

Vision Statement

To be the leader in textile industry by building the Companys' image through quality, competitive prices, customer's satisfaction and meeting social obligation.

Mission Statement

Our Mission is to be recognized as a premium quality yarn manufacturing unit.

The Unit is setup with an idea to cater to the premium market of fine count compact yarn to satisfy the valuable customers.

To assume leadership role in the technological advancement of the industry.

To benefit the customers, employees and shareholders and to fulfill our commitments to the society.

Our trademark is honesty, innovation, fairness, teamwork of our people and integrity in relationship with our customers, associates, shareholders, community and stake holders.

**YD****A YOUSUF DEWAN COMPANY**

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COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Director	:	Mr. Ishtiaq Ahmed - Chief Executive Officer & Director
Non-Executive Directors	:	Syed Asim Abid Ali - Chairman, Board of Directors Mr. Abdul Basit Mr. Ghazanfar Baber Siddiqi Syed Maqbool Ali Mrs. Nida Jamil
Independent Director	:	Mr. Aziz-ul-Haque
Audit Committee	:	Mr. Aziz-ul-Haque (Chairman) Syed Maqbool Ali (Member) Mr. Abdul Basit (Member)
Human Resources & Remuneration Committee	:	Mr. Aziz -ul-Haque (Chairman) Mr. Ishtiaq Ahmed (Member) Syed Maqbool Ali (Member)
Auditor	:	Faruq Ali & Co. C-88, Ground Floor, KDA Scheme No. 1, Main Karsaz Road, Opp. Maritime Museum Karachi.
Company Secretary	:	Mr. Muhammad Hanif German
Chief Financial Officer	:	Mr. Muhammad Irfan Ali
Tax Advisor	:	Sharif & Co. Advocates
Legal Advisor	:	Abbas & Atif Law Associates
Bankers	:	Habib Bank Limited Standard Chartered Bank Pakistan Limited Meezan Bank Limited United Bank Limited Bank Al-Falah Ltd Bank Makramah Limited Faysal Bank Limited MCB Bank Limited
Registered Office	:	Dewan Centre, 3-A Lalazar Beach Hotel Road, Karachi
Shares Registrar & Transfer Agent	:	BMF Consultants Pakistan (Private) Limited Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal adjacent to Baloch Colony Bridge, Karachi 75350, Pakistan.
Factory Office	:	H/20 & H/26, S.I.T.E., Kotri, District Jamshoro, Sindh, Pakistan
Website	:	www.yousufdewan.com

**YD****A YOUSUF DEWAN COMPANY**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that 56th Annual General Meeting of **Dewan Textile Mills Limited** will be held at Dewan Cement Limited Factory Site, at Deh Dhando, Dhabeji, District Malir, Karachi, Pakistan on **Monday, October 27, 2025 at 2:00 p.m.** to transact the following businesses;

1. To confirm the minutes of the preceding Extra Ordinary General Meeting of the Company held on Monday, January 27, 2025;
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

Muhammad Hanif German
Company Secretary

Date : September 29, 2025
Place : Karachi

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/Dtml/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 dtml.corp@yousufdewan.com as per Standard Request Form available on the Company's website (<http://www.yousufdewan.com/DTML/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.



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 and its obligation, rights, responsibilities and duties are as specified and prescribed therein.

The Board of Directors comprises of individuals with diversified knowledge who endeavour 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 financial year ended June 30, 2025, six board meetings were held. The Board of Directors of the Company received agendas and supporting material in advance prior to the board and its committee meetings. All Directors are equally involved in important decisions. the Board's overall performance and effectiveness for the year under review was satisfactory.

Syed Asim Abid Ali
Chairman Board of Directors

Date : September 29, 2025
Place : Karachi

DIRECTORS' REPORT

**IN THE NAME OF ALLAH;
THE MOST GRACIOUS AND THE MERCIFUL
IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)**

Dear Shareholder(s),

Assalam-o-Alykum!

The Board of Directors of your Company are pleased to present the Annual Audited Financial Statements of the Company for the year ended June 30, 2025, together with the Auditors' Report thereon.

Economic Overview

The global economy recorded moderate growth amidst persistent challenges. Global inflation gradually eased however global trade remained sluggish due to weaker demand and supply chain realignments, primarily influenced by continuously evolving U.S. trade policies. Oil prices remained volatile, driven by regional conflicts and fluctuating global demand. Geopolitical tensions continued to exert pressure, disrupting commodity flows and contributing to heightened uncertainty across global markets.

For Pakistan, financial year 2024-25 marked the early signs of modest macroeconomic stability after years of volatility, with a sharp decline in inflation from last year's record highs to multi-year lows, enabling the State Bank of Pakistan to reduce its policy rate from 19.5% to 11%. GDP growth stood at 2.68%, reflecting cautious recovery in economic activity. The substantial turnaround in the current account balance, closing in with a surplus of USD 2.1 billion, its first in 14 years, primarily driven by robust 27% rise of foreign remittances, which rose to USD 38.3 billion, strong export performance particularly 7.4% increase in textile exports to USD 17.9 billion, strict governed import management, improved external balances and structural reforms have contributed to replenishing foreign reserves and stabilizing the exchange rate. However, despite of the above, the introduction of new US tariffs on certain textile and manufacturing imports from the region, coupled with weaker global demand in key export markets, posed additional headwinds. Domestically, structural challenges persisted, including a modest GDP growth rate, political uncertainty, high energy tariffs, hefty tax burden continued to exert pressure on input costs. These factors combined with weak consumer purchasing power, contributed to subdued demand across key sectors.

Industrial Overview

Pakistan's textile sector remained challenged by global demand softness, tight monetary conditions, and high energy costs. The sector recorded a 7.4 percent growth in FY 2025, however, structural weaknesses in the sector persisted resulting a decline in the exports of some key raw material-based products; cotton yarn (reduced by 28.8%), cotton cloth (dropped by 3.1%). In FY2024-25 the cotton crop experienced a severe decline due to devastating impact of the climatic change. The downward trajectory has been continuing in the FY-2025-26 due to monsoon floods which have severely disrupted agricultural output by significant drop. This major decline not only jeopardizes Country's textile industry but also increases dependence on imported cotton, putting additional pressure on the national economy by billions of dollars.

Operating results and performance: (Factory Shutdown)

The principal business activity of your Company is the manufacturing and sale of yarn. The operating results for the year under review are as follows:

	"Rupees"
SALES - NET	--
COST OF SALES	(131,321,267)
GROSS LOSS	(131,321,267)
ADMINISTRATIVE EXPENSES	(5,081,851)
OPERATING LOSS	(136,403,118)
FINANCE COST	(31,294,308)
OTHER CHARGES	(509,648)
OTHER INCOME	18,876,957
LOSS BEFORE TAXATION	(149,330,117)
TAXATION	22,969,869
LOSS AFTER TAXATION	(126,360,248)



Company's operational sales for the year remained nil due to closure of operations. The Company, for the time being, has suspended its manufacturing operations since December 2015 which could not be resumed due to adverse scenario faced by the industry and working capital constraints.

In financial year ended 2012, Company had settled with its lenders through Compromise Agreement against which consent decrees had been passed by the Honorable High Court of Sindh, Karachi. Company's short term and long-term loans had been rescheduled in the form of long-term loans, however certain banks having suits of Rs. 419.065 million, did not accept the restructuring proposal at that time. Consequent to default in repayment of restructured liabilities as per compromise agreement, the lenders filed for execution of consent decrees. The Company filed suits in Honorable High Court of Sindh at Karachi wherein it has been strongly contested that filing of executions is unjust and against the law. Management of the Company expects favorable outcome therefrom.

The Auditors of the company have expressed adverse opinion in their report on going concern assumption due to closure of operations, default in repayment of installments of restructured liabilities along with related non-provisioning of mark-up.

The financial statements have been prepared on going concern assumption as the company approached its lenders for further restructuring of its liabilities without markup, which is in process. Management is hopeful that such revision will be finalized soon. Moreover, the markup outstanding up to the date of restructuring is Rs. 1.452 billion, for which the company would be liable to pay in the event of default of terms of agreement, the management is confident that upon finalization of revised restructuring this amount will remain eligible for waiver, hence the Company has not made any provision of the same in these financial statements.

Certain lenders did not become signatory of the compromise agreement and continued to pursue their suits filed in Honorable High Court of Sindh at Karachi for recovery of their liabilities through attachment and sale of Company's hypothecated / mortgaged properties. The aggregate suits amount in respect of these is Rs. 419.065 million, out of total suits amount a bank having suit amount of Rs. 193.266 million has also filed winding up petition u/s 305 of the repealed Companies Ordinance, 1984 (now 301 of the Companies Act, 2017). The Company strongly contested the cases as banks have filed wrong claims. The management of the Company expects favorable outcome.

Company has not made the provision of markup for the year amounting to Rs. 428.480 million (upto June 30, 2025: Rs. 1,578.965 million) in respect of borrowings from banks who have not yet accepted the restructuring proposal. The Management of the company is quite hopeful that banks will accept restructuring proposal in near future. Accordingly, no provision of the said mark-up has been made in these financial statements.

Future Outlook

FY 2026 unfolded within a complex global economic environment shaped by evolving monetary policies, geopolitical uncertainty, and a resurgence of protectionist trade measures. Pakistan's economic outlook for FY 2025/26 reflects cautious optimism, with GDP expected to grow by 3.6% as per the latest estimates by the International Monetary Fund. Domestically, Pakistan faced a series of macro and sectoral challenges, devastating monsoon floods in mid-2026 severely disrupted agricultural output, transport infrastructure, and rural supply chains. The textile sector, which forms the backbone of Pakistan's exports, was especially impacted by significant losses in the local cotton crop, resulting in increased dependency on imports and rising input costs on account of unreasonably high taxes, duties, fuel and power costs, high interest rates, and the imposition of additional fiscal measures including the rollback of export incentives in EFS scheme further added to operational strain across the industry.

Further, for the globally competitiveness in the wake of prevalent economic conditions, we expect the government will focus on structural reforms, addressing the fundamental flaws those lead to recurring economic crises. Additionally, the underperformance of agricultural sector and continuous struggle of large-scale manufacturing underscores the importance of reforms in legacy structural weaknesses, fiscal discipline, consistent policy implementation, and fairer direct and indirect taxation by the government to ensure inclusive and sustainable growth.

Corporate Social Responsibilities

We are also committed to Corporate Social Responsibility (CSR) and integrating sound social practices in our day-to-day business activities. The Company is committed to make conscious effort to consider and balance the interest of all stakeholders, in particular the community in which we live and workers who are the core of our business. We measure our success not only in terms of financial criteria but also in building customer satisfaction and supporting the communities we serve.

Health, Safety and Environment

The management of the company is aware of its responsibility to provide a safe and healthy working environment to our associates and give highest priority to it. Our safety culture is founded on the premise that all injuries are preventable if due care is taken. Continual efforts for provision of safe, healthy and comfortable working conditions for the employees are made. We follow up and investigate on all incidents and injuries to address their root causes. We believe that safety and health is a journey of continuous improvement and eternal diligence. We will continue to take steps to improve the safety and health of all of our associates.

Human Resource

The management of the Company is committed to excellence and has a clear vision that human resources and strong leadership practices are important enablers of high productivity and sustainable competitive advantage of our Company. Therefore, management of the Company gives much importance to the optimal use of human resources by way of training proper guidance, motivation and incentive schemes for the employees.

Gender Pay Gap

In line with the Securities and Exchange Commission of Pakistan's disclosure requirements, we assessed our remuneration practices to identify and address any gender-based pay disparities. The Company follows a rigorous, merit-based process for all employment practice including recruitment, annual salary reviews, and career advancement, ensuring there is no discrimination based on gender, race, or ethnicity thereby compensating employees fairly and equitably. Currently company is not in operations and working with limited staff and without females. Necessary comparative disclosures will be made as and when the Company resumes its operations.

Corporate and Financial Reporting

Your Company is committed to good corporate governance. The Board acknowledges its responsibility in respect of Corporate and Financial Reporting Framework. The Directors confirm that:

1. The financial Statements presented by the management of the Company give a fair account of the state of affairs, the results of its operations, cash flow and changes in equity.
2. Proper books of accounts have been maintained.
3. Accounting policies have been consistently applied in the preparation of financial statements, except for certain changes whose impact have been appropriately disclosed in the financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards as applicable in Pakistan have been followed in preparation of financial statements and any departure there from, if any, has been adequately disclosed.
5. The system of internal controls, which is in place, is sound in design and has been effectively implemented and monitored.
6. There has been no material departure from the best practices of the corporate governance, except as disclosed in auditors review report.
7. The Company has constituted an Audit Committee from amongst the non-executive members of its Board.
8. The Board has prepared and circulated a Statement of Ethics and Business Practices amongst its members and the company's employees.
9. There are no doubts upon the company's Going Concern except as disclosed in Note no 2 to the financial statements.
10. Information regarding the outstanding taxes and Levis is given in the notes to the financial statements.
11. As required under the Code of Corporate Governance, the following information has been presented in this report:
 - i) Pattern of Shareholding;
 - ii) Shares held by associated undertaking and related persons;

Board

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. Complete details of remuneration of CEO and directors are given in note 27 to the financial statements



The Board of Directors as of June 30, 2025, consisted of the following:

Directors		Numbers
a)	Male	6
b)	Female	1
Composition		Numbers
a)	Independent Director	1
b)	Other Non-executive Directors	5
c)	Executive Director	1

During the year six meetings of the Board were held. Names of the persons who, at any time during the year, were directors of the Company, number of meetings held and their attendance in the said meetings are as under:

Names	Attendance in Six (6) Meetings held
Mr. Aziz-ul-Haq	6
Mr. Ishtiaq Ahmed	6
Mr. Ghazanfar Babar Siddiqi	6
Syed Maqbool Ali	6
Mr. Abdul Basit	6
Mr. Mehmood-ul-Hassan Asghar	3
Syed Asim Abid Ali	3
Mrs. Nida Jamil	6

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

Audit Committee

Audit committee was established by the Board to assist the Directors in discharging their responsibilities for Corporate Governance, Financial Reporting and Corporate Control. The committee consists of three members. Majority of members including the chairman of the committee are non-executive directors.

During the year, four Audit Committee meetings were held and attendance was as follows.

Names	No. of Meetings attended / Eligibility to attend meeting
Mr. Aziz-Ul-Haque Chairman	4
Syed Maqbool Ali	4
Mr. Abdul Basit	4

Human Resource and Remuneration Committee

Human Resource and Remuneration Committee was established by the Board to assist the Directors in discharging their responsibilities with regard to devising and periodic reviews of human resource policies. It also assists Board in selection, evaluation, compensation and succession planning of key management personnel.

The committee consists of three members. During the year one Human Resource and Remuneration committee meeting was held and attendance was as follows.

Names	No. of Meetings attended
Mr. Aziz-ul-Haque - Chairman	1
Syed Maqbool Ali	1
Mr. Ishtiaq Ahmad	1

Earnings per Share

Loss per share during the period under report worked out to Rs. (2.74) [2024: Rs. (2.94)]

Appointment of Auditors

The present auditors, M/s. Faruq Ali & Co., Chartered Accountants, retire and being eligible, have offered themselves for re-appointment. The Board of Directors of your company, based on the recommendations of the Audit Committee of the board, proposes M/s. Faruq Ali & Co., Chartered Accountants, for reappointment as auditors of the company for the ensuing year.

Pattern of Shareholding

The prescribed shareholding information, both under the Companies Act, 2017 and the Listing Regulations, vis-à-vis, Code of Corporate Governance, is attached at the end of this report.

Key operating and financial data

Key operating and financial data for preceding six years is annexed.

Subsequent Events

There have been no material changes and commitment affecting financial position of the Company, that have occurred between end of the financial year to which the financial statements relate and the date of this report.

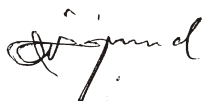
Vote of Thanks & Conclusion

On the behalf of the Board, we appreciate the valuable, loyal, and commendable services rendered to the Company by its executives, members of the staff and workers.

In conclusion, we bow, beg and pray to Almighty Allah, Rahman-o-Al-Rahim, in the name of our beloved Prophet Muhammad (peace be upon him) for the continued showering of his blessings, 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 the Muslim Ummah; Ameen; Summa Ameen.

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

By and under Authority of the Board of Directors



Ishtiaq Ahmed
CEO & Director

Date: September 29, 2025
Place: Karachi.



Syed Asim Abid Ali
Chairman Board of Directors

**FINANCIAL HIGHLIGHTS**

	2020	2021	2022	2023	2024	2025
	<i>(Rupees in Million)</i>					
Sales (Net)	-	77	323	-	-	-
Gross (Loss) /profit	(152)	(114)	(23)	(189)	(149)	(131)
(Loss) /profit before Tax	(626)	(521)	(353)	(573)	(161)	(149)
(Loss) / profit after Tax	(607)	(505)	(341)	(543)	(135)	(126)
Current Assets	480	263	80	11	6	6
Shareholder's Equity	(3,401)	(3,906)	(2,060)	(2,604)	(2,739)	(2,866)
Current Liabilities	5,120	5,288	5,332	5,647	5,639	5,895
Current ratio (Times)	0.09	0.05	0.01	0.00	0.00	0.00
(Loss) / Earning Per Share (Rs.)	(13.17)	(10.96)	(7.40)	(11.80)	(2.94)	(2.74)
Breakup Value per Share (Rs.)	(73.84)	(84.80)	(44.73)	(56.53)	(59.47)	(62.21)
Gross (Loss) / Profit Ratio (%)	0.00%	-149.00%	-7.00%	0.00%	0.00%	0.00%
Net (Loss) / Profit Ratio (%)	0.00%	-657.00%	106%	0%	0%	0%

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

For the Year Ended June 30, 2025

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

1. The total number of directors are seven as per the following:
 - a) Male : 6
 - b) Female : 1
2. The composition of board is as follows:
 - a) Independent Director : Mr. Aziz-ul-Haque
 - b) Other Non-executive Directors : Syed Maqbool Ali
Mr. Ghazanfar Baber Siddiqi
Syed Asim Abid Ali
Mr. Abdul Basit
Mrs. Nida Jamil
 - c) Executive Director : Mr. Ishtiaq Ahmed
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 Chairman
Syed Maqbool Ali Member
Mr. Abdul Basit Member
 - b) HR and Remuneration Committee : Mr. Aziz-ul-Haque Chairman
Syed Maqbool Ali Member
Mr. Ishtiaq Ahmed 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:
- Audit Committee : 4 meetings during the financial year ended June 30, 2025
 - 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.
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	Director's Training- All the Directors are required to acquire the prescribed certification under Directors' Training Program.		Currently, two Directors are qualified under the directors training program. The Company is encouraging and planning to arrange DTP certification for the remaining Directors.

Ishtiaq Ahmed
CEO & Director

Syed Asim Abid Ali
Chairman Board of Directors

Date : September 29, 2025
Place : Karachi



C-88, Ground Floor, KDA Scheme No. 1, Telephone : (021) 34301966
Main Karsaz Road, Opp. Maritime : (021) 34301967
Museum, Karachi-75350 : (021) 34301968
E-mail: info@fac.com.pk : (021) 34301969
Fax : (021) 34301965

Independent Auditors' Modified Review Report to the Members of Dewan Textile Mills Limited

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

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

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

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

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

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 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.
(2)	Paragraph 3	One of the directors of the Company is serving as a director in more than seven listed companies.
(3)	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.

Date : October 01, 2025
UDIN: CR202510707TW1JVSuty
Place : Karachi

Chartered Accountants
Umar Farooq

**YD****A YOUSUF DEWAN COMPANY****FARUQ ALI & CO**
CHARTERED ACCOUNTANTSC-88, Ground Floor, KDA Scheme No. 1, Telephone : (021) 34301966
Main Karsaz Road, Opp. Maritime : (021) 34301967
Museum, Karachi-75350 : (021) 34301968
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INDEPENDENT AUDITORS' REPORT

To the members of Dewan Textile Mills Limited

Report on the audit of the financial statements

Adverse Opinion

We have audited the annexed financial statements of Dewan Textile Mills Limited ('the Company'), which comprise the statement of financial position as at 30 June 2025, and the statement of profit or loss, statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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, 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 for the year ended 30 June 2025 have been prepared on going concern assumption despite of the fact that the Company incurred loss after taxation of Rs. 126.360 million and as of that date it has negative revenue reserves of Rs. 5,985.439 million which resulted in negative equity of Rs. 2,865.651 million and its current liabilities exceeded its current assets by Rs. 5,889.258 million and total assets by Rs. 2,673.917 million (excluding the effect of non-provided markup as disclosed in note 22.1). The Company defaulted in repayment of installments of restructured liabilities, hence as per terms of restructuring, the entire restructured liabilities of Rs. 2,925.634 million along with markup of Rs. 1,452.610 million (eligible for waiver outstanding as of date of restructuring) have become immediately payable, therefore provision for markup should be made in these financial statements. Further, the Company's manufacturing operations have been suspended since December 2015 and could not be resumed till the date of this report. These conditions lead us to believe that going concern assumption used in preparation of these financial statements is inappropriate; consequently, the assets and liabilities should have been stated at their realisable and settlement amounts respectively.
- b) The Company has not made provision of markup for the year amounting to Rs. 428.480 million (up to year ended 30 June 2025: Rs. 1,578.965 million) (refer note 22.1) on account of restructuring proposal offered to the lenders. In our opinion, since the proposal has not been accepted by the lenders so far and the lenders, instead of accepting the restructuring proposal, have preferred filing suits against the Company, therefore the provision of markup should be made in these financial statements. Had the provisions of markups been made in these financial statements, the loss before taxation would have been higher by Rs. 428.480 million and markup payable would have been higher and shareholders' equity would have been lower by Rs. 1,578.965 million.

Key audit matters

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

We have determined 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.

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 matters 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 Umer Farooq.

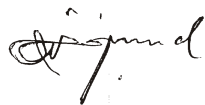
Date : October 01, 2025
UDIN: AR202510707V1ojQL9kg
Place : Karachi

Chartered Accountants
Umar Farooq

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

<u>EQUITY AND LIABILITIES</u>	Notes	2025	2024
		----- (Rupees) -----	
SHARE CAPITAL AND RESERVES			
Authorised share capital 50,000,000 (2024: 50,000,000) Ordinary shares of Rs. 10/- each		500,000,000	500,000,000
Issued, subscribed and paid-up share capital	5	460,646,090	460,646,090
Revenue reserves			
General reserve		333,000,000	333,000,000
Accumulated losses		(6,318,438,987)	(6,248,315,316)
Capital reserves			
Surplus on revaluation of property, plant and equipment	6	2,659,141,515	2,715,378,092
		(2,865,651,382)	(2,739,291,134)
NON-CURRENT LIABILITIES			
Long term financing	7	-	226,897,833
Deferred taxation	8	191,734,731	214,704,600
		191,734,731	441,602,433
CURRENT LIABILITIES			
Trade and other payables	9	139,264,079	140,724,216
Mark-up accrued		2,276,503,741	2,276,503,741
Short term borrowings	10	312,883,441	293,897,780
Liability for staff gratuity	11	1,667,351	1,784,351
Unclaimed dividend		254,206	254,206
Current & overdue portion of long term financing	7	3,164,459,526	2,925,634,170
		5,895,032,344	5,638,798,464
CONTINGENCIES AND COMMITMENTS	12	--	--
		3,221,115,693	3,341,109,763
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	13	3,210,969,950	3,330,513,777
Long term investment	14	--	--
Long term deposits	15	4,371,174	4,371,174
		3,215,341,124	3,334,884,951
CURRENT ASSETS			
Stores and spares	16	--	--
Trade debts - Unsecured	17	2,030,615	2,446,146
Advances and receivable	18	--	509,648
Taxes recoverable - Net		230,917	180,739
Cash and bank balances	19	3,513,037	3,088,279
		5,774,569	6,224,812
		3,221,115,693	3,341,109,763

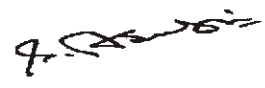
The annexed notes form an integral part of these financial statements.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Asim Abid Ali
Chairman Board of Directors

**YD**

A YOUSUF DEWAN COMPANY

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2025

	Notes	2025 ----- (Rupees) -----	2024 -----
Sales - Net		--	--
Cost of sales	20	(131,321,267)	(149,322,241)
Gross (loss)		(131,321,267)	(149,322,241)
Operating expenses			
Administrative and general expenses	21	(5,081,851)	(5,500,963)
Operating (loss)		(136,403,118)	(154,823,204)
Finance cost	22	(31,294,308)	(26,133,268)
Other charges	23	(509,648)	(3,651,434)
		(31,803,956)	(29,784,702)
Other income	24	18,876,957	23,279,000
(Loss) before taxation		(149,330,117)	(161,328,906)
Taxation			
- Current	25	--	--
- Deferred		22,969,869	26,077,414
		22,969,869	26,077,414
(Loss) for the year		(126,360,248)	(135,251,492)
(Loss) per share - Basic and diluted	26	(2.74)	(2.94)

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

Ishtiaq Ahmed
CEO & Director

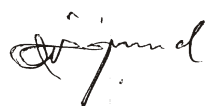
Muhammad Irfan Ali
Chief Financial Officer

Syed Asim Abid Ali
Chairman Board of Directors

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	Notes	2025 ----- (Rupees) -----	2024 -----
(Loss) for the year		(126,360,248)	(135,251,492)
<i>Other comprehensive income:</i>		--	--
Total comprehensive (loss) / income for the year		<u><u>(126,360,248)</u></u>	<u><u>(135,251,492)</u></u>

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Asim Abid Ali
Chairman Board of Directors



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2025

	Notes	2025 ----- (Rupees) -----	2024 ----- (Rupees) -----
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) before taxation		(149,330,117)	(161,328,906)
<i>Adjustment for non-cash and other items:</i>			
Depreciation / amortisation expense	13.1	119,543,827	134,849,793
Bad debts recovered	17.1	(18,650,000)	(23,279,000)
Unwinding of discount / present value adjustment - Net	22	30,913,184	25,537,533
Long term deposits written off		--	3,651,434
Provision against advances	18	509,648	--
Finance cost		381,124	595,735
Cash flows before working capital changes		(16,632,334)	(19,973,411)
<i>Working capital changes</i>			
<i>(Increase) / decrease in current assets</i>			
Trade debts		19,065,531	27,917,832
Advances and receivable		--	46,600
		19,065,531	27,964,432
<i>Increase / (decrease) in current liabilities</i>			
Trade and other payables		(1,460,137)	(8,090,243)
Cash generated / (used) from operations		973,060	(99,222)
<i>Payments for:</i>			
Income tax paid		(50,178)	(29,579)
Gratuity paid		(117,000)	(200,000)
Finance cost paid		(381,124)	(595,735)
Net cash generated / (used) in operating activities		424,758	(924,536)
CASH FLOWS FROM INVESTING ACTIVITIES			
Long term deposit received		--	699,000
Net cash inflow from investing activities		--	699,000
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing - net		(18,985,661)	--
Short term borrowings - net		18,985,661	--
Net cash outflow from financing activities		--	--
Net increase / (decrease) in cash and cash equivalents		424,758	(225,536)
Cash and cash equivalents at the beginning of the year		3,088,279	3,313,815
Cash and cash equivalents at the end of the year		3,513,037	3,088,279

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

Ishtiaq Ahmed
CEO & Director

Muhammad Irfan Ali
Chief Financial Officer

Syed Asim Abid Ali
Chairman Board of Directors

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid-up share capital	Revenue Reserves			Capital Reserves	Total Equity
		General reserve	Accumulated losses	Total revenue reserves	Surplus on revaluation of property, plant and equipment	
----- (Rupees) -----						
Balance as on 1 July 2023	460,646,090	333,000,000	(6,176,908,526)	(5,843,908,526)	2,779,222,794	(2,604,039,642)
Total comprehensive (loss) for the year						
(Loss) for the year	--	--	(135,251,492)	(135,251,492)	--	(135,251,492)
Other comprehensive income	--	--	--	--	--	--
	--	--	(135,251,492)	(135,251,492)	--	(135,251,492)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	63,844,702	63,844,702	(63,844,702)	--
Balance as at 30 June 2024	460,646,090	333,000,000	(6,248,315,316)	(5,915,315,316)	2,715,378,092	(2,739,291,134)
Total comprehensive (loss) for the year						
(Loss) for the year	--	--	(126,360,248)	(126,360,248)	--	(126,360,248)
Other comprehensive income	--	--	--	--	--	--
	--	--	(126,360,248)	(126,360,248)	--	(126,360,248)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	56,236,577	56,236,577	(56,236,577)	--
Balance as at 30 June 2025	460,646,090	333,000,000	(6,318,438,987)	(5,985,438,987)	2,659,141,515	(2,865,651,382)

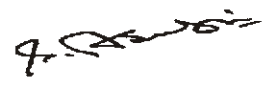
The annexed notes form an integral part of these financial statements.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Asim Abid Ali
Chairman Board of Directors



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

1 THE COMPANY AND ITS OPERATIONS

Dewan Textile Mills Limited ('the Company') was incorporated in Pakistan on 16 April 1970 as a public limited company and is listed on the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of yarn. However, the Company has suspended its manufacturing operations since December 2015.

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 H/20 & H/26, S.I.T.E., Kotri, District Jamshoro, Sindh, Pakistan.

2 GOING CONCERN ASSUMPTION

The financial statements of the Company for the year ended 30 June 2025 reflect that the Company has sustained a net loss after taxation of Rs.126.360 million (2024: Rs.135.251 million) and as of that date the Company's negative revenue reserves of Rs.5,985.439 million (2024: Rs.5,915.315 million) have resulted in negative equity of Rs.2,865.651 million (2024: Rs.2,739.291 million) and its current liabilities exceeded its current assets by Rs.5,889.258 million (2024: Rs.5,632.574 million) and total assets by Rs.2,673.917 million (2024: Rs.2,297.689 million). Further the Company's short term borrowing facilities have expired and not been renewed and the Company has been unable to ensure scheduled payments of liabilities due to the liquidity problems. Following course, majority of the lenders had gone into litigation for repayment of liabilities through attachment and sale of Company's hypothecated / mortgaged properties and one lender had also filed winding up petitions under section 301 of the Companies Act, 2017 as more fully explained in note 12.1 and note 12.2 to the financial statement. The Company has suspended its manufacturing operations since December 2015. 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 during the normal course of business.

These financial statements have been prepared on going concern assumption as the Company approached its lenders for further restructuring of its liabilities, which is in process. Company is hopeful that such restructuring will be effective soon and will streamline the funding requirement of the Company which will ultimately help the management to resume the operations with optimum utilization of production capacity. As the conditions mentioned in the foregoing paragraph are temporary and would reverse, therefore, the preparation of financial statements using going concern assumption is justified.

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 with the exception of departure of IFRS as mentioned in note 22.1 to the financial statements, for which the management concludes that provisioning of mark-up would conflict with the objectives of the financial statements. The accounting and reporting standards applicable in Pakistan comprise of:

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, 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 (Periods 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

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
Amendments IFRS 9 and IFRS 7 regarding the power purchase agreements IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	01 July 2027
IFRS S2 Climate-related Disclosures	01 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'

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 and have been rounded off to the nearest rupee.

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 Trade debts

The Company reviews its doubtful debts at each reporting dates to assess whether provision should be recorded in the profit and loss account. In particular, judgment by management is required in the estimates of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.

3.5.3 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.

3.5.4 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.

3.5.5 Stores and spares

The Company reviews the net realizable value (NRV) and impairment of stores and spare parts to assess any diminution in the respective carrying values and wherever required provision for NRV / impairment is made. The calculation of provision involves the use of estimates with regards to future estimated use and past consumption along with stores and spares holding period.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

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

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

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.

Depreciation is charged so as to write off the cost or revaluation of assets, other than leasehold land and capital work-in-process, over their estimated useful lives, using the reducing balance method, on the basis of rates specified in note 13 to the financial statements. The depreciation for assets acquired or disposed of during the year is charged from the month of acquisition or up to the month of disposal of such assets respectively.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income.

Leased

Assets subject to finance lease are stated at the lower of present value of minimum lease payments under the lease agreement and the fair value of the assets. The related obligations under the lease are accounted for as liabilities. Assets acquired under finance lease are depreciated over the useful life of the assets and depreciation is computed commencing from the month in which the assets are first put to use.

Cost in relation to certain plant and machinery signifies historic cost, mark-up, interest, profit and other charges on counter liabilities up to the date of commissioning of the respective plant and machinery acquired against such liabilities. All other mark-up, interest, profit, and other charges are charged to income.

Major repairs and renewals are capitalised. Gains or losses on disposals of property, plant and equipment are included in income currently.

***Intangible assets***

Computer software acquired by the Company are stated at cost less accumulated amortisation. Cost represents the expense incurred to acquire the software license and bring them to use. The cost of computer software is amortised over the estimated useful life i.e. 4 years.

Cost associated with maintaining computer software is charged to the profit and loss account.

4.2 Capital work-in-progress

All expenditure connected with specific assets incurred during development, installation and construction period are carried as capital work-in-progress. These are transferred to specific assets as and when these assets are available for use.

4.3 Stores and spares

These are valued at average cost except for those in transit, which are valued at cost.

4.4 Stock in trade

These are valued at lower of average cost and net realizable values, the cost is determined as follows:

Raw material	-	Average cost
Packing material	-	Average cost
Work in process	-	Average cost
Waste	-	Selling price
Finished goods	-	Average cost

Cost of finished goods comprise of prime cost and appropriate portion of production overheads.

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

4.5 Investment in associates

Associates are entities over which the Company exercises significant influence. Investment in associates is accounted for using equity basis of accounting, under which the investment in associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of profit or loss of the associate after the date of acquisition. The Company's share of profit or loss of the associate is recognised in the Company's profit and loss account. Distributions received from associate reduce the carrying amount of the investment. Adjustments to the carrying amount are also made for changes in the Company's proportionate interest in the associate arising from changes in the associates' other comprehensive income that have not been recognised in the associate's profit or loss. The Company's share of those changes is recognised in other comprehensive income of the Company. The carrying amount of the investment is tested for impairment, by comparing its recoverable amount (higher of value in use and the fair value less costs to sell) with its carrying amount and loss, if any, is recognised in profit or loss. If the Company's share of losses of an associate equals or exceeds its interest in the associate, the Company discontinues recognising its share of further losses. If the associate subsequently reports profits, the investor or joint venture resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

4.6 Staff retirement benefits***Defined benefit plan***

The Company up to 30 June 2010 was operating an unfunded gratuity scheme for its management employee. Provision was made accordingly in the financial statements to cover obligation under the scheme. The Company has fully provided for the liability under the gratuity scheme as of 30 June 2010. Effective from 01 July 2010, the Company has, in place of gratuity scheme, established a recognised provident fund for its permanent management staff. Equal contributions are being made in respect thereof by the Company and the employees in accordance with terms of the fund.

4.7 Taxation***Current***

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

Deferred

Deferred tax is recognised on all timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.8 Provision

A provision is recognised 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.

4.9 Financial instruments

4.9.1 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 account. 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 account.

Equity Investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit or loss account 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 account.

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 account.

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 account.

4.9.2 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.

**4.9.2.1 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.

4.9.2.2 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.

4.9.3 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.

4.9.3.1 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 account 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.

4.9.3.2 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.

4.9.4 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 account. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

4.9.5 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 account. 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.

4.9.6 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.

4.10 Impairment

4.10.1 Financial assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the Gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due. The adoption of the expected loss approach has not resulted in any material change in impairment provision for any financial asset.

4.10.2 Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets and inventories are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

**4.11 Foreign currency translation**

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

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 Transactions with related parties

All dealings with associated companies are carried out at arm's length using the Comparable Uncontrolled Price method.

4.13 Revenue recognition***Sale of goods***

Revenue from sale of goods is recognized upon passing of title to the customers, which generally coincides with physical delivery.

5 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2025	2024		2025	2024
--- (Number of shares) ---			----- (Rupees) -----	
34,060,000	34,060,000	Ordinary shares of Rs. 10/- each issued as fully paid in cash	340,600,000	340,600,000
225,000	225,000	Ordinary shares of Rs. 10/- each issued for consideration other than cash	2,250,000	2,250,000
11,779,609	11,779,609	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	117,796,090	117,796,090
46,064,609	46,064,609		460,646,090	460,646,090

5.1 Dewan Motors (Private) Limited, an associated company hold 1,306,887 (2024: 1,306,887) ordinary shares of Rs.10/- each.

6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

	2025	2024
	----- (Rupees) -----	
Balance as at 1 July	2,930,082,691	3,020,004,807
Transferred to accumulated losses in respect of incremental depreciation for the year	(79,206,446)	(89,922,116)
	2,850,876,245	2,930,082,691
<i>Deferred tax liability</i>		
Opening balance	214,704,599	240,782,013
Incremental depreciation	(22,969,869)	(26,077,414)
	191,734,730	214,704,599
Balance as at 30 June	2,659,141,515	2,715,378,092

6.1 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.

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7 LONG TERM FINANCING

Banks and financial institutions - Secured

	Notes	2025 ----- (Rupees) -----	2024 -----
Restructured long term financing	7.1	2,925,634,170	2,925,634,170

Sponsor - Unsecured

Sponsor loan		288,100,032	288,100,032
Received during the year		(18,985,661)	--
Present value adjustment	7.2	(200,810,055)	(203,604,341)
Unwinding of interest		170,521,040	142,402,142
		238,825,356	226,897,833
		3,164,459,526	3,152,532,003
Current & overdue portion - Shown under current liabilities		(3,164,459,526)	(2,925,634,170)
		--	226,897,833

7.1 A Compromise agreement dated 23 December 2011 was executed between the Company and majority of its lenders, consequent to which consent decrees were granted by the Honourable High Court of Sindh, Karachi. The Company's liabilities in respect of short term borrowings, long term loans, leases and overdue letters of credit were rescheduled in the form of a syndicated long term financing of Rs.3.930 billion repayable in nine and half years with progressive mark-up rates ranging from 2% to 13% over the period on outstanding principal. As per the agreement, mark-up outstanding as on 21 December 2011 was Rs.1.621 billion, which the Company would be liable to pay in the event of default of terms of agreement. Moreover, banks / financial institutions had also agreed to provide further working capital to the Company amounting to Rs.916.800 million. The Company has defaulted in payment of restructured liabilities as more fully explained in note 12.1 and 12.2 to the financial statement. The Company has approached the lenders for further restructuring of liabilities as more fully explained in note 2 which is expected to be finalised soon.

The loan is secured against first pari passu hypothecation charge over stock, book debts, present and future property, plant and equipment of the Company and personal guarantees of directors.

The Company has not made the provision of mark-up from 1st July 2023 on Restructured long term financing from banks and financial institutions outstanding of Rs.2,925.634 million.

7.2 This represents unsecured interest free loan payable to a sponsor against liabilities of a bank assumed by the sponsor. The loan is repayable in lump sum on 30 June 2026. The loan has been measured at amortised cost in accordance with International Financial Reporting Standard 9, Financial Instruments, and has been discounted using the effective interest rate of 12% per annum.

8 DEFERRED TAXATION

Credit balance arising due to:

	2025 ----- (Rupees) -----	2024 -----
- Accelerated tax depreciation	14,700,038	23,824,015
- Revaluation - Net of related depreciation	191,734,731	214,704,600
- Long term financing	14,289,656	17,748,638

Debit balance arising due to:

- Staff gratuity	(483,532)	(517,462)
- Provision for doubtful debts and receivable	(170,385,636)	(175,646,338)
- Provision for slow-moving stores and spares	(15,428,405)	(15,428,405)
- Carried over losses	(941,600,565)	(1,043,601,350)
	(907,173,713)	(978,916,302)

Deferred tax asset not recognised	1,098,908,444	1,193,620,902
	191,734,731	214,704,600



		2025	2024
	Notes	(Rupees)	
8.1 Movement of deferred tax liabilities			
Balance as at beginning of the year		214,704,600	240,782,014
Tax charge recognised in statement of profit or loss		(22,969,869)	(26,077,414)
Balance as at end of the year		191,734,731	214,704,600
9 TRADE AND OTHER PAYABLES			
Creditors for goods and services	9.1	110,186,634	111,028,773
Accrued expenses		5,913,685	6,902,838
Workers' Welfare Fund		15,536,001	15,536,001
Workers' Profit Participation Fund	9.2	7,627,759	7,249,488
Provident fund payable		--	7,116
		139,264,079	140,724,216
9.1	This includes amount of Rs.97.484 million (2024: Rs.97.484 million) being amount payable to the banks in respect of outstanding letter of credits.		
9.2 Workers' Profit Participation Fund			
Balance as at 1 July		7,249,488	6,654,553
Interest provided for the year		378,271	594,935
Balance as at 30 June		7,627,759	7,249,488
10 SHORT TERM BORROWINGS			
Banks and financial institutions - Secured			
Short term running finances	10.1	183,818,932	183,818,932
Short term loans	10.2	98,078,848	98,078,848
Loan from a sponsor	10.4	--	12,000,000
Loan from a Associate	10.5	30,985,661	--
		312,883,441	293,897,780
10.1	The facilities for running finance under mark-up arrangement obtained from various commercial banks against available limits of Rs.215 million at mark-up rate ranging from 2% to 3% per annum over three months KIBOR payable quarterly in arrears. The facilities are secured by way of hypothecation of stock in trade, book debts and other current assets of the Company and personal guarantees of directors. These facilities have expired and not been renewed by the banks.		
10.2	The facilities for short term loans under mark-up arrangement obtained from various commercial banks against available limits of Rs. 916.800 million at mark-up rate ranging from 0% to 3.25% per annum over one / three months KIBOR payable quarterly in arrears. The facilities are secured by way of hypothecation of stock in trade, book debts, property, plant and equipment and other current assets and effective pledge on raw material and finished goods of the Company and personal guarantees of directors. These facilities have expired and not been renewed by the banks.		
10.3	Certain banks have filed recovery suits as more fully explained in note 12.1 and 12.2 to the financial statements.		
10.4	This represents unsecured interest free loan payable to a sponsor which is repayable on demand.		
10.5	This represents unsecured interest free loan payable to associated company / related party which is repayable on demand.		

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	2025	2024
	----- (Rupees) -----	
11 LIABILITY FOR STAFF GRATUITY		
Balance as at 1 July	1,784,351	1,984,351
Payments during the year	(117,000)	(200,000)
Balance as at 30 June	<u>1,667,351</u>	<u>1,784,351</u>

12 CONTINGENCIES AND COMMITMENTS

Contingencies

12.1 In respect of liabilities towards banks / financial institutions disclosed in note 7 and 10 to the financial statements, during the year ended 2012, certain lenders have entered into a compromise agreement with the Company for outstanding debt sought by lenders in the suits filed by them and it was agreed that the Company would settle all the liabilities at principal amount of Rs.3,590.431 million and mark-up thereon of Rs.1,452.610 million (eligible for waiver if the Company repays the entire outstanding principal as per term of agreement), consequent to which consent decrees were granted by the Honorable High Court of Sindh, Karachi. Consequent to default in repayment of restructured liabilities as per compromise agreement, the lenders filed for execution of consent decrees. The Company filed suits against the said executions in the Honorable High Court of Sindh, at Karachi wherein it has been strongly contested that filing of executions is unjust and against the law. Management of the Company expects favourable outcome therefrom.

12.2 Out of the lenders as disclosed in note 9.1 and note 10 to the financial statements, some lenders did not become signatory of the compromise agreement and continued to pursue their suits filed in Honourable High Court of Sindh at Karachi for recovery of their liabilities through attachment and sale of Company's hypothecated / mortgaged properties. The aggregate suits amount in respect of these is Rs.419.065 million, out of total suits amount a bank having suit amount of Rs.193.266 million has also filed winding up petition u/s 305 of the repealed Companies Ordinance, 1984 (now 301 of the Companies Act, 2017). The Company strongly contested the cases as banks have filed wrong claims. The management of the Company expects favourable outcome.

12.3 The Government of Pakistan has promulgated the Gas Infrastructure Development Cess Ordinance, 2014 (GIDC) against which the Company filed suit in the Honourable Sindh High Court challenging its legality and applicability on the Company and the Honourable Sindh High Court had issued stay against the recovery of GIDC. The Honourable Sindh High Court decided the case in favour of the Company and directed to refund / adjust in bills the amounts already collected, against which the Sui Southern Gas Company Limited (SSGC) has filed appeal in Honourable Sindh High Court, which was also rejected. The Government enacted GIDC Act, 2015 which had also been challenged by the Company through writ petition before the Honourable Sindh High Court, which granted the stay against collection of GIDC arrears. The SCP has decided the case in favour of government on 13 August 2020, with directions to recover the arrears under GIDC Act 2015 from the Companies who have passed their burden to the consumers. SSGC has not charged GIDC on its bills and also the Company has not passed on the same to the consumers. There is no need for any provision in these financial statements.

12.4 As of reporting date no guarantees were outstanding.

	2025	2024
	----- (Rupees) -----	
13 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	<u>13.1 3,210,969,950</u>	<u>3,330,513,777</u>



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

The following is a statement of operating fixed assets:

PARTICULARS	2025							
	COST / REVALUATION				DEPRECIATION		Written down	
	As at	As at	As at	As at	Charge for	As at	value as at	Rate
	1 July 2024	Additions	30 June 2025	1 July 2024	the year	30 June 2025	30 June 2025	%
(Rupees)								
Tangible assets:								
<i>Owned assets:</i>								
Lease hold land	2,190,500,000	--	2,190,500,000	--	--	--	2,190,500,000	--
Factory building on lease hold land	1,064,589,863	--	1,064,589,863	694,950,925	36,963,894	731,914,819	332,675,044	10
Non - factory building	135,036,539	--	135,036,539	69,545,720	6,549,082	76,094,802	58,941,737	10
Labour quarters	241,844,061	--	241,844,061	206,335,904	8,877,039	215,212,943	26,631,118	25
Plant, machinery and equipment	3,143,551,904	--	3,143,551,904	2,478,658,833	66,489,307	2,545,148,140	598,403,764	10
Electric installation	20,782,880	--	20,782,880	19,576,591	180,943	19,757,534	1,025,346	15
Vehicles	61,656,753	--	61,656,753	60,647,531	201,844	60,849,375	807,378	20
Furniture and fixture	10,160,706	--	10,160,706	8,993,215	116,749	9,109,964	1,050,742	10
Office equipment	14,910,678	--	14,910,678	13,810,888	164,969	13,975,857	934,821	15
	6,883,033,384	--	6,883,033,384	3,552,519,607	119,543,827	3,672,063,434	3,210,969,950	
Intangible assets:								
Software	3,632,900	--	3,632,900	3,632,900	--	3,632,900	--	25
TOTAL	6,886,666,284	--	6,886,666,284	3,556,152,507	119,543,827	3,675,696,334	3,210,969,950	

PARTICULARS	2024							
	COST / REVALUATION				DEPRECIATION		Written down	
	As at	As at	As at	As at	Charge for	As at	value as at	Rate
	1 July 2023	Additions	30 June 2024	1 July 2023	the year	30 June 2024	30 June 2024	%
(Rupees)								
Tangible assets:								
<i>Owned assets:</i>								
Lease hold land	2,190,500,000	--	2,190,500,000	--	--	--	2,190,500,000	--
Factory building on lease hold land	1,064,589,863	--	1,064,589,863	653,879,932	41,070,993	694,950,925	369,638,938	10
Non - factory building	135,036,539	--	135,036,539	62,268,962	7,276,758	69,545,720	65,490,819	10
Labour quarters	241,844,061	--	241,844,061	194,499,852	11,836,052	206,335,904	35,508,157	25
Plant, machinery and equipment	3,143,551,904	--	3,143,551,904	2,404,781,825	73,877,008	2,478,658,833	664,893,071	10
Electric installation	20,782,880	--	20,782,880	19,363,717	212,874	19,576,591	1,206,289	15
Vehicles	61,656,753	--	61,656,753	60,395,225	252,306	60,647,531	1,009,222	20
Furniture and fixture	10,160,706	--	10,160,706	8,863,494	129,721	8,993,215	1,167,491	10
Office equipment	14,910,678	--	14,910,678	13,616,807	194,081	13,810,888	1,099,790	15
	6,883,033,384	--	6,883,033,384	3,417,669,814	134,849,793	3,552,519,607	3,330,513,777	
Intangible assets:								
Software	3,632,900	--	3,632,900	3,632,900	--	3,632,900	--	25
TOTAL	6,886,666,284	--	6,886,666,284	3,421,302,714	134,849,793	3,556,152,507	3,330,513,777	

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

		2025	2024
	Notes	(Rupees)	
Cost of sales	20	119,302,046	134,561,739
Administrative and general expenses	21	241,781	288,054
		119,543,827	134,849,793

13.3 The Company commissioned independent valuation of leasehold land, factory building on leasehold land, non-factory building, labour quarters and plant, machinery and equipment during the year ended 21 December 2016. Subsequently, the Company has carried out further revaluation of leasehold land, factory building on leasehold land, non-factory building, labour quarters and plant, machinery and equipment as of 26 May 2022 by M/s. Anderson Consulting (Private) Limited (an independent valuer who is located in Karachi) on the basis of market value or depreciated replacement values as applicable. The revaluation resulted in increase in surplus amounting to Rs.2,332.215 million which was incorporated in the books of the Company as at 30 June 2022.

13.4 Immovable property (i.e. leasehold land and factory building, non-factory building and labour quarters thereon) is situated at S.I.T.E. Kotri, District Jamshoro. This comprises of two industrial plots of land bearing plot no. H-20 & H-26 with an accumulated area of 49.5 acres.

13.5 The forced sale value of the revalued property, plant and equipment owned by the Company had been assessed at Rs.2,514.500 million.

13.6 Had there been no revaluation the carrying amounts of revalued assets would have been as follows:

DEWAN TEXTILE MILLS LIMITED

	2025	2024
	----- (Rupees) -----	
Leasehold land	778,000	778,000
Factory building on leasehold land	87,174,252	96,860,280
Non-factory building	16,068,207	17,853,563
Labour quarters	779,236	1,038,981
Plant, machinery and equipment	251,475,723	279,417,470
	<u>356,275,418</u>	<u>395,948,294</u>
14 LONG TERM INVESTMENT		
<i>Investment in associate</i>		
Dewan Salman Fibre Limited	<u>--</u>	<u>--</u>

14.1 Associate is an entity over which the Company has significant influence but no control. Company's investee company is considered to be its associate by virtue of common directorship and its ownership interest of 28.47% in investee company.

	2025	2024
	----- (Rupees) -----	
14.2 Investment in Dewan Salman Fibre Limited - At equity method		
Number of shares held	<u>104,288,773</u>	<u>104,288,773</u>
Cost of investment (Rupees)	<u>210,000,000</u>	<u>210,000,000</u>
Fair value of investment (Rupees)	<u>91,774,120</u>	<u>91,774,120</u>
Ownership interest	<u>28.47%</u>	<u>28.47%</u>

14.3 Summarised financial information of associated company

Total assets	<u>4,580,575,000</u>	<u>4,889,724,000</u>
Total liabilities	<u>22,455,703,000</u>	<u>22,658,170,000</u>
Net assets	<u>(17,875,128,000)</u>	<u>(17,768,446,000)</u>
Company's share of net assets	<u>(5,089,048,942)</u>	<u>(5,058,676,576)</u>
Revenue	<u>--</u>	<u>--</u>
(Loss) for the year	<u>(381,078,000)</u>	<u>(204,610,000)</u>

14.4 Investment in associated company was made in accordance with the requirement of then effective Companies Ordinance, 1984 now companies Act 2017. As the Company's share of losses exceed its interest in the associate, the Company has discontinued recognising its share of further losses. Market value is based on last available quoted price as of 19 February 2018.



		2025	2024
	Notes	----- (Rupees) -----	
15 LONG TERM DEPOSITS			
Security deposits		<u>4,371,174</u>	<u>4,371,174</u>
16 STORES AND SPARES			
Stores and spares		<u>45,675,669</u>	<u>45,675,669</u>
Packing material		<u>7,525,727</u>	<u>7,525,727</u>
		<u>53,201,396</u>	<u>53,201,396</u>
Less: provision for slow-moving stores and spares		<u>(53,201,396)</u>	<u>(53,201,396)</u>
		<u>--</u>	<u>--</u>
17 TRADE DEBTS - Unsecured			
Considered good		<u>2,030,615</u>	<u>2,446,146</u>
Considered doubtful		<u>573,289,456</u>	<u>591,939,456</u>
		<u>575,320,071</u>	<u>594,385,602</u>
Provision for doubtful debts	17.1	<u>(573,289,456)</u>	<u>(591,939,456)</u>
		<u>2,030,615</u>	<u>2,446,146</u>
17.1 Provision for doubtful debts			
Balance as at 1 July		<u>591,939,456</u>	<u>615,218,456</u>
Bad debts recovered		<u>(18,650,000)</u>	<u>(23,279,000)</u>
Provision made during the year	23	<u>--</u>	<u>--</u>
Balance as at 30 June		<u>573,289,456</u>	<u>591,939,456</u>
18 ADVANCES AND RECEIVABLE			
Other advances		<u>509,648</u>	<u>509,648</u>
Sales tax receivable		<u>13,737,571</u>	<u>13,737,571</u>
Provision against sales tax receivable		<u>14,247,219</u>	<u>14,247,219</u>
		<u>(14,247,219)</u>	<u>(13,737,571)</u>
		<u>--</u>	<u>509,648</u>
19 CASH AND BANK BALANCES			
Cash in hand		<u>50,000</u>	<u>30,086</u>
Cash at banks - Current accounts		<u>3,463,037</u>	<u>3,058,193</u>
		<u>3,513,037</u>	<u>3,088,279</u>
20 COST OF SALES			
Depreciation	13.2	<u>119,302,046</u>	<u>134,561,739</u>
Salaries, wages and others benefits		<u>7,329,672</u>	<u>7,551,037</u>
Sui gas restoration charges		<u>3,323,000</u>	<u>5,188,300</u>
Rent, rates and taxes		<u>941,550</u>	<u>934,918</u>
Fuel and generator expenses		<u>--</u>	<u>584,650</u>
Vehicle running and maintenance		<u>74,499</u>	<u>168,397</u>
Repairs and maintenance		<u>41,750</u>	<u>42,800</u>
Water charges		<u>308,750</u>	<u>290,400</u>
		<u>131,321,267</u>	<u>149,322,241</u>

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		2025	2024
	Notes	----- (Rupees) -----	
21 ADMINISTRATIVE AND GENERAL EXPENSES			
Vehicle expenses		1,042,459	1,449,272
Salaries, allowances and others benefits	21.1	957,108	914,494
Auditor's remuneration	21.2	835,000	835,000
Fee and subscription		954,610	764,445
Legal and professional		612,962	583,183
Depreciation	13.2	241,781	288,054
Printing and stationery		273,858	276,480
Communication		146,723	246,025
Traveling and conveyance		17,100	142,610
Repairs and maintenance		250	--
Entertainment		--	1,400
		<u>5,081,851</u>	<u>5,500,963</u>

21.1 Salaries, allowances and others benefit includes amount of Rs.0.015 million (2024: Rs.0.043 million) in respect of staff retirement benefits.

21.2 Auditor's remuneration

Audit of annual financial statements	550,000	550,000
Review of half-yearly financial statements	200,000	200,000
Review report on code of corporate governance	50,000	50,000
Out of pocket expenses	35,000	35,000
	<u>835,000</u>	<u>835,000</u>

21.3 The investments by the provident fund in collective investment schemes, listed equity and debts securities have been made in accordance with the conditions specified in section 218 of the Companies Act, 2017 and rules specified thereunder.

		2025	2024
		----- (Rupees) -----	
22 FINANCE COST			
Unwinding of discount / present value adjustment - Net	7.2	30,913,184	25,537,533
Interest on Workers' Profit Participation Fund		378,271	594,935
Bank charges		2,853	800
		<u>31,294,308</u>	<u>26,133,268</u>

22.1 In addition to the non-provisioning of mark-up eligible for waiver as disclosed in note 12.2, Company has not made the provision of mark-up for the year amounting to Rs.428.480 million (up to 30 June 2025: Rs.1,578.965 million) in respect of borrowings of certain banks who have not yet accepted the restructuring proposal. The management of the Company is quite hopeful that these banks will also accept restructuring proposal in near future. Had the provision been made the loss for the year would have been higher by Rs.428.480 million and accrued mark-up would have been higher and shareholders' equity would have been lower by Rs.1,578.965 million. The said non-provisioning is departure from the requirements of IAS 23 - 'Borrowing Costs'.



	Notes	2025 ----- (Rupees) -----	2024 ----- (Rupees) -----
23 OTHER CHARGES			
Long term deposits written off		--	3,651,434
Provision against advances	18	509,648	--
		<u>509,648</u>	<u>3,651,434</u>
24 OTHER INCOME			
Bad debts recovered	17.1	18,650,000	23,279,000
Others		226,957	--
		<u>18,876,957</u>	<u>23,279,000</u>
25 TAXATION			
25.1 Current			
The Income tax assessment of the Company deemed to have been finalised up to and including tax year 2024.			
25.2 Relationship between income tax expense and accounting profit			
Numerical reconciliation between the average tax rate and the applicable tax rate has not been given as the Company is subject to the provisions of minimum tax under Section 113 of the Income Tax Ordinance, 2001.			
26 (LOSS) PER SHARE - Basic and diluted			
There is no dilutive effect on loss per share of the Company which is based on:			
(Loss) after taxation		<u>(126,360,248)</u>	<u>(135,251,492)</u>
		----- (Number of shares) -----	
Weighted average number of shares		<u>46,064,609</u>	<u>46,064,609</u>
		----- (Rupees) -----	
(Loss) per share - Basic and diluted		<u>(2.74)</u>	<u>(2.94)</u>
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.			
28 TRANSACTIONS WITH RELATED PARTIES			
Related parties include associated group companies, directors, executives, key management personnel and staff retirement funds. 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 consisted of payment of contribution to Staff provident fund of the Company amounting to Rs.31,312 (2024: Rs.85,392) and short term loan received from associate company amounting Rs.30,985,661 as disclosed in note 10.5 to the financial statement.			

DEWAN TEXTILE MILLS LIMITED

	2025	2024
	----- (Rupees) -----	
29 NUMBER OF EMPLOYEES		
Number of employees as at 30 June	18	18
Average number of employees during the year	18	23
	2025	2024
30 PLANT CAPACITY AND PRODUCTION		
Attainable capacity converted to 20 count (Kgs)	19,510,682	19,510,682
Number of spindles installed	65,544	65,544

30.1 The operations of the Company have been suspended since December 2015 consequently there have been no production ever since.

31 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

31.1 Financial risk management

Overview

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

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

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

The Company's objective in managing risk is the creation and protection of shareholders value. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

31.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

In summary, the maximum exposure to credit risk as at 30 June 2025 and 30 June 2024 was as follows:



	2025		2024	
	Financial assets	Maximum exposure	Financial assets	Maximum exposure
	(Rupees)		(Rupees)	
Trade debts	2,030,615	2,030,615	2,446,146	2,446,146
Advances and receivables	--	--	509,648	509,648
Bank balances (excluding cash in hand)	3,463,037	3,463,037	3,058,193	3,058,193
	5,493,652	5,493,652	6,013,987	6,013,987

Trade debts

The Company manages credit risk of receivables through the monitoring of credit exposures and continuous assessment of credit worthiness of its customers. The Company believes that it is not exposed to any major concentration of credit risk as the sufficient provision against doubtful debts has already been made in these financial statement.

Based on past experience the management believes that no impairment allowance is necessary in respect of trade debts except as provided in the financial statements.

Cash and cash equivalents

The cash and cash equivalents are held with banks with short term ratings from A1 to A+ and long term ratings from A+ to AAA.

None of the financial assets of the Company are secured.

31.3 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. During the year, the Company faced liquidity problems due to adverse conditions of overall textile industry, hence it was unable to make scheduled repayments of restructured long term financing. The management has actively taken measure to rectify the default by approaching its lenders for further restructuring of the liabilities. The further restructuring is in advanced stage and expected to be finalised soon.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments.

	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	Two to eight years
	(Rupees)				
2025					
<i>Non-derivative financial liabilities</i>					
Long term financing	3,164,459,526	3,164,459,526	3,164,459,526	--	--
Trade and other payables	123,728,078	123,728,078	123,728,078	--	--
Liability for staff gratuity	1,667,351	1,667,351	1,667,351	--	--
Unclaimed dividend	254,206	254,206	254,206	--	--
Mark-up accrued	2,276,503,741	2,276,503,741	2,276,503,741	--	--
Short term borrowings	312,883,441	312,883,441	312,883,441	--	--
	5,879,496,343	5,879,496,343	5,879,496,343	--	--
2024					
<i>Non-derivative financial liabilities</i>					
Long term financing	3,152,532,003	3,213,734,202	2,925,634,170	--	288,100,032
Trade and other payables	125,188,215	125,188,215	125,188,215	--	--
Liability for staff gratuity	1,784,351	1,784,351	1,784,351	--	--
Unclaimed dividend	254,206	254,206	254,206	--	--
Mark-up accrued	2,276,503,741	2,276,503,741	2,276,503,741	--	--
Short term borrowings	293,897,780	293,897,780	293,897,780	--	--
	5,850,160,296	5,911,362,495	5,623,262,463	--	288,100,032

31.4 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 is exposed to currency risk and interest rate risk only.

31.4.1 Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. The financial instruments of the Company are not exposed to currency risk as there were no financial instruments in foreign currencies.

31.4.2 Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates relates primarily to the following:

	2025	2024
	----- (Rupees) -----	
Variable rate instruments at carrying amounts:		
<i>Financial liabilities</i>		
Long term financing	2,925,634,170	2,925,634,170
Short term borrowings	312,883,441	293,897,780

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.

Cash flows sensitivity analysis for variable rate instruments:

A change of 100 basis points in interest rates at the reporting date would have increased / decreased loss/profit for the year by the amounts shown below:

Effect on loss due to change of 100 bps		
Increase / decrease	32,385,176	32,195,320

The effective interest / mark-up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

31.5 Capital risk management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to shareholders.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares. During the year, the Company's strategy was to maintain leveraged gearing. The gearing ratio as at 30 June was as follows:

	2025	2024
	----- (Rupees) -----	
Total Borrowings	312,883,441	520,795,613
Bank Balances	(3,463,037)	(3,058,193)
Net Debt	309,420,404	517,737,420
Total Equity	(2,865,651,382)	(2,739,291,134)
Total Capital	(2,556,230,978)	(2,221,553,714)
Gearing Ratio	(12.10)	(23.31)

**31.6 Fair values 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.

32 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation, However, there were no significant restatements or reclassifications.

33 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 29th September, 2025 by the Board of Directors of the Company.

Ishtiaq Ahmed
CEO & Director

Muhammad Irfan Ali
Chief Financial Officer

Syed Asim Abid Ali
Chairman Board of Directors

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

Categories	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Directors, CEO, their Spouses & Minor Children			
Mr. Aziz-Ul-Haq	1	1,000	0.00%
Mr. Abdul Basit	1	500	0.00%
Mr. Gazanfar Babar Siddiqi	1	500	0.00%
Mr. Ishtiaq Ahmed	1	500	0.00%
Mr. Syed Maqbool Ali	1	500	0.00%
Syed Asim Abid Ali	1	500	0.00%
Mrs. Nida Jamil	1	500	0.00%
Associated Companies			
Dewan Motors (Pvt.) Limited	1	1,306,887	2.84%
NIT and ICP	-	-	0.00%
Executives	-	-	0.00%
Banks, Development Financial Institutions, Non-Banking Finance Companies	-	-	0.00%
Insurance Companies	-	-	0.00%
Modarabas and Mutual Funds	-	-	0.00%
General Public			
a. Local	330	44,749,983	97.15%
b. Foreign	-	-	0.00%
Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees)	4	3,739	0.01%
TOTAL	342	46,064,609	100.00%

SHAREHOLDERS HOLDING FIVE PERCENT OF MORE VOTING RIGHTS

NAME OF SHAREHOLDER	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Dewan Muhammad Yousuf Farooqui	2	31,040,518	67.38%
Dewan Abdul Rehman Farooqui	2	6,299,053	13.67%

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.



DEWAN TEXTILE MILLS LIMITED
PATTERN OF SHAREHOLDING
AS ON 30TH JUNE 2025

Number of Shareholders	Shareholding Slab		Total Shares Held	Percentage
	From	To		
163	1	100	2,827	0.01%
55	101	500	19,977	0.04%
34	501	1,000	28,824	0.06%
45	1,001	5,000	103,243	0.22%
8	5,001	10,000	54,829	0.12%
5	10,001	15,000	59,425	0.13%
5	15,001	20,000	85,075	0.18%
3	20,001	25,000	65,743	0.14%
1	25,001	35,000	32,816	0.07%
1	35,001	45,000	42,500	0.09%
2	45,001	50,000	99,106	0.22%
1	50,001	65,000	62,003	0.13%
1	65,001	70,000	67,621	0.15%
1	70,001	80,000	78,503	0.17%
1	80,001	100,000	93,500	0.20%
1	100,001	250,000	223,566	0.49%
2	250,001	300,000	518,080	1.12%
1	300,001	400,000	333,965	0.72%
1	400,001	450,000	401,293	0.87%
1	450,001	500,000	500,000	1.09%
2	500,001	900,000	1,679,714	3.65%
3	900,001	1,000,000	2,865,541	6.22%
1	1,000,001	1,500,000	1,306,887	2.84%
1	1,500,001	2,000,000	1,669,053	3.62%
1	2,000,001	4,500,000	4,321,092	9.38%
1	4,500,001	5,000,000	4,630,000	10.05%
1	5,000,001	27,000,000	26,719,426	58.00%
342	TOTAL		46,064,609	100.00%

یہ کمپنی تین ممبران پر مشتمل ہے، دوران سال ہیومن ریسورس اور اجرتی کمپنی کی ایک میٹنگ منعقد کی گئی تھی جس میں درج ذیل نے شرکت کی:

میٹنگ میں شرکت کنندہ کی تعداد

1
1
1

نام:

جناب عزیزالحق۔ چیئرمین

سید مقبول علی

جناب اشتیاق احمد

آمدنی فی شیئر:

زیر جائزہ مدت کے دوران فی شیئر خسارہ مبلغ (2.74) روپے (2024) بمبلغ (2.94) روپے رہا۔

آڈیٹرز کی تقرری:

موجودہ آڈیٹرز میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں انہوں نے دوبارہ تقرری کیلئے اپنی خدمات پیش کی ہیں۔ آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے بورڈ کی آڈٹ کمپنی کی سفارشات کی بنیاد پر مجوزہ میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمپنی کی آڈیٹرز کے طور پر دوبارہ تقرری کی تجویز کی ہے۔

شیئرز ہولڈنگز کا پیٹرن:

کمپنیز ایکٹ 2017ء اور لنسنگ ریگولیشن، کوڈ آف کارپوریٹ گورننس کے تحت مقررہ شیئرز ہولڈنگ کی معلومات مرتب کی گئی ہیں جو کہ اس رپورٹ کے ساتھ منسلک ہیں۔

اہم آپریٹنگ اور مالیاتی تفصیل:

چھ سالہ اہم آپریٹنگ اور مالیاتی تفصیل منسلک ہے۔

بعد از واقعات:

مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حیثیت پر اثر انداز ہونے والی کوئی اہم مادی تبدیلیاں یا وعدے موجود نہیں ہیں۔

اظہار تشکر اور نتیجہ:

بورڈ کی جانب سے میں تمام ایگزیکٹو، اسٹاف ممبران اور ورکرز کا کمپنی کیلئے ان کی بہترین خدمات پر شکریہ ادا کرتا ہوں۔

نتیجہ کے حوالے سے میں اللہ تعالیٰ رحمن و رحیم سے دعا کرتا ہوں کہ وہ اپنے حبیب حضرت محمد ﷺ کے طفیل اپنی رحمت، ہدایات اور فضل و کرم ہم پر اسی طرح قائم رکھے جو کہ نہ صرف ہم پر بلکہ ہماری کمپنی اور ہمارے ملک پر بھی اپنی رحمت نازل کرے، ہم اللہ تعالیٰ سے یہ بھی دعا کرتے ہیں کہ تمام مسلم امتہ کے مابین صحیح اسلامی جذبہ، اخوت اور بھائی چارگی پیدا کرے۔ آمین حمد آمین۔

سید عاصم عابد علی

چیئرمین بورڈ آف ڈائریکٹرز

میرا پروردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)
بورڈ آف ڈائریکٹرز کی جانب سے

اشتیاق احمد

چیف ایگزیکٹو آفیسر اور ڈائریکٹر

آگئی:

تاریخ: 29 ستمبر 2025ء

**YD****A YOUSUF DEWAN COMPANY****30 جون 2025 تک بورڈ آف ڈائریکٹرز درج ذیل پر مشتمل تھے:**

ڈائریکٹرز	تعداد
(a) مرد	6
(b) عورت	1
تفصیل:	
(a) آزاد ڈائریکٹر	1
(b) دیگر نان ایگزیکٹو ڈائریکٹرز	5
(c) ایگزیکٹو ڈائریکٹرز	1

دوران سال بورڈ کی چھ میٹنگز منعقد ہوئیں، ڈائریکٹرز کے نام جو رواں مالی سال کے دوران بورڈ ممبر رہے، انکی حاضری درج ذیل رہی:

نام	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیز الحق	6
جناب اشتیاق احمد	6
جناب غففر بابر صدیقی	6
سید مقبول علی	6
سید عاصم عابد علی	3
جناب محمود الحسن امیر	3
جناب عبدالباسط	6
محترمہ ندا جمیل	6

آڈٹ کمیٹی:

بورڈ نے اپنے ڈائریکٹرز کو کارپوریٹ گورننس، مالیاتی رپورٹنگ اور کارپوریٹ کنٹرول کیلئے ان کی ذمہ داریوں کی تکمیل میں تعاون کیلئے آڈٹ کمیٹی تشکیل دی تھی۔ یہ کمیٹی تین ممبران پر مشتمل ہے، ممبران کی اکثریت بشمول کمیٹی کے چیئرمین اور غیر ایگزیکٹو ڈائریکٹر پر مشتمل ہے۔

سال کے دوران آڈٹ کمیٹی کی چار میٹنگوں کا انعقاد کیا گیا تھا جس میں درج ذیل نے شرکت کی تھی:

میٹنگ میں شرکت کنندہ کی تعداد

4/4

4/4

4/4

نام:

جناب عزیز الحق۔ چیئرمین

سید مقبول علی

جناب عبدالباسط

ہیومن ریسورس اور اجرتی کمیٹی:

ہیومن ریسورس اور اجرتی کمیٹی کی تشکیل بورڈ نے کی تھی تاکہ ہیومن ریسورس کی پالیسیوں پر میعادى جائزے سے متعلق ان کی ذمہ داریوں میں تعاون فراہم کر سکیں۔ اس کے علاوہ انتخاب، تنجینہ، معاوضہ اور انتظامیہ کی اہم کامیابی کی منصوبہ بندی بورڈ کے ساتھ تعاون کر سکے۔

صحت، حفاظت اور ماحول:

کمپنی کی انتظامیہ اپنی ذمہ داری سے آگاہ ہے جس کے تحت ہمارے متعلقین کو محفوظ اور صحت مندانہ ماحول فراہم کرنا ہے۔ ہماری حفاظتی ثقافت کا مقصد یہ ہے کہ ہر طرح کے مسائل سے محفوظ رہا جائے۔ ملازمین کیلئے محفوظ، صحت مندانہ اور پرسکون کام کے حالات پیدا کرنے کیلئے مستقل جدوجہد کرتے ہیں۔ ہم تمام تر حادثات وغیرہ کی صورت میں مکمل تفتیش کرتے ہیں اور اس کا سبب معلوم کرتے ہیں۔ ہمیں یقین ہے کہ تحفظ اور صحت مندانہ عمل بہتری کیلئے مستقل اصلاح کا راستہ ہے۔ ہم اپنے اپنے متعلقین کیلئے مستقل بنیاد پر تحفظ اور صحت مندانہ امور کی اصلاح کیلئے اقدامات کرتے رہتے ہیں۔

انسانی ذرائع (ہیومن ریسورس):

کمپنی کی انتظامیہ اس بات پر واضح یقین رکھتی ہے کہ بہترین پیداواری صلاحیت کیلئے انسانی ذرائع اور مضبوط قیادت بے حد اہم ہے۔ لہذا کمپنی کی انتظامیہ انسانی ذرائع کے استعمال کو بے حد اہمیت دیتی ہے، اس سلسلے میں ملازمین کیلئے مناسب تربیت، ہدایات اور مراعاتی اسکیمیں فراہم کرتے ہیں۔

جینڈر پے گیپ:

ایس ای سی پی ڈسکوزر کی ہدایت کے مطابق کمپنی باقاعدگی سے داخلی تجزیہ کرتی ہے تاکہ یہ جانچا جاسکے کہ مختلف کیڈرز، درجات اور مماثل عہدوں پر مرد و خواتین کی اجرت میں برابری موجود ہے یا نہیں، اور جہاں ضرورت ہو، اجرت میں مناسب تبدیلیاں کی جاتی ہیں تاکہ خواتین کو اسی کیڈرز میں کام کرنے والے مردوں کے برابر اوسط اجرت دی جائے۔ اس حوالے سے، کمپنی کا ماننا ہے کہ مماثل کیڈرز اور درجات پر مرد و خواتین کے درمیان اجرت میں کوئی قابل ذکر فرق موجود نہیں ہے۔ فی الحال کمپنی، آپریشنز بند ہونے کی وجہ سے اپنے محدود عملے کے ساتھ خواتین کے بغیر کام کر رہی ہے ضروری تقابلی انکشافات کمپنی کے مکمل آپریشنز شروع ہونے پر دیے جائیں گے۔

کارپوریٹ اور مالیاتی رپورٹنگ:

آپ کی کمپنی بہترین کارپوریٹ گورننس کے اصولوں پر عمل پیرا ہیں۔ بورڈ اس بات کی ذمہ داری کو تسلیم کرتا ہے کہ وہ کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک کے حوالے سے جوابدہ ہے۔ ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ:

- ۱۔ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے کاروباری نتائج، نقد رقم کی ترسیل اور حصص میں رد و بدل کی شفاف عکاسی کرتے ہیں۔
- ۲۔ کمپنی کے کھاتے مناسب طریقہ سے مرتب کئے گئے ہیں۔
- ۳۔ اکاؤنٹنگ پالیسیوں کے تسلسل کو مالیاتی گوشوارے کی تیاری میں لاگو کیا گیا ہے۔ محاسبی کے اندازے ماہرانہ اور محتاط فیصلوں پر مبنی ہوتے ہیں۔
- ۴۔ مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات جیسے پاکستان میں نافذ العمل ہیں، اور باقاعدہ طور پر اس کا لحاظ رکھا جاتا ہے۔
- ۵۔ اندرونی کنٹرول کے نظام منظم ہیں اور اس کی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- ۶۔ کارپوریٹ گورننس پر عملدرآمد کے حوالے سے کوئی بھی انحراف نہیں کیا گیا سوائے ان کے جن کا ذکر آڈیٹرز کی جائزہ رپورٹ میں ہے۔
- ۷۔ کمپنی نے اپنے بورڈ کے غیر ایگزیکٹو ممبران میں سے ایک آڈٹ کمیٹی تشکیل دی ہے۔
- ۸۔ بورڈ نے اپنے ممبران اور کمپنی کے ملازمین میں سے اسٹیٹمنٹ برائے اصول اور کاروباری عمل کیلئے مرتب کر کے جاری کیا ہے۔
- ۹۔ آنے والے سالوں میں کمپنی کے کاروباری تسلسل پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں ماسوائے وہ جس کا انکشاف مالیاتی حسابات کے نوٹ نمبر 2 میں کیا گیا ہے۔
- ۱۰۔ ٹیکسز، ڈیوٹیز اور دیگر چارجز سے متعلق معلومات مالیاتی گوشواروں میں دی گئی ہیں۔
- ۱۱۔ کارپوریٹ گورننس کے حوالے سے مندرجہ ذیل معلومات منسلک ہیں:

(۱) شیئر ہولڈنگ کا پٹرن

(۲) متعلقین اور دیگر افراد کے شیئرز

بورڈ:

بورڈ آف ڈائریکٹرز متنوع علم کے حامل افراد اور ماہرین پر مشتمل ہے جو کہ اپنی بہترین مہارت کے تحت کمپنی کے مقاصد پر عملدرآمد کرتے ہیں۔ سی ای او اور ڈائریکٹرز کے معاوضے جات کی تفصیلات مالیاتی حسابات کے نوٹ نمبر 27 میں کیا گیا ہے۔

**YD****A YOUSUF DEWAN COMPANY**

آپریٹنگ بندش کے باعث کمپنی کی آپریٹنگ فروخت دوران سال صفر ربیعہ دسمبر 2015ء سے کمپنی نے اپنی پیداواری سرگرمیاں معطل کر رکھی ہیں، جسے صنعت کے منفی حالات اور ورکنگ کی کمی کی وجہ سے دوبارہ شروع نہیں کیا جاسکا۔

مالی سال 2012ء میں، کمپنی نے اپنے قرض خواہوں کے ساتھ ایک معاہدے کے ذریعے تصفیہ کیا، جس کے تحت سندھ ہائی کورٹ، کراچی نے رضامندی کے فیصلے جاری کیے۔ کمپنی کے قلیل مدتی اور طویل مدتی قرضوں کو دوبارہ مرتب کیا گیا تھا، تاہم کچھ بینکوں نے جن کے خلاف 419.065 ملین روپے کے مقدمات ہیں، اس وقت کی تجویز کو قبول نہیں کیا۔ معاہدے کے مطابق دوبارہ مرتب کردہ قرضہ جات کی ادائیگی میں ناکامی کے نتیجے میں، قرض خواہوں نے رضامندی کے فیصلوں پر عمل درآمد کے لیے درخواست دی۔ کمپنی نے سندھ ہائی کورٹ، کراچی میں مقدمات دائر کیے، جہاں اس بات پر سختی سے بحث کی گئی ہے کہ عمل درآمد کی درخواست غیر منصفانہ اور قانون کے خلاف ہے۔ کمپنی کی انتظامیہ کو امید ہے کہ اس سے مثبت نتائج حاصل ہوں گے۔

کمپنی کے آڈیٹرز نے اپنی جاری کردہ رپورٹ میں منفی رائے کا اظہار کیا ہے جس کا تعلق آپریٹنگ بندش، دوبارہ مرتب کردہ قرضہ جات کی اقساط میں واپسی کی کوتاہی سے ہے۔

مالیاتی حسابات جاری کردہ امور کے تحت مرتب کئے گئے ہیں کیونکہ کمپنی نے اپنے قرض خواہوں سے اپنے قرضہ جات کی دوبارہ ترتیب کے لیے رابطہ قائم کیا ہے جو کہ زیر غور ہے۔ انتظامیہ کو امید ہے یہ نظر ثانی جلد مکمل ہو جائے گی۔ مزید برآں، دوبارہ ترتیب کی تاریخ تک زیر التواء مارک اپ کی رقم 1.452 ملین روپے ہے، جس کی ادائیگی کمپنی کو معاہدے کی شرائط کی خلاف ورزی کی صورت میں کرنا پڑے گی۔ چونکہ انتظامیہ کو یقین ہے کہ دوبارہ تجدید کے حوالے سے یہ رقم مستقل طور پر حذب کر دی جائے گی۔ لہذا ان مالیاتی حسابات میں اسے شامل کرنے کی ضرورت نہیں ہے۔

کچھ قرض خواہوں نے معاہدے پر دستخط نہیں کیے اور اپنے قرضہ جات کی وصولی کے لیے ہائیکورٹ آف سندھ، کراچی میں دائر کیے گئے مقدمات کی پیروی جاری رکھی، جس میں کمپنی کی رہن کردہ جائیدادوں کی ضبطی اور فروخت شامل ہے۔ ان مقدمات کی مجموعی رقم 419.065 ملین روپے ہے، جن میں سے ایک بینک جس کے دعویٰ کی رقم 193.266 ملین روپے ہے، نے 1984 کے ختم شدہ کمپنیوں کی آرڈیننس کی دفعہ 305 (موجودہ 2017 کے کمپنی ایکٹ کی دفعہ 301) کے تحت کمپنی کی ختم ہونے کی درخواست بھی دائر کی ہے۔ کمپنی نے ان کیسز کی سختی سے مخالفت کی ہے کیونکہ بینکوں نے غلط دعوے دائر کیے ہیں۔ کمپنی کی انتظامیہ کو مثبت نتائج کی توقع ہے۔

کمپنی نے اس سال کے لئے مارک اپ کی پروویژن مبلغ 428.480 ملین روپے (30 جون 2025 تک 1,578.965 ملین روپے) نہیں کی جو کہ مختلف بینکوں سے قرضہ سے متعلق ہے جنہوں نے اب تک ری اسٹرکچرنگ نہیں کی ہے۔ کمپنی کی انتظامیہ پر امید ہے کہ بینکس بھی مستقبل قریب میں اس دوبارہ ترتیب کو قبول کر لیں گے۔ لہذا ان مالیاتی حسابات میں مذکورہ مارک اپ پر کوئی پروویژن مرتب نہیں کی ہے۔

مستقبل کا نظریہ:

مالی سال 2026 ایک پیچیدہ عالمی اقتصادی ماحول میں گزرا، جسے بدلتی ہوئی مالی پالیسیاں، جغرافیائی سیاسی غیر یقینی صورتحال، اور پرنٹیشن ازم پر مبنی تجارتی اقدامات نے تشکیل دیا۔ پاکستان کا اقتصادی منظر نامہ مالی سال 2025-26 کے لیے متاثر امید افزائی ظاہر کرتا ہے، جس کے مطابق انٹرنیشنل مانیٹری فنڈ (IMF) کے تازہ تخمینوں کے مطابق جی ڈی پی کی نمو 3.6 فیصد متوقع ہے۔ ملکی سطح پر، پاکستان کو کئی میکرو اور شعبہ جاتی چیلنجز کا سامنا ہے۔ سال 2026 کے وسط میں آنے والے شدید مومن سون کے سیلاب نے زراعت کی پیداوار، نقل و حمل کے بنیادی ڈھانچے، اور دیہی سپلائی چین کو بری طرح متاثر کیا۔ ٹیکسٹائل شعبہ، جو پاکستان کی برآمدات کی بنیاد ہے، خاص طور پر مقامی کاٹن کی فصل میں بڑے نقصان سے متاثر ہوا، جس کے نتیجے میں درآمدات پر انحصار بڑھ گیا اور ان پٹ لاگت میں اضافہ ہوا۔ اس کے علاوہ غیر معقول بلند ٹیکس، ڈیوٹیز، ایندھن اور بجلی کے اخراجات، بلند سود کی شرح، اور ایف ایف ایس اسکیم میں برآمدی مراعات کی واپسی جیسے اضافی مالی اقدامات نے صنعت پر آپریٹنگ دباؤ مزید بڑھا دیا۔

عالمی مقابلے کے پیش نظر، موجودہ اقتصادی حالات کے تناظر میں توقع ہے کہ حکومت ساختی اصلاحات پر توجہ دے گی اور ان بنیادی کمزوریوں کو دور کرے گی جو بار بار اقتصادی بحران کی وجہ بنتی ہیں۔ اس کے علاوہ، زراعت کے شعبے کی کم کارکردگی اور بڑے پیمانے پر مینوفیکچرنگ کی مسلسل جدوجہد سے ظاہر ہوتا ہے کہ ملک میں ساختی کمزوریوں، مالی نظم و ضبط، پالیسیوں کے تسلسل، اور منصفانہ براہ راست و بلا واسطہ ٹیکس کے نفاذ کے لیے اصلاحات ضروری ہیں تاکہ شمولیتی اور پائیدار نمو کو یقینی بنایا جاسکے۔

کارپوریٹ معاشرتی ذمہ داریاں:

ہم بھی کارپوریٹ معاشرتی ذمہ داریوں (CSR) کے اصولوں پر عمل پیرا ہیں اور اپنی روزمرہ کاروباری سرگرمیوں میں مضبوط سماجی طریقوں کو شامل کرنے کے لیے پرعزم ہیں۔ کمپنی تمام اسٹیک ہولڈرز کے مفادات، خاص طور پر اس کیوٹی کے مفادات کو مد نظر رکھنے اور توازن قائم کرنے کی کوشش کرنے کا عہد کرتی ہے جس میں ہم رہتے ہیں اور ان درکار کے لیے جو ہمارے کاروبار کی بنیاد ہیں۔ ہم اپنی کامیابی کی پیمائش صرف مالیاتی معیار کے لحاظ سے نہیں بلکہ اپنے صارفین کے اطمینان اور ان کی کمیونٹیوں کے تعاون کرنے کے لحاظ سے بھی کرتے ہیں جن کی خدمت ہم کرتے ہیں۔

ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز،

السلام علیکم،

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز اختتامی مالیاتی سال 30 جون 2025ء کے لئے سالانہ آڈٹ شدہ مالیاتی حسابات بمع آڈیٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

اقتصادی جائزہ:

عالمی معیشت نے معتدل رفتار سے ترقی کی، حالانکہ مختلف چیلنجز برقرار رہے۔ عالمی مہنگائی میں بتدریج کمی آئی، لیکن عالمی تجارت سست رہی کیونکہ مانگ کم تھی اور سپلائی چین میں تہدیلیاں ہو رہی تھیں، جس پر خاص طور پر امریکہ کی بدلتی ہوئی تجارتی پالیسیوں کا اثر تھا۔ تیل کی قیمتیں غیر مستحکم رہیں، جس کی وجہ خطے میں تنازعات اور عالمی طلب میں اتار چڑھاؤ تھا۔ جغرافیائی سیاسی کشیدگیاں بھی جاری رہیں، جس سے خام مال کی ترسیل متاثر ہوئی اور عالمی منڈیوں میں غیر یقینی صورتحال بڑھی۔

پاکستان کے لیے مالی سال 2024-25 میں کئی سالوں کی اقتصادی اتار چڑھاؤ کے بعد میکرو اکنامک استحکام کے ابتدائی آثار دیکھنے کو ملے۔ افراط زر میں گزشتہ سال کے ریکارڈ بلند ترین سطح سے نمایاں کمی آئی اور یہ کئی سالوں کی کم ترین سطح تک پہنچ گئی، جس کے نتیجے میں انٹیٹ پیک آف پاکستان نے اپنی پالیسی ریٹ 19.5 فیصد سے کم کر کے 11 فیصد کر دی۔ جی ڈی پی کی شرح نمو 2.68 فیصد رہی، جو معیشت میں محتاط بحالی کی نشاندہی کرتی ہے۔ کرنٹ اکاؤنٹ بیلنس میں واضح بہتری آئی اور یہ پہلی بار 14 سال میں 2.1 بلین امریکی ڈالر کے سرپلس کے ساتھ بند ہوا، جس کی بڑی وجہ بیرون ملک ترسیلات میں مضبوط 27 فیصد اضافہ تھا جو 38.3 بلین امریکی ڈالر تک پہنچ گیا، برآمدات کی بہتر کارکردگی، خصوصاً ٹیکسٹائل برآمدات میں 7.4 فیصد اضافہ کے ساتھ 17.9 بلین امریکی ڈالر تک پہنچنا، سخت درآمدی کنٹرول، بیرونی بیلنس میں بہتری اور ساختی اصلاحات نے زرمبادلہ کے ذخائر کو بڑھانے اور کرنسی کے استحکام میں مدد دی۔ سود کی شرح میں کمی اور کرنسی کے استحکام نے میکرو اکنامک استحکام کو مزید مضبوط کیا۔ تاہم امریکہ کی طرف سے مخصوص ٹیکسٹائل اور مینوفیکچرنگ درآمدات پر نئے غیر فزکائی نفاذ، اور اہم درآمدی منڈیوں میں کمزور عالمی مانگ نے مزید مشکلات پیدا کیں۔ ملکی سطح پر ساختی چیلنجز برقرار رہے، جن میں معمولی جی ڈی پی کی نمو، سیاسی غیر یقینی صورتحال، بلند توانائی کی نرخ، بھاری ٹیکس بوجھ، اور سست رفتاری سے ہونے والی ساختی اصلاحات شامل ہیں۔ ان تمام عوامل نے کاروباری لاگت پر دباؤ ڈالا اور کمزور صارفین کی خریداری کی طاقت کے ساتھ مل کر اہم شعبوں میں مانگ کو کمزور کیا۔

صنعت کی کارکردگی کا جائزہ:

پاکستان کا ٹیکسٹائل شعبہ عالمی سطح پر کمزور مانگ، سخت مالی حالات اور بلند توانائی کے اخراجات کی وجہ سے مشکلات کا شکار رہا۔ مالی سال 2025 میں اس شعبے نے 7.4 فیصد نمو ریکارڈ کی، تاہم شعبے میں ساختی کمزوریاں برقرار رہیں کیونکہ کچھ اہم خام مال پر مبنی مصنوعات کی برآمدات میں کمی دیکھی گئی، کالٹن یارن میں 28.8 فیصد کمی آئی جبکہ کالٹن کپڑے کی برآمدات میں 3.1 فیصد کمی ہوئی۔ مالی سال 2024-25 میں کپاس کی فصل میں شدید کمی دیکھنے میں آئی، جس کی بڑی وجہ موسمیاتی تبدیلیوں کے تباہ کن اثرات تھے۔ یہ مندی مالی سال 2025-26 میں بھی جاری رہے گی، کیونکہ شدید مون سون کے سیلاب نے زراعت کی پیداوار کو بری طرح متاثر کیا اور پیداوار میں نمایاں کمی پیدا کی۔ یہ بڑی کمی نہ صرف ملک کی ٹیکسٹائل صنعت کو خطرے میں ڈالتی ہے بلکہ درآمد شدہ کپاس پر انحصار بھی بڑھاتی ہے، جس سے قومی معیشت پر اربوں ڈالر کا اضافی دباؤ پڑتا ہے۔

مالیاتی نتائج اور کارکردگی (فیکٹری کی بندش):

آپ کی کمپنی کا بنیادی کاروباری سرگرمی یارن کی تیاری اور فروخت ہے۔ زیر جائزہ سال کے دوران مالیاتی نتائج درج ذیل ہیں:

(روپے)	فروخت (صافی)
-	فروخت کی لاگت
(131,321,267)	کل خسارہ
(131,321,267)	انتظامی اخراجات
(5,081,851)	آپریٹنگ خسارہ
(136,403,118)	مالیاتی لاگت
(31,294,308)	دیگر چارجز
(509,648)	دیگر آمدنی
18,876,957	قبل از ٹیکس خسارہ
(149,330,117)	ٹیکسیشن
22,969,869	بعد از ٹیکس خسارہ
(126,360,248)	

**YD****A YOUSUF DEWAN COMPANY**

زوم اپیلی 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 22 اکتوبر، 2024 سے قبل کمپنی کی ویب سائٹ

اراکین 25 اکتوبر، 2025 سے قبل کمپنی کی ویب سائٹ

<http://www.yousufdewan.com/dtml/index.html> پر دستیاب معیاری درخواست فارم کے مطابق اپنی درخواست ای میل

dtml.corp@yousufdewan.com پر یا دیوان سینٹر، A-3، لالہ زار بیچ ہوٹل روڈ کراچی میں کمپنی میکرٹری 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 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 شیئرز 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۔

دیوان ٹیکسٹائل ملز لمیٹڈ سالانہ اجلاس عام

بذریعہ نوٹس ہذا کو مطلع کیا جاتا ہے کہ دیوان ٹیکسٹائل ملز لمیٹڈ کا 56 واں سالانہ اجلاس عام بروز پیر 27 اکتوبر، 2025 دوپہر 02:00 بجے دیوان سیمینٹ فیکٹری سائٹ، دیہہ ڈھنڈو، دھانیجی، ضلع ملیر، کراچی میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

- (1) پیر 27 جنوری، 2025 کو منعقدہ کمپنی کے غیر معمولی اجلاس عام کی کارروائی کی توثیق۔
- (2) 30 جون، 2025 کو مکمل ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالی گوشواروں مع ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔
- (3) 30 جون، 2026 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۔

بحکم بورڈ



محمد حنیف جومان
کمپنی سیکریٹری

29 ستمبر، 2025

نوٹس:

(الف) کمپنی کی حصص منتقلی کی کتب 20 اکتوبر، 2025 سے 27 اکتوبر، 2025 تک (بشمول دونوں دن) بند رہیں گی۔ شیئر 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 دی کیلئے بروقت سمجھی جائیں گی۔

(بی) اجلاس ہذا میں شرکت اور رائے دی کا اہل ممبر اپنی جانب سے شرکت اور رائے دی کیلئے دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے۔ مکمل پراکسی فارم اجلاس کے انعقاد کے وقت سے 48 گھنٹے قبل کمپنی کے شیئر 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 شیئر رجسٹرار کو مطلع کریں

(ڈی) مالی گوشواروں کی الیکٹرانک ترسیل

ایس ای سی پی نے اپنے نوٹیفیکیشن نمبر SRO 389(1)/2023 تاریخ 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 ای ایم کے نوٹس وصول کرنے کے خواہشمند اراکین سے درخواست ہے کہ وہ کمپنی کی ویب سائٹ <http://www.yousufdewan.com/dtml/index.html> پر دستیاب معیاری درخواست فارم پر اپنی تحریری رضامندی فراہم کریں۔

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۔

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DEWAN TEXTILE MILLS LIMITED
56th ANNUAL GENERAL MEETING
FORM OF PROXY

This form of Proxy duly completed must be deposited at our Shares Registrar Transfer Agent **BMF Consultants Pakistan (Private) Ltd.** Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, Adjacent Baloch Colony Bridge, Karachi-75350, Pakistan. Not later than 48 hours before the time of holding the meeting A Proxy should also be a member of the Company.

I/we _____
of _____ being a member (s) of
DEWAN TEXTILE MILLS LIMITED and holder of _____
Ordinary Shares as per Registered Folio No./CDC Participant's ID and Account No. _____
hereby appoint _____
of _____
or failing him _____
of _____
who is also member of DEWAN TEXTILE MILLS 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 56th Annual General Meeting of the Company to be held on **Monday, October 27, 2025, at 2:00 p.m.** And any adjournment thereof.
Signed this _____ day of _____ 2025.

Affix
Revenue
Stamp
Rs. 5/-

Signature _____

Witness: _____

Signature

Name: _____

Address: _____

Witness: _____

Signature

Name: _____

Address: _____

پراکسی فارم ۵۶ واں سالانہ اجلاس عام

اہم اعلان

یہ پراکسی فارم مکمل پر کر کے ہمارے رجسٹرار شیئر ٹرانسفر ایجنٹ، بی ایم ایف کنسلٹنٹ (پرائیوٹ) لمیٹڈ، انعم اسٹیٹ بلڈنگ، روم نمبر 310 اور 311، تیسری منزل، 49، دارالمان سوسائٹی، شاہراہ فیصل، ملحقہ بلوچ کالونی پل، کراچی۔ 75350، پاکستان۔ کے آفس میں، میٹنگ کے انعقاد سے اڑتالیس گھنٹے پہلے یہ فارم ضرور جمع کروادیں، کسی بھی پراکسی کا کمپنی کا ممبر ہونا ضروری ہے۔

میں / ہم _____ کا (مکمل پتہ)

_____ بحیثیت ممبر

دیوان ٹیکسٹائل ملز لمیٹڈ کے _____ حصص کے مالک، رجسٹرڈ فوئیو نمبر /

سی ڈی سی آئی ڈی اور کھاتہ نمبر _____ میں

بطور پراکسی تقرر کرتا / کرتی ہوں _____ کا (مکمل پتہ)

_____ جو بذات خود بھی

_____ دیوان ٹیکسٹائل ملز لمیٹڈ

_____ سی ڈی سی آئی ڈی اور کھاتہ نمبر

جو کہ میری / ہماری غیر موجودگی کی صورت میں کمپنی کے ۵۶ واں سالانہ اجلاس عام جو کہ بروز پیر، ۲۷ اکتوبر ۲۰۲۵ کو دوپہر ۲:۰۰ بجے، ہے میری / ہماری جانب سے ووٹ دے۔

بطور گواہ میں / ہم نے بروز _____ بتاریخ _____ ۲۰۲۵ کو میرے / ہمارے ہاتھ سے مہر لگائی۔

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Stamp
Rs. 5/-

دستخط _____

گواہ: _____

نام: _____

مکمل پتہ: _____

گواہ: _____

نام: _____

مکمل پتہ: _____