss) before taxation		(53,451)	(69,552)
Taxation - Net	25	1,508	1,640
(Loss) for the year		(51,943)	(67,912)
(Loss) per share - Basic and diluted (Rupees)	26	(2.43)	(3.17)

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


Muhammad Haris
 Chief Financial Officer


Waseem-ul-Haque Ansari
 Chief Executive Officer


Ishtiaq Ahmed
 Chairman

Statement of Comprehensive Income

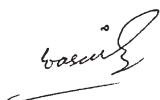
For The Year Ended 30 June 2025

	Note	2025 ------(Rs. in '000)-----	2024 ------(Rs. in '000)-----
(Loss) for the year		(51,943)	(67,912)
Other comprehensive income for the year:		-	-
Total comprehensive (loss) for the year		<u>(51,943)</u>	<u>(67,912)</u>

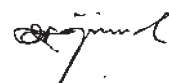
The annexed notes form an integral part of these financial statements.



Muhammad Haris
Chief Financial Officer



Waseem-ul-Haque Ansari
Chief Executive Officer



Ishtiaq Ahmed
Chairman

**YD**

A YOUSUF DEWAN COMPANY

Statement Of Changes In Equity

For The Year Ended 30 June 2025

Issued, subscribed and paid-up share capital	Capital reserves				Revenue reserves			Total
	Merger reserve	Settlement claim from Ford Motors (Note 12)	Surplus on revaluation of property, plant and equipment	Total Capital reserve	General reserve	Accumulated losses	Total revenue reserves	

----- (Rupees in '000) -----

Balance as on 1 July 2023 214,000 82,090 86,194 59,519 227,803 9,900 (1,908,401) (1,898,501) (1,456,698)

(Loss) for the year	-	-	-	-	-	-	(67,912)	(67,912)	(67,912)
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive (loss) for the year	-	-	-	-	-	-	(67,912)	(67,912)	(67,912)

Incremental depreciation transfer from surplus on revaluation of property, plant and equipment - Net of tax	-	-	-	(4,016)	(4,016)	-	4,016	4,016	-
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Balance as at 30 June 2024 214,000 82,090 86,194 55,503 223,787 9,900 (1,972,297) (1,962,397) (1,524,610)

(Loss) for the year	-	-	-	-	-	-	(51,943)	(51,943)	(51,943)
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive (loss) for the year	-	-	-	-	-	-	(51,943)	(51,943)	(51,943)

Incremental depreciation transfer from surplus on revaluation of property, plant and equipment - Net of tax	-	-	-	(3,693)	(3,693)	-	3,693	3,693	-
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Balance as at 30 June 2025 214,000 82,090 86,194 51,810 220,094 9,900 (2,020,547) (2,010,647) (1,576,553)

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

Muhammad Haris
Chief Financial Officer

Waseem-ul-Haque Ansari
Chief Executive Officer

Ishtiaq Ahmed
Chairman

Statement of Cash Flows

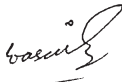
For The Year Ended 30 June 2025

	30 June, 2025	30 June, 2024
	------(Rs. in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(53,451)	(69,552)
Adjustment for non cash charges and other items		
Depreciation	13,169	14,376
Impairment / (reversal) of impairment on investment in associate	4,554	(6,537)
Unwinding of discount	33,147	29,683
Finance cost	352	30,757
Cash flows before working capital changes	(2,229)	(1,273)
Working capital changes		
(increase)/decrease in current assets	--	--
Increase/(decrease) in current liabilities	2,324	1,475
Trade and other payables	2,324	1,475
Net cash generated from operations	95	202
Payments for:		
Finance cost	(352)	--
Income tax	(165)	(165)
Net cash (outflows) / inflows from operating activities	(422)	37
CASH FLOWS FROM INVESTING ACTIVITIES	--	--
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term finance - received	--	154,879
Short term finance - paid	--	(154,879)
Net cash inflows from financing activities	--	--
Net (decrease) / increase in cash and cash equivalents	(422)	37
Cash and cash equivalents at the beginning of the year	552	515
Cash and cash equivalents at the end of the year	130	552

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



Muhammad Haris
Chief Financial Officer



Waseem-ul-Haque Ansari
Chief Executive Officer



Ishtiaq Ahmed
Chairman

Notes To The Financial Statements

For The Year Ended 30 June 2025

1 THE COMPANY AND ITS OPERATIONS

Dewan Automotive Engineering Limited is a public Limited Company quoted on Pakistan Stock Exchange Limited (trading in defaulter counter). The Company's business is the assembly-cum progressive manufacture and sale of tractors, light commercial vehicles and motorcycles and trading / manufacturing of parts and implements related thereto. The Company was incorporated on May 6, 1982 and commenced commercial operations in August, 1983. The Company was taken over by Yousuf Dewan Company in April 2004.

The geographical location and address of Company's business units including plant is as under:

- Company's registered office is located at Dewan Centre, 3-A Lalazar, Beach Hotel Road, Karachi.
- Company's production plant is situated at Sajawal and Shershah Karachi, Sindh, Pakistan.

2 GOING CONCERN ASSUMPTION

The Company incurred a net loss of Rs.51.943 million during the year ended 30 June 2025 (2024: Rs.67.912 million) and as of that date it has accumulated losses of Rs.2,020.547 million (2024: Rs.1,972.297 million) which have resulted in net capital deficiency of Rs.1,576.553 million (2024: Rs.1,524.610 million) and its current liabilities exceeded its current assets by Rs.1,738.698 million (2024: Rs.1,418.932 million) and total assets by Rs.1,556.861 million (2024: Rs.1,219.372 million). The Company has been unable to ensure payments to the creditors due to the liquidity problems. These conditions indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. therefore the Company may not be able to realize its assets and discharge its liabilities in normal course of business.

However, these financial statements have been prepared using going concern assumption as the Company has the ability to arrange funds from its associated companies / sponsor as and when required. Accordingly, these financial statements have been prepared on a going concern basis.

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:

Notes To The Financial Statements

For The Year Ended 30 June 2025

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

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

3.2 Accounting convention

These financial statements have been prepared under the historical cost convention except certain items of property, plant and equipment which are carried at revalued amounts.

3.3 Changes in accounting standards, interpretations and amendments to accounting and reporting standards

3.3.1 Amendments to accounting and reporting standards and interpretations / guidance that became effective during the year

There were certain amendments to accounting and reporting standards that became applicable to the Company during the year. These do not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

	Effective Date (Period beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies - Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to IFRS 16 'Presentation of Financial Statements' - Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements	1 January 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Supplier Finance Arrangements	1 January 2024

3.3.2 New and Revised Standards, interpretation and amendments to approved accounting standards that are not yet effective

Notes To The Financial Statements

For The Year Ended 30 June 2025

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the 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 21 'The effects of changes in foreign exchange rates' - Lack of exchangeability	1 July 2025
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements	1 January 2026
Amendments IFRS 9 and IFRS 7 regarding the power purchase agreements	1 January 2026
Annual Improvements to IFRS Accounting Standards -Volume 11	1 January 2026
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	1 July 2027
IFRS S2 Climate-related Disclosures	1 July 2027
Amendments to IFRS 7 'Financial instruments - Disclosures' and IFRS 9 'Financial Instruments' - classification and measurement of financial instruments	1 January 2026
Standard IFRS 17 'Insurance Contract'	1 January 2027
Amendment to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely

Other than the aforesaid amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 'First Time Adoption of International Financial Reporting Standards'
- IFRS 18 'Presentation and Disclosures in Financial Statements'
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures'

Notes To The Financial Statements

For The Year Ended 30 June 2025

3.4 Functional and presentation currency

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

3.5 Critical accounting estimates and judgements

The preparation of the financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

3.5.1 Operating fixed assets, revaluation and depreciation

The Company reviews appropriateness of the rate of depreciation, useful lives and residual values used in the calculation of depreciation. The estimates of revalued amounts of revalued assets are based on valuations carried out by a professional valuer. 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 with the Company. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

3.5.2 Income tax

In making the estimates for income tax currently payable by the Company, the management considers the current income tax laws and the decisions of appellate authorities on certain issues in the past.

3.5.3 Stock in trade

The Company reviews the net realizable value (NRV) of stock in trade to assess any diminution in the respective carrying values. Any change in the estimates in future years might affect the carrying amounts of stock in trade and corresponding effect in profit and loss account of those future years. Net realisable value is determined with respect to estimated selling price less estimated expenditures to make the sales.

Notes To The Financial Statements

For The Year Ended 30 June 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Property, plant and equipment

Owned

Item of property, plant and equipment is recognized as asset when it is probable that future economic benefits associated with the asset will flow to the company and its cost to the company can be measured reliably.

An item of property, plant and equipment, which qualifies for recognition as an asset, is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the item. Subsequent to initial recognition items of property, plant and equipment are carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using the fair value at the balance sheet date.

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

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

Property, plant and equipment are stated at cost / revalued amounts less accumulated depreciation except for the leasehold land which is stated at revalued amount. Depreciation is charged to income applying the reducing balance method over estimated useful life of the assets. Depreciation on additions is charged from the month the asset is put into use while on disposals upto the month the asset was in use. Depreciation is being charged at the rates given in note 5.1. Incremental depreciation on account of revaluation charged for the year on revalued assets is transferred from surplus on revaluation of property, plant and equipment to accumulated loss.

Notes To The Financial Statements

For The Year Ended 30 June 2025

The assets residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date.

Maintenance and normal repairs are charged to income as and when incurred. Major renewal and improvements are capitalized. Gain or loss, if any, on disposal of property, plant and equipment is included in income currently.

Leased

The company accounts for assets acquired under finance lease by recording the assets and related liability. Assets are recorded at lower of present value of minimum lease payments under the lease agreements and fair value of the assets. The aggregate amounts of obligation relating to these assets are accounted for at net present value of liabilities. Assets acquired under the finance leases are depreciated over the useful life of the respective asset in the manner and at the rates applicable to the company's owned assets. Financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of change on outstanding liabilities.

4.2 Intangible

An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and that the cost of such asset can also be measured reliably.

Software under development are carried at cost. Direct cost include the purchase cost and directly attributable cost of preparing the asset for its intended use.

Intangible asset is amortized from the date such asset is put into use on straight line basis over its useful life.

4.3 Impairment of property, plant and equipment

The company assesses at each balance sheet date whether there is any indication that a tangible fixed asset may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying value exceeds recoverable amount, assets are written down to the recoverable amount.

4.4 Deferred costs

These are amortized on a straight line basis over a period of ten years, starting from the year in which company has commenced the commercial operations.

4.5 Stores, spares and stock in trade

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

Notes To The Financial Statements

For The Year Ended 30 June 2025

Stores and spares	Average cost
Stock in trade:	
Raw material	Average cost
Goods in transit	Cost comprising invoice values plus other charges incurred thereon.
Work in process	Prime cost plus appropriate portion of manufacturing overheads.
Finished goods	Average cost

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

4.6 Financial Instruments

4.6.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); and
- Measured at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at FVOCI	These assets are subsequently measured at fair value. Interest / mark-up income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.
Equity Investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the statement of profit or loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest / mark-up or dividend income, are recognised in the statement of profit or loss.

Notes To The Financial Statements

For The Year Ended 30 June 2025

Financial assets measured at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss.

4.6.2 Non-derivative financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

4.6.2.1 Trade debts, advances and other receivables

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

4.6.2.2 Cash and cash equivalents

For the purpose of presentation in statement of cash flow, cash and cash equivalents includes cash in hand, balances with banks and investments with maturities of less than three months or less from acquisition date that are subject to insignificant risk of changes in fair value and short term borrowings availed by the Company, which are repayable on demand and form an integral part of the Company's cash management.

4.6.3 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings and trade and other payables. The Company derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

Notes To The Financial Statements

For The Year Ended 30 June 2025

4.6.3.1 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost, while the difference between the cost (reduced for periodic payments) and redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the relevant asset.

4.6.3.2 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised costs.

4.6.4 Derivative financial instruments - Other than hedging

Derivatives that do not qualify for hedge accounting are recognised in the statement of financial position at estimated fair value with corresponding effect to statement of profit or loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

4.6.5 Derivative financial instruments - Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in fair value of the derivative is recognised in other comprehensive income and accumulated in hedging reserve. Any ineffective portion of changes in fair value of derivative is recognised immediately in the statement of profit or loss. The amount accumulated in equity is removed therefrom and included in the initial carrying amount of non-financial asset upon recognition of non-financial asset.

The fair value of forward exchange contracts is estimated using appropriate valuation techniques. These are carried as assets when the fair value is positive and liabilities when the fair value is negative.

4.6.6 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has currently legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

Notes To The Financial Statements

For The Year Ended 30 June 2025

4.7 Staff retirement benefits

The company operates a defined benefit plan comprising a funded gratuity scheme covering all permanent employees, under which benefits are paid on cessation of employment subject to a minimum qualifying period of service. An approved gratuity fund trust is established for the management of the gratuity obligation of the company. Annual contributions are made to the fund based on actuarial recommendations. The actuarial valuations are carried out using Projected Unit Credit Method. Remeasurement charge which comprises of actuarial gains and losses and the return on plan assets (excluding interest) are recognized immediately in other comprehensive income.

4.8 Deferred income

Deferred income arising out of sale and lease back transactions is amortized over the period of lease term.

4.9 Taxation

Current

Provision for current taxation is based on current rates of tax after taking into account tax credits and rebates available, if any.

Deferred

Deferred tax is accounted for, using the balance sheet liability method in respect of all temporary differences arising from the differences between the carrying amount of assets and liability in the financial statements and the corresponding tax basis used in the computation of the taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future tax profits will be available against which the temporary differences can be utilized.

4.10 Provisions

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

4.11 Foreign currency translation

Transactions in foreign currencies are recorded using the rates of exchange ruling at the date of transaction.

Notes To The Financial Statements

For The Year Ended 30 June 2025

Assets and liabilities in foreign currencies, if any, are translated into rupees at the exchange rates prevailing on the balance sheet date except where forward exchange contracts have been entered into in which case the rates contracted for are used.

4.12 Related party transactions

All transactions with related parties are based on the policy that all transactions between the company and the related parties are carried out at arm's length basis.

4.13 Revenue recognition

Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer, and control either transfers over time or at a point of time. An asset is transferred when (or as) the customer obtains control of that asset and thus has the ability to direct the use and obtain the benefits from the good or service.

Return on bank deposits, term deposit receipts are accounted for on an accrual basis.

4.14 Non current assets held for sale

Non current assets classified as held for sale are measured at the lower of their carrying amounts and fair value less cost to sell.

4.15 Warranties

Warranty expenses are recognized as and when claims are received.

4.16 Borrowings costs

Borrowing costs are recognized as an expense in the period in which these are incurred, except to the extent that these are directly attributable to the construction of qualifying assets in which case these are capitalized as part of the cost of that asset.

	Note	30 June, 2025	30 June, 2024
		----- (Rs. in '000) -----	
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - At cost / revaluation less accumulated depreciation	5.1	169,417	182,586

Notes To The Financial Statements

For The Year Ended 30 June 2025

5.1 Operating fixed assets - At cost / revaluation less accumulated depreciation

----- 2 0 2 5 -----								
PARTICULARS	COST / REVALUATION			DEPRECIATION			Book value as at 30 June 2025	Rate %
	As at 1 July 2024	Additions during the year	As at 30 June 2025	As at 1 July 2024	Charge for the year	As at 30 June 2025		
	----- (Rupees in '000) -----							
Freehold land								
Cost	1,202	-	1,202	-	-	-	1,202	-
Revaluation	3,598	-	3,598	-	-	-	3,598	-
Factory building on freehold land								
Cost	120,427	-	120,427	68,153	2,614	70,767	49,660	5 to 10
Revaluation	96,613	-	96,613	54,425	2,109	56,534	40,079	5
Plant and machinery								
Cost	232,224	-	232,224	192,940	3,929	196,869	35,355	10
Revaluation	104,008	-	104,008	73,092	3,091	76,183	27,825	10
Computer and allied	3,375	-	3,375	3,263	13	3,276	99	10 to 30
Furniture and office equipment	26,106	-	26,106	22,768	334	23,102	3,004	10
Motor vehicles	63,138	-	63,138	62,109	206	62,315	823	20
Tools and equipment	11,104	-	11,104	9,741	140	9,881	1,223	10
Refrigerators and air conditioners	1,506	-	1,506	1,392	11	1,403	103	10
Electrical appliances	318	-	318	272	8	280	38	10
Jigs and fixtures	735	-	735	674	6	680	55	10
Electrical fittings	13,697	-	13,697	6,994	670	7,664	6,033	10
Dies	4,205	-	4,205	3,849	36	3,885	320	10
Patterns	112	-	112	110	2	112	-	20
TOTAL	682,368	--	682,368	499,782	13,169	512,951	169,417	

----- 2 0 2 4 -----								
PARTICULARS	COST / REVALUATION			DEPRECIATION			Book value as at 30 June 2024	Rate %
	As at 1 July 2023	Additions during the year	As at 30 June 2024	As at 1 July 2024	Charge for the year	As at 30 June 2024		
	----- (Rupees in '000) -----							
Freehold land								
Cost	1,202	-	1,202	-	-	-	1,202	-
Revaluation	3,598	-	3,598	-	-	-	3,598	-
Factory building on freehold land								
Cost	120,427	-	120,427	65,402	2,751	68,153	52,274	5 to 10
Revaluation	96,613	-	96,613	52,205	2,220	54,425	42,188	5
Plant and machinery								
Cost	232,224	-	232,224	188,575	4,365	192,940	39,284	10
Revaluation	104,008	-	104,008	69,656	3,436	73,092	30,916	10
Computer and allied	3,375	-	3,375	3,249	14	3,263	112	10 to 30
Furniture and office equipment	26,106	-	26,106	22,397	371	22,768	3,338	10
Motor vehicles	63,138	-	63,138	61,851	258	62,109	1,029	20
Tools and equipment	11,104	-	11,104	9,590	151	9,741	1,363	10
Refrigerators and air conditioners	1,506	-	1,506	1,379	13	1,392	114	10
Electrical appliances	318	-	318	267	5	272	46	10
Jigs and fixtures	735	-	735	667	7	674	61	10
Electrical fittings	13,697	-	13,697	6,249	745	6,994	6,703	10
Dies	4,205	-	4,205	3,809	40	3,849	356	10
Patterns	112	-	112	110	-	110	2	20
TOTAL	682,368	--	682,368	485,406	14,376	499,782	182,586	

Notes To The Financial Statements

For The Year Ended 30 June 2025

Note **30 June,** **30 June,**
 2025 **2024**
 -----(**Rs. in '000**)-----

5.2 The depreciation charge for the year has been allocated as follows:

Cost of sales	20	12,379	13,513
Administrative expenses	21	790	863
		<u>13,169</u>	<u>14,376</u>

5.3 The revaluation of property, plant and equipment was carried out as of 1 July 2018 by M/s. Anderson Consulting (private) limited (an independent valuer who is located in Karachi) on the basis of there professional assessment of prevailing market values. The revaluation resulted in a surplus amounting to Rs.18.009 million which was incorporated in these financial statements.

Particulars	Written down value of assets before revaluation	Revalued amount	Revaluation surplus
Land	2,400	4,800	2,400
Factory building	125,026	128,503	3,477
Plant and machinery	119,968	132,100	12,132
	<u>247,394</u>	<u>265,403</u>	<u>18,009</u>

5.4 Had there been no revaluation, the net book value of the items of property, plant and equipment would have been as follows:

	30 June,	30 June,
	2025	2024
	-----(Rs. in '000)-----	
Net book value		
Freehold land	1,202	1,202
Factory building on freehold land	49,660	52,274
Plant and machinery	35,355	39,284
	<u>86,217</u>	<u>92,760</u>

5.5 The forced sale value of the revalued property, plant and equipment owned by the Company had been assessed at Rs.185.800 million as at the date of last revaluation.

Notes To The Financial Statements

For The Year Ended 30 June 2025

30 June,
2025 30 June,
2024
----- (Rs. in '000) -----

6 AVAILABLE FOR SALE INVESTMENT

Investment in associated company

Dewan Mushtaq Trade Limited (Public, unquoted company)

4,000,000 (2024: 4,000,000)

Ordinary shares of Rs.10/- each

Accumulated provision for impairment loss

40,000	40,000
(28,083)	(23,529)
<u>11,917</u>	<u>16,471</u>

6.1 Since this investment is in unquoted company therefore this is measured at cost less accumulated impairment because the fair value can not be measured reliably.

6.2 Investments in associated company or undertakings have been made in accordance with the requirements under the Act.

6.3 Dewan Mushtaq Trade Limited is engaged in import, export, sale and trade in petrochemicals, paints and other products. The Company has 14.31% interest in ownership of the investee company. The net assets (excess of assets over liabilities) of investee company as disclosed in the latest available un-audited draft financial statements for the year ended 30 June 2025, amounted to Rs.83.270 million.

30 June,
2025 30 June,
2024
----- (Rs. in '000) -----

7 STOCK IN TRADE

Raw materials and components

Trading stock

Provision for slow moving and obsolescence stocks

129,886	129,886
30,263	30,263
160,149	160,149
<u>(160,149)</u>	<u>(160,149)</u>
-	-

8 TRADE DEBTS

Considered doubtful

Provision for doubtful debts

944	944
<u>(944)</u>	<u>(944)</u>
-	-

9 ADVANCES

Sales tax advance

Other advances - Considered doubtful

Provision for doubtful advance

1,376	1,376
5,077	5,077
6,453	6,453
<u>(5,077)</u>	<u>(5,077)</u>
<u>1,376</u>	<u>1,376</u>

Notes To The Financial Statements

For The Year Ended 30 June 2025

10 BANK BALANCES

Cash at banks - current accounts

30 June,
2025 30 June,
2024
----- (Rs. in '000) -----

130	552
<u>130</u>	<u>552</u>

11 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

30 June,
2025 30 June,
2024
----- (Number of shares) -----

20,535,871	20,535,871	Ordinary shares of Rs. 10/- each issued as fully paid in cash	205,359	205,359
864,129	864,129	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	8,641	8,641
<u>21,400,000</u>	<u>21,400,000</u>		<u>214,000</u>	<u>214,000</u>

12 CAPITAL RESERVES

Capital reserve on settlement claim from Ford Motors arose due to receipt of settlement claim from Ford Motors, as per clause 12 (a) of the Compensation agreement between the Company and Ford Motors dated 22 January 1990.

13 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

Balance as at 1 July

Incremental depreciation charged on related assets during the year - Net of tax

55,503	59,519
(3,693)	(4,016)
<u>51,810</u>	<u>55,503</u>

13.1 The revaluation surplus on property, plant and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

Notes To The Financial Statements

For The Year Ended 30 June 2025

30 June,
2025 30 June,
2024
----- (Rs. in '000) -----

14 LONG TERM LOAN - Unsecured

From sponsor - At amortized cost

Opening balance	14.1	354,200	354,200
Accumulated present value adjustment		(266,691)	(266,691)
Accumulated interest charged to profit or loss		229,676	196,529
		<u>317,185</u>	<u>284,038</u>
Less: Current portion of long term loan - Shown under current liabilities		<u>(317,185)</u>	<u>-</u>
		<u>-</u>	<u>284,038</u>

14.1 The above loan is interest free and unsecured. This loan shall be treated as subordinated to the principal amounts of the long term debt owing to the creditors of the Company from time to time and to all debts of the Company from time to time owing to the banks and financial institutions and accordingly may only be repaid by the Company in whole or in part provided that upon such repayment, the Company shall comply with the debt to equity ratio requirements of the Prudential Regulations of State Bank of Pakistan as applicable to the Company for the time being.

Since the loan is interest free and repayable in lump sum on 30 June 2026, as per the requirements of International Financial Reporting Standards (IFRSs) it has been discounted to its fair value, being the present value of the expected future cash flows at 11.67% per annum.

15 DEFERRED TAXATION

Deferred tax liability arising out of surplus on revaluation of property plant and equipment	<u>19,692</u>	<u>21,200</u>
---	---------------	---------------

15.1 The Company has not recognized deferred tax asset amounting to Rs.220.804 million (2024: Rs.214.826 million) arising due to available tax losses and credits since it is not probable that future taxable profits will be available against which the temporary differences can be utilized. The deferred tax liability reflected in these financial statements relates to the surplus on revaluation of property, plant and equipment only.

Notes To The Financial Statements

For The Year Ended 30 June 2025

	Note	30 June, 2025	30 June, 2024
		----- (Rs. in '000) -----	
16 TRADE AND OTHER PAYABLES			
Trade creditors	16.1	293,044	293,044
Accrued expenses		31,945	29,621
Advance from dealers		39,989	39,989
Advance from customers		4,962	4,962
Withholding tax payable		6,598	6,598
Liability for staff gratuity		1,888	1,888
Workers' Profit Participation Fund		145	145
Interest on Workers' Profit Participation Fund		47	47
		<u>378,618</u>	<u>376,294</u>

16.1 This includes amount of Rs.6.346 million (2024: Rs.6.346 million) related to Daehan-Dewan Motors Company (Private) Limited (associated company).

	Note	30 June, 2025	30 June, 2024
		----- (Rs. in '000) -----	
17 SHORT TERM FINANCE			
Non interest bearing	17.1	<u>154,879</u>	<u>154,879</u>

17.1 This is an unsecured and interest free finance from an associated company and is repayable on demand.

18 ACCRUED MARK-UP

Associated company	<u>892,449</u>	<u>892,449</u>
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19 CONTINGENCIES AND COMMITMENTS

There is no contingencies and commitments as at reporting date.

Notes To The Financial Statements

For The Year Ended 30 June 2025

	Note	30 June, 2025	30 June, 2024
		----- (Rs. in '000) -----	
20 COST OF SALES			
Depreciation	5.2	12,379	13,513
Salaries and benefits		870	420
Manufacturing cost		13,249	13,933
Finished goods - Opening		30,263	30,263
Finished goods - Closing		(30,263)	(30,263)
		-	-
Cost of goods manufactured		13,249	13,933
21 ADMINISTRATIVE EXPENSES			
Depreciation	5.2	790	863
Legal and professional		806	511
Auditor's remuneration	21.1	500	500
Fees and subscription		338	372
Salaries, wages and benefits		530	300
Printing, stationery and office supplies		238	269
Communication		37	4
Entertainment		11	-
		3,250	2,819
21.1 Auditor's remuneration			
Audit of financial statements		300	300
Review of half yearly financial statements		150	150
Review report on code of corporate governance		50	50
		500	500

Notes To The Financial Statements

For The Year Ended 30 June 2025

	Note	2025	2024
		----- (Rs. in '000) -----	

22 OTHER EXPENSES

Impairment on investment in associate	6	4,554	-
---------------------------------------	---	-------	---

23 OTHER INCOME

Reversal of impairment on investment in associate	6	-	6,537
Rental income		1,087	1,087
Interest income on saving account		14	16
		<u>1,101</u>	<u>7,640</u>

	Note	2025	2024
		----- (Rs. in '000) -----	

24 FINANCE COST

Unwinding of discount		33,147	29,683
Mark-up on borrowings from related parties		-	30,757
Bank charges and bank balance written off		352	-
		<u>33,499</u>	<u>60,440</u>

25 TAXATION - Net

Current tax		-	-
Current year	25.1	-	-
Deferred		(1,508)	(1,640)
		<u>(1,508)</u>	<u>(1,640)</u>

Notes To The Financial Statements

For The Year Ended 30 June 2025

25.1 Relationship between accounting profit and tax expense for the year

Provision for taxation is based on minimum tax @ 1.25% of the turnover under section 113 of the Income Tax Ordinance, 2001 and tax on rental income therefore there is no relationship between accounting profit and tax expense for the year.

25.2 The income tax assessments of the Company deemed to have been finalized upto and including Tax year 2024.

	2025	2024
	----- (Rs. in '000) -----	
26 LOSS PER SHARE - Basic and diluted		
Loss after taxation attributable to ordinary shareholders	(51,943)	(67,912)
	----- (Number of shares) -----	
Weighted average number of ordinary shares outstanding during the year	21,400,000	21,400,000
	----- (Rupees) -----	
Loss per share - Basic	(2.43)	(3.17)

26.1 A diluted loss per share has not been presented as the Company does not have any convertible instruments in issue as at 30 June 2025 and 30 June 2024 which would have any effect on the loss per share if the option to convert is exercised.

27 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

27.1 Chief executive and directors of the Company did not charge any fee or other remuneration.

27.2 No employee of the Company falls under the definition of "executive" as per the Companies Act, 2017. Hence no disclosure is given in the financial statements.

Notes To The Financial Statements

For The Year Ended 30 June 2025

28 TRANSACTIONS WITH RELATED PARTIES

Related parties include associated group companies, directors, executives, key management personnel and staff retirement funds. The transaction with associated companies are in the normal course of business and have been entered on an arm's length basis. The remuneration paid to chief executive, directors, executive and key management personnel in terms of their employment is disclosed in note 27 to the financial statements. Material transactions and balances with related parties are given below:

Name of the related party	Basis of relationship	Percentage of shareholding	Nature of transactions during the year	2025 ----- (Rupees '000) -----	2024 -----
Dewan Farooque Motors Limited	Group Company	0.12%	Mark up expense Short term finance repaid	- -	30,757 154,879
Dewan Motors Private Limited	Group Company	-	Short term finance received	-	154,879
Dewan Mushtaq Motors Company (pvt) Ltd	Group Company	-	Rental Income	1,087	1,087

Balances with related parties are shown in long term loan (note 14), trade creditors (note 16.1), short term finance (note 17) and accrued mark up (note 18) to the financial statements.

29 NUMBER OF EMPLOYEES

Number of employees as at 30 June

Average number of employees during the year

2025
----- (Numbers) -----

2	2
2	2

30 PLANT CAPACITY AND PRODUCTION

Tractors:

Sanctioned plant capacity
Actual production

Motorcycles:

Annual capacity
Actual production

6,000	6,000
-	-
60,000	60,000
-	-

Auto parts and other related products:

The Company manufactures various types and sizes of automotive parts to be used in various types of vehicles including motorcycles. Keeping in view the demand by its customers, the production capacity for the auto parts and other related products cannot be determined.

The operations of the Company are closed due to working capital constraints.

Notes To The Financial Statements

For The Year Ended 30 June 2025

31 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

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

31.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed completely to perform as contracted. The company's credit risk is primary attributable to its receivables and balances with banks.

The carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

	30 June, 2025	30 June, 2024
	----- (Rs. in '000) -----	
Advances	1,376	1,376
Bank balances	130	552
	<u>1,506</u>	<u>1,928</u>

31.2 Liquidity risk

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements. The following are the contractual maturities of the financial liabilities, including estimated mark-ups:

Notes To The Financial Statements

For The Year Ended 30 June 2025

	Carrying amounts	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
	(Rupees in '000)					
2025						
Non-derivative financial liabilities						
Long term loans	317,185	354,200	-	354,200	-	-
Trade and other payables	367,058	367,058	367,058	-	-	-
Accrued mark-up	892,449	892,449	892,449	-	-	-
Short term finance	154,879	154,879	154,879	-	-	-
	<u>1,731,571</u>	<u>1,768,586</u>	<u>1,414,386</u>	<u>354,200</u>	<u>-</u>	<u>-</u>
2024						
Non-derivative financial liabilities						
Long term loans	284,038	354,200	-	-	354,200	-
Trade and other payables	364,734	364,734	364,734	-	-	-
Accrued mark-up	892,449	892,449	892,449	-	-	-
Short term finance	154,879	154,879	154,879	-	-	-
	<u>1,696,100</u>	<u>1,766,262</u>	<u>1,412,062</u>	<u>-</u>	<u>354,200</u>	<u>-</u>

All the financial liabilities of the company are non derivative financial liabilities. The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effect as at 30 June.

31.3 Market risk

Market risk is a risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of financial instruments. The Company's financial instruments are in its functional currency therefore it is not exposed to currency risk, however the company's exposure to interest rate risk is as follows:

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. As of the reporting date, the Company has no financial liabilities subject to variable interest rates. Consequently, the Company is not exposed to cash flow interest rate risk and no cash flow sensitivity analysis is required for the current reporting period.

Notes To The Financial Statements

For The Year Ended 30 June 2025

Fair value sensitivity analysis for fixed rate instruments:

The company does not account for any fixed rate financial assets at fair value through profit or loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

31.4 Fair value of financial instruments

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

31.5 Capital risk management

The Company's prime objective when managing capital is to safe guard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

32 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation, however there has been no significant reclassifications.

33 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 29 September 2025 in accordance with the resolution by the Board of Directors of the Company.

34 GENERAL

These financial statements are presented in Rupees and figures have been rounded off to the nearest thousand rupees.


Muhammad Haris
Chief Financial Officer


Waseem-ul-Haque Ansari
Chief Executive Officer


Ishtiaq Ahmed
Chairman

PATTERN OF SHAREHOLDING

Form 34

1. Incorporation Number **0009414**
2. Name of the Company **DEWAN AUTOMOTIVE ENGINEERING LIMITED**
3. Pattern of holding of the shares held by the Shareholders as at **30.06.2025**

4. Number of Shareholders	Shareholding Slab		Total Shares held	Percentage
	From	To		
549	1	100	36,846	0.17%
527	101	500	152,078	0.71%
179	501	1,000	155,637	0.73%
203	1,001	5,000	489,858	2.29%
44	5,001	10,000	338,435	1.58%
14	10,001	15,000	158,423	0.74%
10	15,001	20,000	178,914	0.84%
2	20,001	25,000	46,200	0.22%
3	25,001	40,000	95,234	0.45%
3	40,001	50,000	136,003	0.64%
2	50,001	60,000	111,833	0.52%
1	60,001	100,000	71,937	0.34%
1	100,001	130,000	117,000	0.55%
2	130,001	150,000	300,000	1.40%
1	150,001	220,000	217,950	1.02%
1	220,001	250,000	242,500	1.13%
1	250,001	280,000	262,815	1.23%
4	280,001	300,000	1,146,000	5.36%
1	300,001	400,000	348,800	1.63%
3	400,001	600,000	1,667,949	7.79%
2	600,001	700,000	1,344,944	6.28%
3	700,001	1,300,000	3,835,911	17.92%
1	1,300,001	2,500,000	2,367,637	11.06%
1	2,500,001	3,800,000	3,702,637	17.30%
1	3,800,001	3,900,000	3,874,459	18.10%
1559	TOTAL		21,400,000	100.00%

**PATTERN OF SHAREHOLDING UNDER REGULATION
37(XX)(I) OF THE CODE OF CORPORATE GOVERNANCE
AS AT JUNE 30, 2025**

5.	Categories of Shareholders	Number of Shareholders	Number of Shares held	Percentage of Shareholding
	Directors, CEO, their Spouses & Minor Children			
	Mr. Syed Maqbool Ali	1	1,000	0.00%
	Mr. Waseem-Ul-Haq Ansari	1	1,000	0.00%
	Mr. Ishtiaq Ahmed	1	1,000	0.00%
	Mr. Aziz ul Haque	1	500	0.00%
	Mr. Abdul Basit (Nominee Director By DMPL)	-	-	0.00%
	Mr. Muhammad Irfan Ali (Nominee Director By DMPL)	-	-	0.00%
	Mr. Mehmood-ul-Hassan Asghar (Nominee Director By DMPL)	-	-	0.00%
	Associated Companies			
	Dewan Motors (Pvt.) Limited	3	4,746,259	22.18%
	NIT and ICP	2	56,400	0.26%
	Executives	-	-	0.00%
	Banks, Development Financial Institutions, Non-Banking Finance Companies	1	59,500	0.28%
	Insurance Companies	3	73,633	0.34%
	Modarabas and Mutual Funds	-	-	0.00%
	General Public			
	a. Local	1,526	15,755,087	73.62%
	b. Foreign	5	1,865	0.01%
	Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees)	15	703,756	3.29%
	TOTAL	1,559	21,400,000	100.00%

SHAREHOLDERS HOLDING FIVE PERCENT OT MORE VOTING RIGHTS

Name Of Shareholder	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Dewan Motors (Pvt.) Limited	3	4,746,259	22.18%
Dewan Muhammad Yousuf Frooqui	1	3,702,637	17.30%
Dewan Zia-ur-Rehman Farooqui	2	2,368,637	11.07%
Dewan Abdullah Ahmed Swaleh Farooqui	1	1,278,637	5.97%
Dewan Asim Mushfiq Farooqui	1	1,278,637	5.97%
Dewan Abdul Baqi Farooqui	1	1,278,637	5.97%

**DETAILS OF TRADING IN THE SHARES OF THE COMPANY BY DIRECTORS, CEO, CFO,
COMPANY SECRETARY, THEIR SPOUSES AND MINOR CHILDREN**

During the year under review, none of the CEO, CFO, Directors, Company Secretary, their spouses and minor children have traded in the shares of the Company.



اظہار تشکر:

بورڈ کی جانب سے، میں آپ، معزز شخص یا فنگان، وفاقی اور صوبائی حکومتوں اور ان کے افسران، بینکوں، ترقیاتی مالی اداروں، لیزنگ کمپنیوں، ڈیلرز، وینڈرز، اور صارفین کا ان کی مسلسل حمایت اور تعاون کے لیے شکر گزار ہوں۔

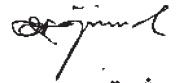
بورڈ ادارے کی اپنی ٹیم، ایگزیکٹو اراکین، اسٹاف کے ساتھی اور ورکرز کا بھی بھرپور شکریہ ادا کرتا ہے جو کمپنی کی ترقی میں اپنا بھرپور کردار ادا کر رہے ہیں۔ ہم آپ کی محنت اور کاوشوں کو قدر کی نگاہ سے دیکھتے ہیں۔

اختتامی بیان:

اختتام پر اللہ پاک رحمن و رحیم کے حضور سجدہ ریز ہو کر دعا مانگتے ہیں ہمارے نبی سرکارِ دو عالم ﷺ کے وسیلے سے کہ اے اللہ ہماری رہنمائی کرتا رہے اور کمپنی قوم اور وطن عزیز کو اپنے حفظ و امان میں رکھے اور بھرپور ترقی کرنے کی توفیق عطا کرے۔ ساتھ ہی اللہ پاک سے دعا مانگتا ہوں کہ امت مسلمہ میں امن، چین اور بھائی چارہ پیدا کرے آمین۔

بے شک میرا رب دعا سننے والا ہے (القرآن)

بورڈ کے ڈائریکٹران کی جانب سے



اشتیاق احمد

چیئرمین بورڈ آف ڈائریکٹرز

29 ستمبر 2025ء

آڈٹ کمیٹی میں تین ڈائریکٹرز شامل ہیں، ان میں سے دو غیر ایگزیکٹو ہیں۔ سال کے دوران آڈٹ کمیٹی کی چار میٹنگ ہوئیں۔

ڈائریکٹرز کے نام	میٹنگ میں حاضری کی تعداد
جناب عزیز الحق	4
جناب اشتیاق احمد	4
جناب سید مقبول علی	4

دوران سال انسانی وسائل اور خدمات کی کمیٹی کی ایک میٹنگ منعقد ہوئی، اس میٹنگ میں حاضری درج ذیل ہے:

ڈائریکٹرز کے نام	میٹنگ میں حاضری کی تعداد
جناب عزیز الحق	1
جناب وسیم الحق انصاری	1
سید مقبول علی	1

آڈیٹرز:

موجودہ آڈیٹرز میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں اور دوبارہ تقرری کیلئے اپنی خدمات کی پیشکش کی ہے۔ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آنے والے سال کیلئے کمپنی کے آڈیٹرز کے طور پر تقرری کی سفارش کی ہے۔

خسارہ فی شیئر:

فی شیئر خسارہ مبلغ 2.43 روپے (3.17:2024 روپے) ہے۔

ڈویڈنڈ:

مجموعی نقصانات کے ساتھ ساتھ دوران سال خسارہ کے باعث بورڈ کی جانب سے کسی ڈویڈنڈ کی سفارش نہیں کی گئی ہے۔

شیئرز ہولڈنگ کا پیٹرن:

کمپنی کی شیئرز ہولڈنگ کا پیٹرن 30 جون 2025ء سالانہ رپورٹ کے ساتھ منسلک ہے۔

کمپنی شیئرز میں تجارت:

دوران سال کسی بھی ڈائریکٹرز، ایگزیکٹو، ان کی بیگمات و بچوں نے کمپنی کے شیئرز میں کوئی تجارت نہیں کی ہے۔

**YD**

A YOUSUF DEWAN COMPANY

خطرات اور غیر یقینی صورتحال:

کمپنی درج ذیل امور کو اپنے لئے نقصان دہ سمجھتی ہے:

☆ امریکی ڈالر کے مقابلے میں پاکستانی روپیہ کی قدر میں کمی؛

☆ ورکنگ کیپیٹل کی عدم دستیابی۔

کمپنی داخلی اور خارجی دونوں طرح سے مذکورہ خطرات اور عدم یقینی صورتحال کے اثرات کو کم کرنے اور ان کا مقابلہ کرنے کیلئے بھی اقدامات کر رہی ہے۔

کاروباری اور سماجی ذمہ داریاں:

کمپنی اپنے کاروبار کو ایک ذمہ دارانہ انداز میں انجام دیتی ہے، جس میں اپنے اسٹیک ہولڈرز اور ماحول کا خیال رکھا جاتا ہے۔ کمپنی بنیادی طور پر نئے بھرتی کیے گئے ورک فورس کو ملازمت پر تربیت فراہم کرنے پر توجہ دیتی ہے، تاکہ وہ مناسب مہارتیں حاصل کر سکیں۔ ورک فورس کی بھرتی کے دوران، کمپنی قریبی علاقوں میں رہائش پذیر ضرورت مند لوگوں کی حوصلہ افزائی کرتی ہے، جس سے ان کی معیار زندگی میں اضافہ ہوتا ہے۔ اس کے علاوہ، ملازمین کی صحت اور حفاظت بھی ایک اہم شعبہ ہے جس پر توجہ دی جاتی ہے۔ کمپنی تمام متعلقہ قواعد و ضوابط کی پابندی کرتی ہے تاکہ پیداوار کے عمل میں ماحولیاتی تحفظ کو یقینی بنایا جاسکے۔ ملازمین کی صحت اور حفاظت کے تحفظ کے لیے معیاری عملی طریقہ کار وضع کیے گئے ہیں۔ کمپنی قرب و جوار کے علاقے میں رہائش پذیر لوگوں کو طبی سہولیات فراہم کرنے میں بھی مصروف عمل ہے۔

بورڈ کے ڈائریکٹران قابل اور کئی علوم کے ماہرین پر مشتمل ہیں جو کمپنی کو منافع بخش بنانے میں اپنا بھرپور کردار ادا کر رہے ہیں۔ زیر جائزہ سال کے دوران بورڈ نے چار ملاقاتیں کیں، جن میں اراکین کی حاضری درج ذیل ہے:

ڈائریکٹرز کے نام	میٹنگ میں حاضری کی تعداد
جناب وسیم الحق انصاری	4
جناب سید مقبول علی	4
جناب اشتیاق احمد	4
جناب محمد عرفان علی	4
جناب عزیز الحق	4
جناب محمود الحسن اصغر	4
جناب عبدالباسط	4

- ۲۔ کمپنی کے کھاتوں کی کتابیں مناسب انداز میں رکھی گئی ہیں۔
- ۳۔ 30 جون 2025ء کو اختتام پذیر مالی سال کے مالیاتی گوشوارے تیار کرتے وقت مناسب اکاؤنٹنگ پالیسیاں مسلسل اختیار کی جاتی رہی ہیں اور تمام مالیاتی گوشوارے میں اندازے سمجھداری سے بہتر فیصلوں پر مرتب کئے گئے ہیں۔
- ۴۔ انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (IFRS) جیسے پاکستان میں نافذ العمل ہیں انہیں ویسے ہی مالیاتی گوشواروں کی تیاری میں نافذ کیا گیا۔
- ۵۔ کمپنی میں اندرونی کنٹرول سسٹم کا ڈیزائن موزوں ہے اور بہت موثر انداز میں لاگو ہے اور اس کی عمدگی سے دیکھ بھال کی جاتی رہی ہے۔
- ۶۔ ایسے کوئی خدشات نہیں جن کی بنیاد پر یہ کہا جاسکے کہ کمپنی کے مستقبل یا آگے کا روبرو کرنے پر کوئی شک کیا جاسکتا ہے ماسوائے ایک معاملے کے جو کمپنی کے مالیاتی نتائج میں نوٹ نمبر 2 میں درج ہے۔
- ۷۔ کارپوریٹ گورننس کی تمام اعلیٰ اقدار جیسا کہ پاکستان اسٹاک ایکس چینج کی لسٹنگ ریگولیشن میں سے کوئی بھی قابل ذکر قانونی شق ترک نہیں کی گئی ہے۔
- ۸۔ گذشتہ چھ سالوں کے کلیدی آپریٹنگ اور فنانشل معلومات مختصر اس رپورٹ میں شامل ہیں۔
- ۹۔ تمام واجب الادا ٹیکسز ادا کر دیئے گئے ہیں اور مزید کچھ واجب الادا نہیں، ماسوائے ان کے جو کہ آڈٹ شدہ مالیاتی نتائج کے نوٹ نمبر 16 میں ظاہر کیا گیا ہے۔

کمپنی کا بورڈ آف ڈائریکٹرز ایک خود مختار، ایک ایگزیکٹیو اور پانچ غیر ایگزیکٹیو ڈائریکٹرز پر مشتمل ہے۔ ڈائریکٹرز کے نام درج ذیل ہیں:

☆	جناب وسیم الحق انصاری
☆	جناب اشتیاق احمد
☆	جناب سید مقبول علی
☆	جناب عبدالباسط
☆	جناب محمود الحسن اصغر
☆	جناب محمد عرفان علی
☆	جناب عزیز الحق

چیفڈرپے گیپ:

SECP کے چیفڈرپے گیپ اسٹیٹمنٹ (سرکلر نمبر 10/2024) کی تعمیل میں ہم رپورٹ کرتے ہیں کہ 30 جون 2025ء کو ختم ہونے والے مالی سال کے دوران، کمپنی کی غیر عملی حیثیت کے باعث ورک فورس صرف دو ملازمین تک محدود تھی، اور دونوں مرد تھے۔ چونکہ اس سال کوئی خاتون ملازم شامل نہیں ہے، اس لیے Mean اور Median چیفڈرپے گیپ کا حساب لاگو نہیں ہوتا۔

کمپنی کی بنیادی سرگرمیاں:

دیوان آٹوموٹیو انجینئرنگ لمیٹڈ پاکستان میں بطور پبلک لمیٹڈ کمپنی رجسٹرڈ ہے اور یہ پاکستان اسٹاک ایکسچینج میں درج ہے۔ کمپنی کی بنیادی سرگرمی ٹریڈرز، بلکی مال بردار گاڑیوں، اور موٹر سائیکل کی تیاری، اسمبلی، تجارت، اور فروخت کرنا ہے، جو بنیادی طور پر پاکستان میں کی جاتی ہے۔ کمپنی متعلقہ پرزہ جات اور آلات کی تجارت اور انہیں تیار بھی کرتی ہے۔



اگرچہ ہماری ذیلی کمپنی جس کو ہم ماضی میں پرزہ جات فراہم کرتے تھے، نے اپنی گاڑیوں کی پیداوار اور آپریشن دوبارہ شروع کر دیئے ہیں، ہمیں اب بھی شدید ورکنگ کیپیٹل کی کمی کا سامنا ہے، جو ہمارے آپریشن شروع کرنے اور فروخت کے اہداف پورے کرنے میں ایک بڑا رکاوٹ ہے۔ جیسے ہی مناسب ورکنگ کیپیٹل دستیاب ہوگا، کمپنی اپنے آپریشن کو اسی کے مطابق شروع کر دے گی۔

مستقبل کے امکانات:

انتظامی ٹیم فعال طور پر ضروری مالی اعانت حاصل کرنے کے لیے ایک جامع عمل میں مصروف ہے۔ ہمارا بنیادی مقصد وہ فنڈز حاصل کرنا ہے جو ورکنگ کیپیٹل کی کمی کو دور کریں گے، جس سے پیداوار اپنے معمول کے مطابق دوبارہ شروع ہو سکے گی۔ ہم مثبت توقعات رکھتے ہیں اور پراعتماد ہیں کہ جیسے ہی یہ مالی رکاوٹ ختم ہوگی، آپریشنز جلد ہی مکمل استعداد کے ساتھ بحال ہو جائیں گے، جس سے ہمیں اپنی مصنوعات ذیلی کمپنی کو فراہم کر کے اس اسٹریٹجک موقع سے بھرپور فائدہ اٹھانے کا موقع ملے گا۔

آڈیٹرز رپورٹ کا مشاہدہ:

آڈیٹرز نے اپنی رپورٹ کو مشروط کیا ہے کیونکہ رپورٹ میں ذکر کردہ معاملہ پیرا (a) اور (b) میں خاص اہمیت کا حامل ہے۔

جاری کاروباری مفروضہ:

یہ مالیاتی گوشوارے جاری کاروباری مفروضے پر تیار کیے گئے ہیں کیونکہ کمپنی کو درپیش حالات عارضی ہیں اور کمپنی کی ذیلی کمپنی کی پیداوار دوبارہ شروع ہونے کی وجہ سے یہ حالات تبدیل ہو جائیں گے، جس کو کمپنی اپنی مصنوعات فراہم کرے گی۔ کمپنی نے پہلے ہی اپنے تمام بینکوں/مالیاتی اداروں سے متعلق واجبات ادا کر دیئے ہیں اور اپنے آپریشنز کے لیے ورکنگ کیپیٹل لانٹرنز حاصل کرنے کی توقع رکھتی ہے۔ انتظامیہ کو یقین ہے کہ کمپنی جلد دوبارہ اپنی سرگرمیوں کا آغاز کرے گی، لہذا مالیاتی گوشوارے جاری کاروبار کی بنیاد پر تیار کیے گئے ہیں۔ کمپنی نے ان معاملات کی تفصیلات وضاحت کے ساتھ نوٹ 2 میں منسلک آڈٹ شدہ مالیاتی گوشواروں میں بیان کی ہیں۔

جائیداد، پلانٹ اور آلات کی نان ویلیویشن:

IAS-16 کے مطابق جائیداد، پلانٹ اور آلات کی قیمت دوبارہ تعین نہیں کی جاسکتی کیونکہ ورکنگ کیپیٹل دستیاب نہیں تھا؛ چونکہ آپریشن کئی سالوں سے معطل تھے، اس لیے رسمی قیمت کے تعین پر نمایاں لاگت خرچ کرنا، نایاب وسائل کا غیر موثر استعمال سمجھا گیا۔ کمپنی ضروری سرمایہ حاصل کرنے کے بعد جامع اثاثہ جات کی دوبارہ قیمت تعین شروع کرے گی اور Fair Market Value کو شامل کرے گی۔

کوڈ آف کارپوریٹ گورننس:

ڈائریکٹرز بتاتے ہوئے خوشی محسوس کرتے ہیں کہ کمپنی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے مطلوبہ کارپوریٹ گورننس کوڈ کی دفعات پر عمل پیرا ہے۔

درج ذیل بیانات کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر مبنی ہیں:

- 30 جون 2025ء کو اختتام پذیر مالی سال میں انتظامیہ کی جانب سے تیار کئے گئے کمپنی کے مالیاتی گوشوارے کمپنی کے حالات، کاروباری نتائج، کیش فلووز اور ایکویٹی میں تبدیلی کی شفاف عکاسی کرتے ہیں۔

ڈائریکٹر رپورٹ

شروع کرتا ہوں اللہ تعالیٰ کے نام سے جو بڑا مہربان اور نہایت رحم والا ہے
اگر تم شکر ادا کرو گے تو میں تم پر (نعمتوں میں) ضرور اضافہ کروں گا (القرآن)

دیوان آٹوموٹیووانجینئرنگ لمیٹڈ کے بورڈ کے ڈائریکٹران کی جانب سے 30 جون 2025ء کو اختتام پذیر مالی سال کی سالانہ رپورٹ بمعہ آڈٹ شدہ مالیاتی نتائج آپ کے سامنے پیش کئے جاتے ہیں اور آپ کو کمپنی کی 43 ویں سالانہ جنرل میٹنگ میں خوش آمدید کہا جاتا ہے۔

اقتصادی جائزہ:

مالی سال 2024-25 میں پاکستان کی معیشت نے کچھ بحالی کے آثار دکھائے، جس میں 2.7 فیصد کی شرح نمو ریکارڈ کی گئی اور افراط زر میں نمایاں کمی کے ساتھ 4.7 فیصد ہو گئی۔ تاہم، یہ بہت محدود بہتری تھی، کیونکہ معیشت زراعت کے شعبے میں کمی (گزشتہ سال کی مضبوط کارکردگی کے بعد) اور صنعتی خدمات کے شعبوں میں سست نمو سے دوچار رہی۔

جبکہ مالی نظم و ضبط میں بہتری آئی، مگر گہرے ساختی چیلنجز اور بڑھتی ہوئی توانائی کے سرکولر قرضے موجود ہیں، جو اس بات کی نشاندہی کرتے ہیں کہ پائیدار اور وسیع پیمانے پر نمو حاصل کرنا ایک پیچیدہ کام ہے۔

تاہم، آئی ایم ایف کے جاری پروگرامز 7 بلین ڈالر کا ایکسٹینڈڈ فنڈ فیسلٹی (EFF) اور 1.3 بلین ڈالر کارپوریٹ بیلینس اینڈ سسٹینیبلٹی فیسلٹی (RSF) سے فنڈز کے کامیاب جائزے اور تقسیم نے مضبوط بنیاد فراہم کی ہے، جو مضبوط، دیرپا، اور شامل اقتصادی نمو کے حصول کے لیے معاون ثابت ہو سکتی ہے۔

صنعتی جائزہ:

پاکستان کی آٹوموٹیو صنعت نے گزشتہ مالی سال کے شدید بحران کے بعد اس سال قابل ذکر بحالی دکھائی۔ زیادہ مستحکم میکرو اکنامک ماحول، کم شدہ سود کی شرحیں، اور صارفین کے بڑھتے ہوئے اعتماد کے باعث مسافروں کی گاڑیوں کی مجموعی فروخت میں 43 فیصد اضافہ ہوا۔ تاہم، یہ توسیع تمام گاڑیوں کے ماڈلز اور مینوفیکچررز پر یکساں طور پر لاگو نہیں ہوئی۔

کمپنی کی کارکردگی:

مالی جائزہ:

زیر جائزہ سال کی مالی کارکردگی کا خلاصہ اور تقابلی اعداد و شمار درج ذیل ہیں:

2024 (روپے میں)	2025 (روپے میں)	
--	--	مجموعی فروخت
(13,933)	(13,249)	مجموعی (خسارہ)
(16,752)	(21,053)	آپریٹنگ (خسارہ)
(67,912)	(51,943)	بعد از ٹیکس خالص (خسارہ)



ڈی) مالی گوشواروں کی الیکٹرانک ترسیل

ایس ای سی پی نے اپنے نوٹیفکیشن نمبر SRO 389(1)/2023 بتاریخ 21 مارچ، 2023 کے ذریعے کمپنیوں کو اجازت دی ہے کہ سالانہ اجلاس عام کے نوٹس کے ہمراہ سالانہ آڈٹ شدہ مالی گوشوارے ڈاک کی بجائے ای میل کے ذریعے ان اراکین کو ارسال کیے جائیں۔ ای میل کے ذریعے مذکورہ بالا گوشوارے اور اے جی ایم کے نوٹس وصول کرنے کے خواہشمند اراکین سے درخواست ہے کہ وہ کمپنی کی ویب سائٹ <http://www.yousufdewan.com/dael/index.html> پر دستیاب معیاری درخواست فارم پر اپنی تحریری رضامندی فراہم کریں۔

ای) ویڈیو کانفرنس کی سہولت

کمپنیز ایکٹ 2017 کی دفعات کی تعمیل میں اراکین سالانہ اجلاس عام میں ویڈیو کانفرنس کی سہولت کے ذریعے شرکت کر سکتے ہیں بشرطیکہ 10 فیصد یا زائد حصص رکھنے اور شہر میں رہنے والے اراکین اجلاس کی تاریخ سے کم سے کم 7 روز قبل اپنی رضامندی فراہم کریں گے۔ مذکورہ بالا شرائط کی تعمیل کی صورت میں تمام ضروری معلومات اور جگہ کے بارے میں آگاہ کیا جائے گا، درخواست کا فارم کمپنی کی ویب سائٹ پر دستیاب ہے۔

ایف) زوم ایپلی کیشن کے ذریعے اجلاس میں شرکت

اراکین درج ذیل ہدایات پر عمل درآمد کر کے زوم کے ذریعے سالانہ اجلاس عام میں آن لائن شرکت کر سکتے ہیں۔

(i) اراکین 25 اکتوبر، 2025 سے قبل کمپنی کی ویب سائٹ <http://www.yousufdewan.com/dael/index.html> پر دستیاب معیاری

درخواست فارم کے مطابق اپنی درخواست ای میل dael.corp@yousufdewan.com پر یا دیوان سینٹر، 3-A، لالہ زار بیچ ہاؤس روڈ کراچی میں کمپنی سیکرٹری کے نام پر اپنی درخواست ارسال کر کے خود رجسٹر کر سکتے ہیں۔

(ii) کمپنی کی طرف سے معیاری درخواست فارم پر درج ای میل آئی ڈی یا موبائل/واٹس ایپ نمبر پر زوم کالنگ بھیجا جائے گا۔

جی) فزیکل شیئر کی بک انٹری (CDC اکاؤنٹ) فارم میں منتقلی

کمپنیز ایکٹ 2017 کے سیکشن 72 کے تحت تمام لسٹڈ کمپنیوں کے لیے ضروری ہے کہ وہ کمپنیز ایکٹ 2017 کے نفاذ کی تاریخ سے چار سال کے اندر فزیکل شیئرز کو بک انٹری فارم میں منتقل کریں۔ ایس ای سی پی کی طرف سے جاری کردہ مراسلہ نمبر CSD/ED/Misc/2016-639-640 بتاریخ 26 مارچ 2021 کی تعمیل میں تمام شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے فزیکل شیئر کو بک انٹری فارم میں منتقل کریں تاکہ کمپنیز ایکٹ 2017 کی شقوں کی تعمیل ہو۔ شیئر ہولڈرز فزیکل شیئر کی بک انٹری فارم میں منتقلی کے عمل کو سمجھنے اور اس کے فوائد کے بارے میں جاننے کے لیے کمپنی کے شیئر رجسٹرار سے رابطہ کر سکتے ہیں۔

ایچ) کوائف کی تبدیلی

حصص یافتگان سے درخواست ہے کہ اپنے رجسٹرڈ ڈاک کے پتے میں کسی تبدیلی کے متعلق کمپنی کے شیئر رجسٹرار کو باہمی ادارے کی صورت میں شیئر ہولڈرز سے درخواست ہے کہ اپنے مجاز نمائندے کے کو بروقت مطلع کر دیں۔ کوائف میں کسی تبدیلی سے متعلق مطلع کریں، اگر قابل اطلاق ہو۔

آئی) تحائف کی تقسیم پر پابندی

ایس ای سی پی کی طرف سے جاری کردہ ہدایت نامہ SRO 452(I)/2025 مورخہ 17 مارچ 2025 کے مطابق کمپنی تمام شیئر ہولڈرز کو مطلع کرنا چاہتی ہے کہ اجلاس عام میں کوئی تحائف تقسیم نہیں کیے جائیں گے۔

نوٹس برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا کو مطلع کیا جاتا ہے کہ دیوان آٹوموٹیو انجینئرنگ لمیٹڈ کا 43 واں سالانہ اجلاس عام بروز پیر 27 اکتوبر، 2025 سے پہر 04:00 بجے دیوان سینٹ فیکٹری سائٹ، دیہہ ڈھنڈو، دھانیجی، ضلع ملیر، کراچی میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

1. جمعرات 24 اکتوبر، 2024 کو منعقدہ کمپنی کے سالانہ اجلاس عام کی کارروائی کی توثیق۔
2. 30 جون، 2025ء کو مکمل ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالی گوشواروں معہ ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔
3. 30 جون، 2026ء کو مکمل ہونے والے سال کیلئے کمپنی کے قانونی آڈیٹرز کی تقرری اور ان کے مشاہرہ کا تعین۔
4. چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

یکم بورڈ



محمد حنیف جومان
کمپنی سیکرٹری

کراچی
29 ستمبر 2025ء

نوٹس:

(الف) کمپنی کی حصص منتقلی کی کتب 20 اکتوبر، 2025 سے 27 اکتوبر، 2025 تک (بشمول دونوں دن) بند رہیں گی۔ شیئرز رجسٹرار کے دفتر واقع میسرز بی ایم ایف کنسلٹنٹ پاکستان (پرائیویٹ) لمیٹڈ، واقع انعم اسٹیٹ بلڈنگ، کمرہ نمبر 310 اور 311، تیسری منزل، 49 دارالامان سوسائٹی، مرکزی شاہراہ فیصل، نزد بلوچ کالونی پل، کراچی پاکستان میں موصول ہونیوالی منتقلیاں اجلاس میں شرکت اور رائے دہی کیلئے بروقت بھیجی جائیں گی۔

(بی) اجلاس ہذا میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کیلئے دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے۔ مکمل پراکسی فارم اجلاس کے انعقاد کے وقت سے 48 گھنٹے قبل کمپنی کے شیئرز رجسٹرار آفس میں جمع کرانا ہوگا۔

سی ڈی سی حصص یافتگان کو اجلاس میں شرکت اور پراکسیوں کی تعیناتی کیلئے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے مورخہ 26 جنوری، 2000 کو جاری کردہ سرکلر 1 میں دی گئیں مندرجہ ذیل ہدایات پر عمل درآمد کرنا ہوگا۔

(سی) اراکین سے درخواست ہے کہ پتہ میں کسی قسم کی تبدیلی سے فوری طور پر کمپنی کے شیئرز رجسٹرار کو مطلع کریں

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Form of Proxy

I/We _____
 of _____ being _____
 a member(s) of **Dewan Automotive Engineering Limited** and holder of _____
 Ordinary Shares as per Registered Folio No. / CDC Participant's ID and Account No. _____
 _____ hereby appoint _____
 of _____
 or falling him _____
 of _____
 who is also member of **Dewan Automotive Engineering Limited** vide Registered Folio No. / CDC
 Participant's ID and Account No. _____ as my/our proxy to vote for me/us
 and _____
 on my/our behalf at the 43rd Annual General Meeting of the Company to be held on Monday, October
 27, 2025 at 04:00 p.m. and my adjournment thereof.

Signed this _____ day of _____ 2025.

AFFIX
 REVENUE
 STAMP
 RS. 5/-

Signature _____

Witness: _____
 Signature

Witness: _____
 Signature

Name: _____
 Address: _____

Name: _____
 Address: _____

IMPORTANT:

1. A proxy should also be a member of the company.
2. A member of the Company entitled to attend and vote all meeting, may appoint another member as his/her proxy to attend and vote instead of him/her.
3. Proxies, In order to be effective, must be received by the Company, duly completed, at our Shares Registrar Transfer Agent BMF Consultants Pakistan (Private) Limited, located at Anum Estate Building, Room # 301 & 311, 3rd Floor, 49, Darul Anum Society, Main Shahrah-e-Faisal, Adjacent to Baloch Colony Bridge, Karachi, Pakistan, not later than 48 hours before the meeting.

4. Further Instructions for CDC Account holders:

- i) In case of individual, the account holder or sub-account holder, and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall the proxy form as per the above requirements.
- ii) Two persons, whose names, addresses, and CNIC numbers shall be mentioned on the form, shall witness the proxy.
- iii) Attested copies of CNIC or passport of the beneficial owners and proxy shall be furnished alongwith the proxy form.
- iv) The proxy shall produce his/her original CNIC or original at the time of meeting.
- v) In case of corporate entity, the Board of Directors' resolution/power of attorney, alongwith the specimen signature of the nominee, shall be produced (unless it has been provided earlier) alongwith the proxy form to the Company.

**YD**

A YOUSUF DEWAN COMPANY

پراکسی فارم

یہ فارم مکمل کر کے ہمارے شیئرز رجسٹرار ٹرانسفر ایجنٹ بی ایم ایف کنسلٹنٹس پاکستان پرائیویٹ لمیٹڈ واقع انکم اسٹیٹ بلڈنگ کمرہ نمبر 310 اور 311، تیسری منزل، 49، دارالامان سوسائٹی، شاہراہ فیصل نزد پلوچ کالونی پل، کراچی 75350، پاکستان کو لازماً جمع کروادیتے۔ سالانہ عمومی اجلاس سے 48 گھنٹے پہلے یہ پراکسی فارم موصول ہو جانا چاہئے۔

میں / ہم _____ کی جانب سے _____ بحیثیت دیوان آٹوموٹیو
انجینئرنگ لمیٹڈ کے میران اور _____ عام حصص یافتہ فی حصص اندراج فوئیو نمبر _____ اور / یا
CDS شرکاء آئی ڈی نمبر _____ اور سب اکاؤنٹ نمبر _____ اپنی طرف سے
_____ کو بطور پراکسی نامزد کرتے ہیں۔ یہ میری / ہماری جانب سے بروز پیر مورخہ 27 اکتوبر 2025ء
04:00 بجے سہ پہر منعقدہ کمپنی کی 43 ویں سالانہ عمومی میٹنگ میں ووٹ دینے کے مجاز ہیں۔

دستخط برائے _____ بتاریخ _____ 2025ء

پانچ روپے کے ریونیو اسٹیپ پر دستخط
دستخط کمپنی میں کئے جانے والے دستخط
سے مختلف ناہوں۔

۱۔ دستخط _____
گواہ _____
نام _____
پتہ _____

۲۔ دستخط _____
گواہ _____
نام _____
پتہ _____