

ANNUAL REPORT 2025

DADEX

66th

Annual Report

for the year ended June 30, 2025

Welcome to Our ANNUAL REPORT 2024-25

We are pleased to present our 66th Annual Report for the year 2024-25, which reflects our progress, performance, and commitment to sustainable growth.

This report provides an overview of our business achievements, strategic direction, and initiatives that continue to create value for our stakeholders.

We invite you to explore these pages and discover how we are shaping a stronger and more responsible future.

INNOVATION | GROWTH | SUSTAINABILITY | RESPONSIBILITY

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Jamapunji	

FOUNDER CHAIRMAN



“

...the conduct towards others must be based on kindness, service, fairness, charity, justice, honesty and the sanctity of promise, pledge or agreement.

”

KASSIM DADA
(1919 - 2001)

Kassim Dada was an individual of principles. An astute businessman, a philanthropist, an avid traveler and a man committed to basic values – Kassim Dada's individuality influenced many to add meaning and significance to their lives.

Following the simple principle of fairness, clarity and sincere application to all things in life – he worked hard to make Dadex a company that would not only be recognized for its quality of work and products, but one which would be recognized for its integrity.

As he wrote in his autobiography, A Ramble through Life,

“...the conduct towards others must be based on kindness, service, fairness, charity, justice, honesty and the sanctity of promise, pledge or agreement.”

The Dadex Vision signifies all those qualities that were an intrinsic part of existence for Kassim Dada. The strength and longevity of any successful company does not merely lie in the superiority of its products – but in how it conducts business.

Dadex has evolved into a company that upholds authenticity as a crucial factor in its business practices. Be it in serving customers, product quality or relationships with its clients – the underlying aim is the collective convergence of all values under the principle rule of truthfulness.

Dadex vision signifies Kassim Dada's legacy of fundamental righteousness in both business and personal life.

CHAIRMAN

Sikander (Pvt) Ltd.
Dadex Eternit Limited
Brooke Bond Pakistan Ltd.
Berger Paints Pakistan Ltd.
Dada Agencies Ltd.
J&N Pakistan Ltd.
Pakistan Welding Electrodes Ltd.
Smith Kline & French of Pak. Ltd.

DIRECTOR

State Bank of Pakistan
Dada (Pvt) Ltd.
Adamjee Sugar Mills Ltd.
Adamjee Insurance Company Ltd.
Adamjee Industries Ltd.
Central Chemical's (Pvt) Ltd.
Metropolitan Bank Ltd.
First International Inv. Bank Ltd.
First International Inv. Fund Ltd.
Habib Insurance Company Ltd.
Mehran Jute Mills Ltd.

ABOUT US

Dadex remains unchanged in its commitment to evolving, developing and offering the best in the industry. Unleashing innovation and aligning forces is where our forte lies. Our aim maintains its path-to bring forth quality products backed by international standards and to uphold our levels of excellence and advancement – both, in the product arena and customer service domain.

Dadex was established as a public limited company in 1959. We started with the manufacturing of FC roofing systems at our facilities in Hyderabad, under the dynamic leadership of our Founder Chairman, Mr. Kassim Dada. Being a forward-looking organization, his son, Mr. Sikander Dada kept up to date with the market, and was instrumental in the diversification with plastic piping systems. Presently we produce various thermoplastic systems such as UPVC, PP-R, PP-RCT, PP, PE.

Headquartered in Karachi, our two manufacturing facilities based in Hyderabad and Sundar Industrial Estate (near Lahore) are equipped with state of the art machinery. Our joint efforts have led Dadex to the ISO 9001, ISO 14001, ISO 45001 and PSQCA certifications.

We aim to set standards in every field we enter. Customer focus, quality and innovation are reflected in every aspect of our business. Offering customized solutions to a cross section of markets for over 66 years, Dadex today is a hallmark of trust and reliability.

We believe that our strength lies in delighting our customers. That is why providing quality products backed by round the clock technical support services are the Dadex promise to all our valued customers.

OUR PHILOSOPHY

Our philosophy is the guiding force behind our every decision, ensuring that we not only meet but exceed the expectations of our customers. We believe that true success is built upon a foundation of trust, reliable quality, and a commitment to nurturing lasting relationships.

A FOUNDATION BUILT ON INTEGRITY AND INNOVATION

Our forte has been and continues to be, to manufacture and market innovative customer-oriented products. Focusing on superiority, reliability and durability-we believe that these characteristics must embody not just our products but also our business practices.

We believe in transparency; integrity, sound business practices and in presenting the best products and services to our Customers at all times.

At Dadex, our aim is to continue to be an organization renowned for its principled approach in all spheres of work. Be it production of piping systems or roofing material or customer service - integrity is a force. We believe in and reliability is the foundation of all that we do.

66 years of existence has only strengthened our commitment. Excelling in piping systems, roofing materials, building products, and customer service - today, we stand poised to offer you the fundamentals upon which to build your future.

OUR VISION

FOUNDATION OF OUR SUCCESS AND THE PATH TO A SUSTAINABLE FUTURE

We are driven by an unwavering commitment to become the most valued company for all our stakeholders, including our customers, employees, and partners. We achieve this by focusing on customer needs, fostering a culture of innovation, and upholding the highest standards of quality and reliability. Our success is built on a foundation of ethical practices and a dedication to a better, more sustainable future.

Our Vision



“...to be the most valued company for all stakeholders, renowned for customer focus, innovation, quality, reliability & ethical practices.”

OUR MISSION

THE PATH OF PURPOSE AND PROGRESS

Our mission is more than just a goal; it is a path of purpose and progress. It defines our journey, guides our every action, and drives the impact we create for our stakeholders and the communities we serve.

Our Mission



- We shall provide **unparalleled service** and best value to our customers through a responsive and cost effective supply chain.

- We are committed to provide **quality products** by strict adherence to international standards and best practices through technical collaboration with leading global companies in this business.

- We are committed to follow **business ethics**, comply with SH&E standards and enhance our contribution to society.

We shall strive to maximize our

- shareholders value through sustained **profitable growth**.

We shall enhance existing employee

- productivity, hire, retain and develop best talent and provide them a **competitive environment** to excel and grow.

We will aggressively focus on increasing

- our penetration in the piping systems market by **exploring new channels**.

We shall continue to **set new trends**

- through innovative marketing and manufacturing.



BUILDING BLOCKS

The guiding vision of Dadex encompasses all of the company's intrinsic values. Each value is a fundamental building block of the company's existence and subsistence. These values – referred to as the “Building Blocks of Dadex Values” – reflect the true spirit of the company and its employees and are now the foundation of all business practices.



Building Blocks of Dadex Values



Customer Focus
Superior Customer Support -
Magnified Focus



Innovation
Boundless Thinking.
Timeless innovation



Quality
Quality Assured is
Quality Delivered.



Reliability
Reliability and Trust -
A Secure Balance.



Ethical Practices
Solid Links to
Strong Principles.

DADEX PRODUCTS

For over 66 years, Dadex has been a hallmark of trust and reliability in the building materials industry. Our commitment to quality, innovation, and customer focus is reflected in every product we offer.

As our founding product line, the Fiber Cement Corrugated Roofing Sheets have been a staple of the construction industry since our establishment in 1959. Their superiority, reliability, and durability have strengthened our commitment to excellence for more than six decades.

Dadex has always been leading the thermoplastic piping industry in Pakistan. Being the first company to manufacture pipes locally and go nationwide with it, we know how to go the extra mile. Staying true to that philosophy we have added versatile products to our portfolio.



EXTENSIVE PRODUCT RANGE

Water Supply - Infra-Structure

- Aquadex (UPVC Pressure Pipe System)
- T-Flex (PE 100 Pipes & Fittings)

Water Supply - Housing

- Polydex Premium (PP-RCT Pipe System)
- Polydex (PP-R Pipe System)
- Thermoline (PP-R Pipe System)
- Aquadex (UPVC Pressure Pipe System)

Soil, Waste and Vent (SWV)

- Nikasi - Solvent (UPVC Pipe System)
- Nikasi - Rubber Ring (UPVC Pipe System)
- ECO (UPVC Pipe System)
- Low Noise System

Underground Sewerage and Drainage

- Flow Line (UPVC Underground Sewerage System)
- Inspection Chambers and Manholes

Cable Ducting

- PE Cable Duct Pipes
- Electroduct (UPVC Conduits as per IEC - EN Standard)
- Conduits (UPVC Conduits as per Dadex Standard)

Gas Supply

- T-Flex for gas (PE 80 and PE 100)

Nikasi

The Soil, Waste
and Vent System
in UPVC

POLYDEX

The Hot & Cold
Water System in
PPR / PPRCT

LOW NOISE

The Low Noise
Soil, Waste and
Vent System

**ELECTRICAL
CONDUITS**

The Electrical
Wiring System
in UPVC

aquadex

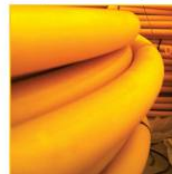
The Cold
Water System
in UPVC

Thermoline

The Hot & Cold
Water System
in PPR

Tflex

The Cold
Water Supply
System in PE

Tflex

The Gas Supply
System in PE

FlowLine

The Underground
Sewerage System
in UPVC

FlowLine

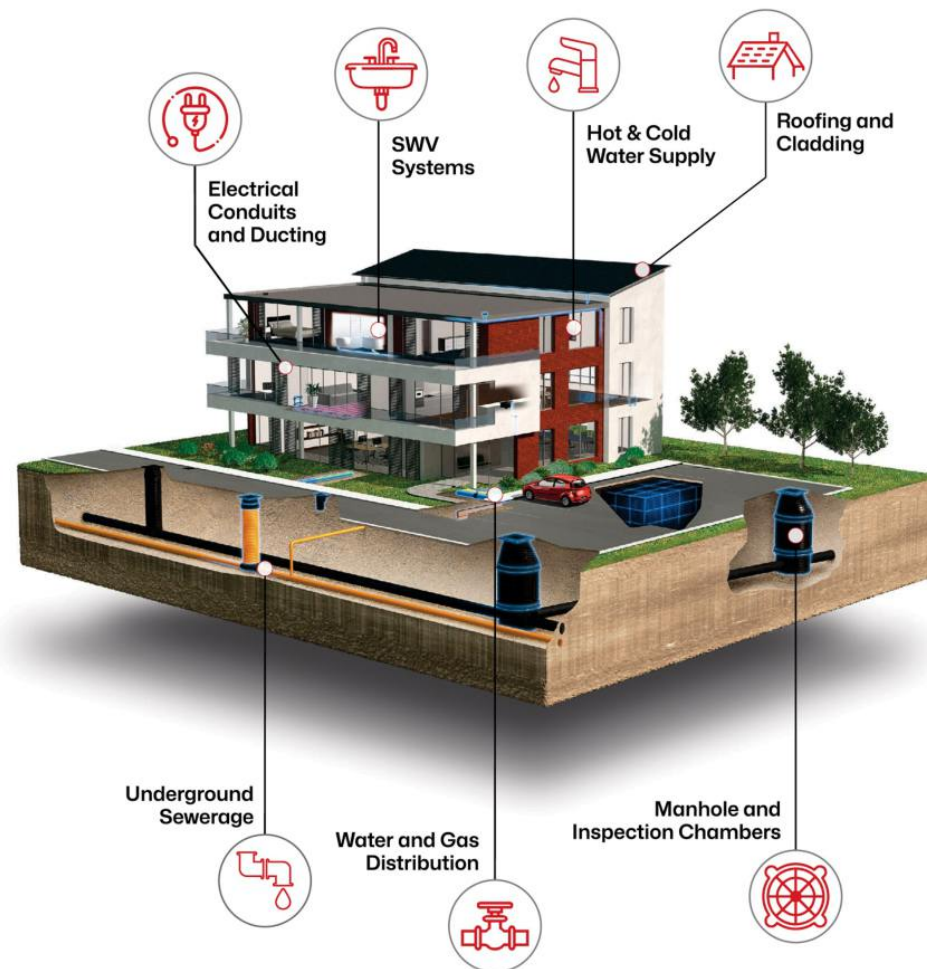
Non-Return
Values



Inspection
Chambers
and Manholes



Catch Pits



GEOGRAPHIC PRESENCE

Dadex is the leading manufacturer of building products. Our head office is located in Karachi, and we operate two manufacturing facilities – one in Hyderabad and one in Lahore (Sundar Estate).

Our market presence is further strengthened by sales offices in all major cities—Karachi, Hyderabad, Multan, Faisalabad, Lahore, and Islamabad—and a comprehensive network of dealers and distributors nationwide.



OUR GLORIOUS HISTORY

66 Years of Excellence

From humble beginnings to industry leadership, a journey built on trust and innovation.

1959

Founded as a Public Limited Co.
Listed in Karachi Stock Exchange

Formative Years

Building foundations
with resilience and vision.

1959 - 1975

1959

Plant Opening
1st fiber cement
(FC) plant
opened in
Hyderabad



1959

Product Launch
FC Corrugated
Sheets



1959

Product Launch
FC Decorative
Sheets



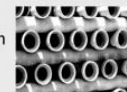
1962

Collaboration
with Eternit
group of Belgium



1964

Product Launch
FC Building
Pipes



1965

Plant opening in
Chittagong, (East Pak.)*

1966

Plant opening
in Karachi



1966

Product Launch
FC Pressure
and FC Sewer
Pipes



1967

ACIL Logo
creation



* (The Plant lost in 1971 with
the loss of East Pakistan)

Driving Growth

Growing stronger,
unlocking opportunities,
reaching milestones.

1976 - 1989

1981

ACIL Products
FC sheets and
FC pipes



1984

ACIL Cottage at
an international
exhibition



1987

Pakistan Standards
License for FC Sheets
received from PSI



1989

Mr. Sikander Dada
appointed Chief
Executive and MD



Building Leadership

Expanding horizons,
strengthening capabilities,
and leading the market.

1990 - 2005

- 1990**
New name, New Logo

- 1991**
Technical Collaboration with Wavin-Netherlands, for the production of thermoplastic piping systems in Pakistan

- 1991**
Product Launch UPVC Pressure piping system

- 1993**
Product Launch PE pipes for Water & Gas applications

- 1997**
Product Launch Nikasi, the UPVC (SWV) piping system

- 1998**
ISO Certification

- 1999**
Product Launch Polydex, PPR Hot & Cold water piping system

- 2001**
Dadex House [Shahrah-e-Faisal, Karachi]

- 2002**
Product Launch PE Cable Duct & UPVC Electrical Conduits

- 2003**
New name, New identity

- 2003**
Dadex Values, Vision & Mission statements

- 2004**
Product Launch Zarkaasht, the high efficiency Irrigation system

- 2005**
The American Petroleum Institute certified Dadex to use their official monogram on manufactured products (PE gas pipes). Dadex is the only company outside the US to achieve this distinction.

- 2005**
Dadex certified as an Investor in People (IIP) company on meeting the best H.R. Practices and standards.

- 2005**
Product Launch Aluminum Composite Panels (ACP)


Forging the Future, Defining Excellence

Creating lasting value
with innovation and sustainability.





2006 - Present


- 2006**
Product Launch Flowline, the complete underground UPVC sewer pipe system

- 2006**
Product Launch Tubewell, UPVC Casing & Screen Pipes

- 2006**
Dadex embraces SAP solutions

- 2007**
Plant opening in Lahore

- 2008**
Product Launch Speciality piping systems

- 2015**
Product Launch ECO, the SWV piping system in UPVC

- 2015**
Product Launch Thermoline, PPR Hot & Cold water piping system

- 2016**
Launched large dia HDPE pipes upto 630mm

- 2017**
Product Launch Pakistan's 1st Antimicrobial Pipes

- 2018**
Technical Collaboration with Marley Plumbing and drainage, UK

- 2018**
Collaboration with Effast, Italy

- 2021**
Product Launch Polydex PP-RCT piping system

- 2018**
Collaboration with Magnaplast, Poland

- 2023**
Product Launch Low noise SWV piping system

- 2024**
Product Launch Non-Return Valves

- 2025**
Product Launch Catch Basins


"With a proud legacy behind us, we look ahead with confidence – shaping the future through innovation and sustainability"

HEALTH, SAFETY & ENVIRONMENT

At Dadex, our commitment to Health , Safety and Environment (HSE) is an integral part of our sustainability journey. It reflects not only how we have progressed thus far, but also how we envision the future—competing in dynamic markets with resilience, responsibility, and a continuous drive to set new industry standards.



We recognize that safeguarding our people and the environment is essential to creating long-term value for all stakeholders. Accordingly, the Company places the highest priority on workplace safety, employee well-being, and environmental stewardship.

KEY FEATURES OF OUR HSE PRACTICES INCLUDE:

SUSTAINABLE OPERATIONS –

maintain facilities in compliance with environmental standards to minimize ecological impact.

CAPACITY BUILDING –

train employees and installers to identify, prevent, and reduce environmentally harmful practices.

RESOURCE EFFICIENCY –

implement waste recycling, dust control, and monitoring systems across all production facilities to ensure continuous improvement in environmental performance.

Through these measures, Dadex continues to embed sustainability into its operations, ensuring that growth is achieved responsibly and in alignment with global ESG principles.

COMPANY INFORMATION

Board of Directors	Mr. Shahzad M. Husain - Chairman	(Non - Executive Director)
	Mr. Sikander Dada - Chief Executive Officer	(Non - Executive Director)
	Mr. Abu Talib H.K. Dada	(Non - Executive Director)
	Mr. Khwaja Samiullah Askari	(Non - Executive Director)
	Syed Shahid Ali Bukhari	(Independent Director)
	Mrs. Ayesha Tariq Allawala	(Independent Director)
	Mrs. Amber Ahmed Motiwala	(Female Director)

Chief Financial Officer & Company Secretary	Mr. Muhammad Yousuf
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Head of Internal Audit	Mr. Muhammad Arif
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Board Audit Committee	Syed Shahid Ali Bukhari	- Chairman
	Mr. Shahzad M. Husain	- Member
	Mr. Khwaja Samiullah Askari	- Member
	Mrs. Amber Ahmed Motiwala	- Member

Human Resource Remuneration Committee	Mrs. Ayesha Tariq Allawala	- Chairperson
	Mr. Abu Talib H.K. Dada	- Member
	Mr. Khwaja Samiullah Askari	- Member

Management Team	Mr. Sikander Dada	- Chief Executive Officer
	Mr. Asim M. Khan	- Chief Operating Officer
	Mr. Muhammad Yousuf	- Chief Financial Officer & Company Secretary
	Lt. Cdr. (Retd.) Saeed Ahmed Khan	- General Manager Admin & HR

Auditors	BDO Ebrahim & Co., Chartered Accountants
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Bankers	National Bank of Pakistan
	Bank Islami Pakistan Limited
	Habib Metropolitan Bank Limited
	Bank AlBaraka
	MCB Bank Limited
	Sindh Bank Limited
	The Bank of Punjab
	United Bank Limited (UBL Ameen)
	Standard Chartered Bank (Pakistan) Limited
	Faysal Bank Limited
	Habib Bank Limited
	Askari Bank Limited
	Meezan Bank Limited
	Dubai Islamic Bank Pakistan Limited

Legal Advisor	Abrar Hasan & Co. 9 Mezzanine Floor, Beaumont Plaza, near PIDC House, Karachi.
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Registered Office	Dadex House, 34-AI1, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400 Tel: (92-21) 111000789 Fax: (92-21) 34315716 Email: info@dadex.com.pk
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Share Registrar	M/s. JWAFFS Registrar Services (Private) Limited Office # 20, 5th Floor, Arkay Square Extension, New Chali, Shahrah-e-Liaquat, Karachi. Phone: (92-21) 32440974-75 Email: jwaffsregistrar@gmail.com
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Website	www.dadex.com
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NOTICE OF THE 66TH ANNUAL GENERAL MEETING

Notice is hereby given that the 66th Annual General Meeting of the Dadex Eternit Limited will be held on Tuesday, October 28, 2025, at 3:30 pm at Dadex House, 34-A/1, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi, to transact the following:

Ordinary Business:

Weblink: http://www.dadex.com/aboutdadex/pdfs/2024-25/Annual_Report_2025.pdf



Agenda Items

1. To receive, consider and adopt the following documents for the year ended June 30, 2025:
 - a) Audited Financial Statements and the Auditors' Report thereon; and
 - b) The Report of the Board of Directors.
2. To appoint auditors of the Company for the year ending June 30, 2026, and authorize the Directors to fix their remuneration. The Board of Directors recommends, based on the recommendation of the Audit Committee, the appointment of M/s. BDO Ibrahim & Co., Chartered Accountants, who have also offered themselves for reappointment.

By Order of the Board
(Muhammad Yousuf)
Company Secretary

Karachi: September 24, 2025.

NOTES:

1. The Register of Members and the Share Transfer Books of the Company shall remain closed from **October 21, 2025, to October 28, 2025** (both days inclusive). Transfers received in order at the office of our Share Registrar, JWAFFS Registrar Services (Pvt.) Limited, Office # 20, 5th floor, Arkay Square Extension, New Chali, Shahrah-e-Liaquat, Karachi by the close of business hours on **October 20, 2025**, will be treated in time for incorporating the change in the Register of Members.
2. The entitlement to attend, participate and vote at the 66th Annual General Meeting will be according to the Register of Members as on **October 20, 2025**.
3. The shareholders may send their comments & suggestions relating to the agenda items of the AGM at least two working days before the AGM, at the email address cs@dadex.com.pk. The financial statements of the Company for the year ended June 30, 2025, would have

been placed on the website of the company (www.dadex.com.pk).

4. A member of the Company entitled to attend, and vote may appoint another member as his/her proxy to attend, speak and vote for him/her. An instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must, to be valid, be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
5. The instrument appointing a proxy should be signed by the member or his/her attorney duly authorized in writing. If the member is a corporate entity, certified true copy of the instrument authorizing the person to act as proxy shall be provided.
6. The Proxy Form, duly completed and signed, must be received at the Company Secretary Office, Dadex House, 34-A/1, Block-6, PECHS, Shahrah-e-Faisal, Karachi at least 48 hours before the time of holding the meeting.
7. If a member appoints more than one proxy, and more than one instrument of proxy is deposited by a member, all such instruments shall be treated invalid. The proxy form shall be witnessed by two persons whose names, addresses and Computerized National Identity Card (CNIC) numbers shall be mentioned on the form.
8. Copy of the CNIC or passport of the beneficial owners shall be furnished with the proxy form. The proxy shall produce their original CNIC or original passport at the time of attending the meeting.

A. For Attending the Meeting:

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

B. For Appointing Proxies:

- i. In the case of individuals, the account holder or sub-account holder whose securities and registration details are uploaded as per the Regulations shall submit the proxy form as per the above requirement.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of the CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

- iv. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- v. In the case of a corporate entity, the Board of Directors' resolution/power of attorney with the specimen signature shall be submitted (unless it has been provided earlier) along with the proxy form to the Company.

C. Participation in the AGM proceedings through video link facility:

Shareholders interested to attend the AGM through video link facility (Zoom application) are hereby requested to get themselves registered with the Company Secretary office by providing the following details at the earliest but not later than 48 hours before the time of AGM through following means:

- a) Mobile/WhatsApp : 0333-2338042
- b) E-mail : cosec@dadex.com

Shareholders are advised to mention Name, CNIC Number, Folio/CDC Account Number, cell number and email ID for identification.

Upon receipt of the above information from the interested shareholders, the Company will send the login credentials at their e-mail address. On the date of AGM, shareholders will be able to login and participate in the AGM proceedings through their smartphone/computer devices.

D. Change of Address

Members holding shares in physical form are requested to promptly notify Shares Registrar of the Company of any change in their addresses. Shareholders maintaining their shares in electronic form should have their address updated with their participant or CDC Investor Accounts Service.

E. Submission of Copies of CNIC (Mandatory)

As per SECP directives the payment of dividend to the shareholders whose CNICs are not available with the Share Registrar are being withheld. All shareholders having physical shareholding are, therefore, advised to submit a photocopy of their valid CNICs to our Share Registrar. In case of non-receipt of information, the Bank will be constrained to withhold payment of dividend to shareholders.

Accordingly, the shareholders, who have not yet submitted a copy of their valid CNIC or NTN, are once again requested to immediately submit the same to the Company's Share Registrar at JWAFFS Registrar Services (Pvt.) Limited, Office # 20, 5th floor, Arkay Square Extension, New Chali, Shahrah-e-Liaquat, Karachi. Corporate entities are requested to provide their National Tax Number (NTN) and Folio Number along with the authorized representative's CNIC copy.

F. Payment of Cash Dividend Electronically (e-Dividend)

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders. In order to receive dividends directly into their bank account, shareholders are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the Share Registrar of the Company M/s. JWAFFS Registrar Services (Pvt.) Limited, Office # 20, 5th floor, Arkay Square Extension, New Chali, Shahrah-e-Liaquat, Karachi in case of physical shares. In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/ participant/CDC account services.

G. Transmission of the Annual Audited Financial Statements through QR-Enabled Code

Annual Report 2025 The Annual Report, including the Financial Statements of the Company, can be viewed using the following QR-enabled code. The same will be shared via email in case an email address is provided by the members. A printed copy of the above referred statements can be provided to members upon request. Karachi, to transact the following:

weblink: www.dadex.com



H. Availability of Annual Audited Financial Statements:

In accordance with the provision of Section 223 of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2025, are available on the Company's website www.dadex.com.

Any shareholder desires to get the hard copy of the Annual Audited Financial Statements 2024, the same shall be provided free of cost within seven working days of receipt of such request.

In pursuance of the directions given by SECP vide SRO 787 (1)/2014 dated September 8, 2014, those shareholders who desire to receive Annual Financial Statements in future through email instead of receiving the same by post are advised to give their formal consent along with their valid email address on a "Standard Request Form".

For convenience of shareholders, a "Standard Request Form" for provision of Annual Audited Financial Statements is available on the Company's website (www.dadex.com).

I. Unclaimed Dividend / Shares

Shareholders, who by any reason, could not claim their dividend or did not collect their physical shares, are advised to contact our Share Registrar M/s. JWAFFS

Registrar Services (Pvt.) Limited, Office # 20, 5th floor, Arkay Square Extension, New Chali, Shahrah-e-Liaquat, Karachi to collect/enquire about their unclaimed dividend or pending shares, if any. Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government /SECP and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan (SECP).

J. Conversion of Physical Securities into Book Entry Form

As per Section 72 of the Companies Act, 2017 every listed company is required to replace its physical shares with book entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act, i.e., May 30, 2017. Further, vide its letter dated March 26, 2021, SECP has directed all the listed companies to pursue its shareholder for conversion of their physical securities into book entry form. In light of the aforementioned directives, the Shareholders having physical shareholding are encouraged to open CDC account with CDS participant/CDC Investor Account Services and convert their existing physical securities into book entry form.

K. Declaration as per Zakat & Usher Ordinance 1980

Members are requested to submit declaration as per Zakat & Usher Ordinance 1980 for zakat exemption and to advise change in address, if any.

L. Consent for Video Conference Facility

In accordance with Section 132 and 134 of the Companies Act, 2017, members can also avail video conference facility. If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location other than the city of the Meeting, to participate in the meeting through video conference at least 7 days prior to the date of the Annual General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In this regard, please fill the following form and submit the same to the registered address of the Company 7 days before holding of the Annual General Meeting.

The Company will intimate to members regarding the venue of video conference facility at least 5 days before the date of the Annual General Meeting along with complete information necessary to enable them to access such facility.

I/We, _____ of _____, being a member of Dadex Eternit Limited, holder of _____ ordinary share (s) as per Registered Folio/CDC Account No. _____ hereby opt for video conference facility at _____.

Signature of Member

M. Prohibition of distribution of gifts

In compliance with Section 185 of Companies Act, 2017 and SECP directives vide S.R.O 452 (I) /2025 dated March 17, 2025, NO GIFTS, CASH, COUPONS/ VOUCHERS OR ANY OTHER FORM OF GIFT WILL BE DISTRIBUTED at the EOGM of the Company.

N. Postal Ballot / E-voting

In accordance with the Companies (Postal Ballot) Regulations, 2018, and Section 143 and 144 of the Companies Act 2017, shareholders will be allowed to exercise their right of vote through postal ballot i.e., by post or e-voting, in the manner and subject to the conditions contained in the aforesaid regulations, which may amended time to time.

THE CHAIRMAN'S REVIEW

Dear Shareholders,

I am pleased to present the Chairman's Review on the Annual Report of the Company for the financial year ended June 30, 2025. The year under review was marked by significant economic challenges both globally and domestically, which impacted overall business performance and bottom line profitability of the Company. Despite these headwinds, we remained focused on enhancing operational efficiencies, optimizing resources, and implementing strategic initiatives aimed at positioning the Company for a sustainable recovery and long-term growth.

Global Economic Outlook

The year under review was marked by global economic uncertainty, with persistent inflation, volatile commodity prices, and geopolitical tensions impacting trade and investment flows. While inflationary pressures have eased compared to recent peaks and global supply chain disruptions are gradually stabilizing, interest rates remain elevated, and climate-related risks continue to affect economic recovery. Nevertheless, emerging trends in digital transformation and green infrastructure are opening new avenues for sustainable growth.

Domestic Economy Overview

On the domestic front, Pakistan's economy remains in a phase of cautious stabilization. Although GDP growth improved modestly to 2.7% in FY 2025, business sentiment continues to be affected by high financing costs, currency pressures, and subdued private sector investment. However, recent reforms, targeted infrastructure spending, and enhanced trade facilitation measures have begun to support industrial activity. The construction and allied manufacturing sectors have shown early signs of recovery, with industrial growth reaching 4.8% during the year, reflecting improved demand for cement, pipes, and construction materials. Dadex, with its diversified portfolio and operational focus, is well-positioned to capitalize on these opportunities and strengthen its market leadership.

Strategic Asset Optimization

During the year, the Company obtained shareholders' approval for the disposal of property(ies) as part of its broader strategy to optimize the asset portfolio and strengthen liquidity. This strategic decision reflects our focus on financial flexibility and efficient resource allocation, enabling investments in core business areas with higher growth potential.

Corporate governance

Our governance framework remains robust and fully compliant with the Companies Act 2017, the Code of Corporate Governance-Regulations, 2019, and other applicable regulatory requirements. The Board continues to uphold transparency, accountability, and ethical business practices, while the Audit and Human Resource & Remuneration Committees have effectively discharged their responsibilities.

Board's Performance

The Board of Directors have remained committed to maintaining transparency, accountability, and ethical business practices, while the Audit and Human Resource & Remuneration Committees have actively fulfilled their responsibilities in line with statutory guidelines. The Board recognizes the importance of continuous improvement and has planned to conduct an independent performance evaluation in the upcoming period to further enhance its effectiveness and alignment with best governance practices.


Way Forward

Looking ahead, we are entering a pivotal phase of growth, supported by easing inflation, declining interest rates, and renewed infrastructure demand. With disciplined financial management, operational excellence, and strategic innovation, Dadex is well-prepared to navigate evolving market dynamics and deliver sustainable value to our shareholders.

Acknowledgment

On behalf of the Board, I extend my sincere gratitude to our shareholders, customers, bankers, Regulators, and employees for their continued trust and support. With collective effort and a clear strategic vision, we are confident in our ability to build on our achievements and drive long-term success.

Karachi:
September 24, 2025


SHAHZAD M. HUSAIN
CHAIRMAN

REPORT OF THE BOARD OF DIRECTORS

The Directors of the Company take pleasure in presenting this report, together with the Audited Financial Statements of the Company for the year ended June 30, 2025.

Principal Activities & Business Performance of the Company

The principal business of the Company is to manufacture and sell building materials, which includes piping systems and other allied products manufactured from chrysotile fiber cement, rubber, and plastics, merchandising of imported pipe fittings, accessories, and other building products.

Business Environment

In 2025, the global economy continues to navigate a highly uncertain environment, with growth projected to slow to its weakest rate outside of recession since 2008. The World Bank has revised down its global GDP growth forecast to 2.3%, citing escalating trade tensions, policy uncertainty, and lingering pandemic-related disruptions as key drag factors. In addition, global trade is expected to expand by a mere 1.8%, a significant drop from 3.4% in 2024.

These trends underscore the dual pressures and opportunities facing the Company. While global macroeconomic growth remains sluggish, long-term structural drivers—such as urbanization, infrastructure development, and increasing preference for durable yet cost-effective materials—continue to support growth in the construction plastics sector. As a manufacturer of plastic pipes and chrysotile cement sheets, Dadex is strategically placed to benefit from these trends, provided it remains agile in operations and responsive to shifts in global trade and market demand.

Pakistan Economic Overview

Pakistan's economy in FY2024-25 continued to navigate significant macroeconomic headwinds, marked by subdued growth dynamics, fiscal constraints, and signs of stabilization in key domains. On the domestic front, the construction sector, a core domain for Dadex, is projected to shrink by 2.8% in real terms for 2025, impacted by challenges such as high inflation, PKR depreciation, elevated materials and energy costs, limited development spending, and political instability. Early-year data from the Pakistan Bureau of Statistics (PBS) underscores this contraction, showing a 9.1% year-on-year drop in value addition during Q1 2025. However, a moderate recovery is anticipated thereafter, with projected average annual growth of 4.6% from 2026 to 2029, driven by renewed investment in infrastructure, energy, education, and housing projects.

Construction industry in Pakistan

The construction industry in Pakistan is expected to contract by 2.8% in real terms in 2025, primarily due to a combination of macroeconomic and structural challenges. Persistent high inflation, a heavy debt burden, a widening current account deficit, depreciation of the Pakistani Rupee (PKR), and elevated energy costs have collectively dampened construction activity. Rising prices of construction materials, coupled with increased taxation and constrained public sector development spending, have further slowed progress on both private and government-led projects.

According to data from the Pakistan Bureau of Statistics (PBS), the construction industry's value addition declined by 9.1% year-on-year (YoY) during the first quarter of 2025, reflecting the severity of the downturn. The slowdown has also resulted in reduced investor confidence, with many shifting capital to foreign markets, thereby impacting domestic employment generation, particularly within large-scale infrastructure and housing projects.

Despite these short-term headwinds, the industry is expected to rebound from 2026 onwards, with an anticipated average annual growth rate of 4.6% between 2026 and 2029. This recovery is expected to be driven by increased investments in infrastructure development, energy projects, educational facilities, and affordable housing schemes, supported by both public and private sector initiatives.

Operations

Overall production capacity at two manufacturing locations was severely affected during the year under review. During the year, investments were made in the Rs. 27.051 million in Hyderabad Factory to improve the quality of our CC Sheets and improve its appearance. Decision was made to close the Karachi Factory and focus on Hyderabad and Sundar for the future.

Statement of Compliance

The Company strictly adheres to the principles of Corporate Governance mandated by the Securities and Exchange Commission of Pakistan and has implemented all the prescribed stipulations. The same has been summarized in the statement of compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 duly reviewed by the auditors.

Internal controls and risk management

The Company maintains sound internal control systems to provide reasonable assurance against efficiency and effective operations, reliability of financial reports, and compliance with applicable laws and regulations. Such systems are monitored effectively by the Management while the Board Audit Committee reviews the internal control systems based on the assessment of risks and reports to the Board of Directors.

Risk and Mitigation

The Company is vulnerable to the following general risks, and in response to each risk that is currently confronted with, the Company has implemented the appropriate risk mitigation measures.

1) Commercial Risk

The company is facing the risk of an increase in the import of roofing. To mitigate this risk, the Company is lobbying to change Government import policies to protect the local industry.

The Company is also facing the risk of volatility in the raw material prices. To mitigate this risk the Company comprehensively monitors the price trends and takes strategic purchasing decisions to mitigate the effect of prices increase of resins and other raw materials.

2) Financial Risk

The company can be exposed to financial risk through borrowing from financial institutions. To mitigate this risk, the Company will reduce the bank borrowing by selling the Manghopir land and building located at Deh # 21-22 and Land, Building, Plant, Machinery, Fixtures of the Company at PECHS.

3) Compliance Risk

The Company understands that non-compliance with laws and regulations may result in the imposition of penalties, debarment, blacklisting, license cancellation, etc. Hence, the Company has a zero-tolerance policy for non-compliance activities and behaviors. In addition, to mitigate such risks, a comprehensive and effective compliance function is in place in the Company.

Dividends and Appropriations

The Company declared a final cash dividend of Rs. NIL per share i.e. NIL percent per share for the year under review.

The summary of profits/ (loss) available for appropriations is as follows:

	(Rupees in '000')
- Accumulated Loss as of July 01, 2024	(Rs. 1,108,194)
- Surplus on revaluation of fixed assets on account of incremental Depreciation charged on related assets	Rs. 19,442
- Loss after taxation for the year ended June 30, 2025	(Rs. 407,047)
- Accumulated loss as at June 30, 2025	(Rs. 1,495,799)

The break-up value per share as at June 30, 2025, is Rs. 40.39 (2024: Rs.47.56).

Board of Directors and its Committees

The Board of Directors met seven times during the year ended June 30, 2025. The Board consists of a good mix of experienced and skilled members.

The Board Audit Committee met four times and the Human Resource and Remuneration Committee met Nil during the year ended June 30, 2025. The Board Committees greatly facilitated the overall working of the Board.

Syed Shahid Ali Bukhari, Independent Director is the Chairman of the Board Audit Committee and Mrs. Ayesha Tariq Allawala Independent Director is the Chairperson of the Board Human Resource and Remuneration Committee as required under the Code of Corporate Governance, Regulations 2019.

Attendance of Meetings during the Year

A number of meetings of the Board of Directors, and its Audit and the Human Resource and Remuneration Committees, together with attendance therein, is as follows:

Name of Director	Status	Board of Directors meeting		Board Audit Committee meeting	
		Held	Attended	Held	Attended
Mr. Shahzad M. Husain	Non- Executive Director	7	7	4	4
Mr. Sikander Dada	Non-Executive Director	7	7	-	-
Mr. Abu Talib H.K. Dada	Non-Executive Director	7	7	-	-
Syed Shahid Ali Bukhari	Independent Director	7	7	4	4
Mrs. Amber Ahmed Motiwala	Independent Director	7	7	4	4
Mrs. Tariq Ayesha Allawala	Independent Director	7	7	-	-
*Khawaja Samiullah Askari	Non-Executive Director	4	4	1	1
*Mr. Maqbool H.H. Rahimtoola	Non- Executive Director	-	-	1	1

Appointment / Replacement of Director and Board's Performance Evaluation and Directors' Training Program

*During the year, Khawaja Samiullah Askari was appointed as Director of the Company in place of Mr. Maqbool H.H. Rahimtoola on December 09, 2024.

*Mr. Sikander Dada has been appointed as Chief Executive of the Dadex Eternit Limited with effect from April 11, 2025, in place of Mr. Samad Dada.

The Board carried out its obligations and tasks with careful attention, effectively steering the Company in its strategic matters. Additionally, the Board assumed a crucial role in supervising the performance of the Management and concentrating on significant areas of risk.

The Board displayed complete engagement and dedication to upholding elevated levels of Corporate Governance, aimed at protecting the interests of stakeholders. Every Director, including the Independent Director, actively engaged and added value to the Board's decision-making procedures.

The Company maintains an autonomous Internal Audit division that aids in identifying areas for enhancement within current processes.

The Board undertook a self-evaluation process, identifying potential areas for enhancement in alignment with best corporate practices. The primary focal points were strategic expansion, business prospects, risk oversight, and providing supervision to the Management.

The Company has already received approval for exemption from the Securities and Exchange Commission of Pakistan according to Regulation 19 of the CCG. This exemption pertains to the directors Mr. Sikander Dada, Mr. Abu Talib H.K. Dada, and Mr. Shahzad M. Husain. Syed Shahid Ali Bukhari and Mr. Khawaja Samiullah Askari are the certified Directors. The remaining directors intend to participate in the directors' training programme as needed, within the stipulated timeframe permitted by the Listed Companies Code of Corporate Governance Regulations, 2019.

Board members possess a diverse range of experience and are competent professionals. They are well-versed in the legal framework and business practices in Pakistan. Their significant expertise across various sectors has been effectively applied to the Company.

All Directors are thoroughly acquainted with their obligations and roles as Directors of a publicly listed company.

Disposal of Properties and Restructuring Initiatives

During the year, the Board of Directors reviewed the Company's financial and operational structure to strengthen liquidity and enhance overall performance. In this regard, the Board, through its resolution passed on April 28, 2025, proposed the disposal of certain non-core assets, including the Manghopir Land and building located at Deh # 21-22, Manghopir, Karachi and the Land, Building, Plant, Machinery, Fixtures of the Company situated at 34-A/1, Block 6, PECHS, Shahrah-e-Faisal, Karachi.

An Extraordinary General Meeting (EOGM) has been convened on June 03, 2025, to seek shareholders' approval for this transaction, in line with the applicable requirements of SRO 423(I)/2018. The proposed disposal aims to optimize the Company's asset portfolio, reduce financial obligations, and inject additional liquidity to support operational efficiency and future business growth.

The sale proceeds, once realized, will be utilized to restructure outstanding debt, improve working capital, and invest in profitable business ventures. The Company also intends to relocate its Registered / Head Office following the successful completion of the transaction.

The Board have also adopted all statutory and regulatory compliances relating to this matter, including disclosures under the Companies Act, 2017, and the Pakistan Stock Exchange's listing regulations.

Health, Safety, Environment, and Quality

Dadex being a responsible manufacturer and aware of the situation has been continuously contributing by investing in the protection of the environment by controlling pollution, implementing of occupational health and safety standards for the employees and also for a nearby community.

The Company gives the highest priority to Health, Safety & Environment (HSE). The HSE program has been further consolidated at its Lahore (Sunder) and Hyderabad factories. Dadex has been successfully certified for the latest ISO 45001:2018 superseding earlier OHSAS 18001. The Company has successfully qualified for the latest ISO 9001:2015 from ISO 9001:2008. We achieved these certifications after stringent audits by certifying agencies and surveillance audits being carried out to keep the system effectively implemented across the manufacturing facilities. HSE initiative is pro-active, compliant with local applicable laws and is fully aligned with guidelines from ILO / WHO & Chrysotile Institute – Canada.

Sustainable environment and energy consumption

The Company is conscious of its responsibility and commitment to protect the environment and efficiently use resources. Pursuing our commitment, among other measures taken, we encourage recycling/rework, which accounts for significant raw material cost savings, along with environmental benefits.

The Company also encourages its employees to conserve electricity by switching off lighting, computer systems, and electronics equipment when not in use and all electrical equipment is properly maintained to save energy.

Directors' Remuneration

The Board of Directors has approved the Directors' Remuneration. However, in terms of the Code of Corporate Governance, it is ensured that no Director takes part in deciding his remuneration. The Company shall not pay remuneration to its non-executive directors including independent directors. However, non-executive and independent directors are paid meeting fees for attending the Board of Directors and Board Committee Meetings. For information on the remuneration of Directors and CEO, please refer to note 44 of the Financial Statements.

Related Party Transactions

The Company has executed all transactions with its related parties at an arm's length price except where it has been disclosed in the financial statements. The details of all related party transactions were placed before the Audit Committee and upon its recommendation; the same was approved by the Board of Directors.

Information Communication Technology

In order to meet ICT ever growing needs to adapt itself to the dynamic era of information and communication technologies the ICT department of DADEX will update its existing software / hardware. The company uses information and communication technologies as a tool to remain upbeat in cut throat competition prevailing in the market thus making sure continuous improvement in business solutions and connectivity amongst its internal and external stakeholders.

The ICT Department is committed towards delivering cutting edge and consistent IT and SAP support services to its end users. The Company is working on lines to develop enhanced controls and existing SAP processes, updating applications / software / hardware / data communication to achieve business targets.

Corporate Philanthropy and Community Welfare

The Company during the year has made a Rs. Nil contribution its CSR activities. (2024: Rs. Nil).

Business Ethics and Anti-Corruption Measures

The Company adheres to a comprehensive code of ethics and business protocols. It is mandatory for all employees to steer clear of any conflicts of interest arising from their personal financial involvements and the Company's operations. All business transactions conducted on behalf of the Company are meticulously reported in its accounts.

Each employee bears the responsibility of preventing potential legal violations within their scope of authority, even if the delegation of specific tasks has taken place. The accountability remains with the employee.

The Company's guiding principles and approach persistently prioritize the adoption of robust corporate methodologies. These practices provide consumer protection and ensure effective anti-corruption measures.

Contribution to the National Exchequer and the Economy of the Country

The Company has contributed over Rs. 192 million (2024: Rs. 312 million) towards the National Exchequer in the form of income tax, sales tax, duties, levies, and other taxes.

Human Resources

DADEX believes in Organization and People Development. Human Resource at DADEX is the most valuable asset that has played a vital role for the sustainability and growth of the company. Our company is committed to continually engage in developing and to take good care of its Human Resource in order to provide a safe and good working environment. Our HR philosophy depends on motivated and committed employees and to attract and retain the people, we recognize the need to invest in their development.

Gender Pay Gap

The mean gender pay gap and maiden gender pay gap for the year ended as on June 30, 2025 is 22.20% and 3.11% respectively.

Employment of Special Persons

To provide employment opportunities to special persons and to provide them a chance to earn a respectable living as useful members of society, the Company has the policy to employ such persons.

Compliance Statement

The Company has duly complied with the rules and regulations as applicable to the company in the following manner:

- The financial statements, prepared by the Management of the Company, present fairly its state of affairs, the result of its operations, cash flows, and changes in equity;
- Proper books of accounts of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements, and accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in the preparation of financial statements and any departures therefrom have been adequately disclosed and explained;
- The Board has set up an effective Internal Audit function by appointing a qualified and experienced head of internal audit that is well conversant with the policies and procedures of the Company. The system of internal controls and other procedures, which are in place, are being continuously reviewed by the Board's Audit Committee;

The Board has a formal Remuneration Policy for the Directors. The main features include that every non-executive director including independent directors is entitled to a fixed fee as remuneration for attending meetings of the Board of Directors including a meeting of the sub-committees.

The Company incurred a net loss after tax for the year ended June 30, 2025, amounting to Rs. 407.047 million (2024: loss Rs. 350.403 million), and its accumulated Profit /losses as at June 30, 2025, amounting to Rs. 1,495.799 million (2024: Rs. 1,108.194 million). The Company's total current liabilities amounting to Rs. 2,437.004 million (2024: Rs. 2,259.165 million) exceeded the current assets by Rs135.799 million (2024: Rs.819.872 million).

The Company's financial statements for the year ended June 30, 2025, are being prepared on a going concern basis, as the Management has plans to increase profitability by introducing new marketing strategies and cutting down operational expenses which will improve profitability and meet working capital requirements.

The Company has already obtained approval of shareholders to dispose of the land and building of the Registered Office in its EOGM of the Company held on June 03, 2025. The objective was to ease financial obligations by reducing its bank loans and improve bottom line profitability which subsequently improves shareholders' value of the Company.

The Company carried out transactions with its related parties. Details of these transactions are disclosed in note 45 to financial statements.

There has been no material departure from the best practices of corporate governance, as detailed in the applicable PSX Regulations.

Operating and Financial Data

The summary of the key operating and financial data of the Company, spanning the last six years is annexed with this Report;

Taxes and levies are as disclosed in the Notes to the Accounts.

The following is the value of investments, held by the Provident Fund based on the latest audited accounts as at June 30, 2025: 2025

2025		2024
(Rupees in '000')		
176.612		198.191

separate statement of compliance signed by the Directors is annexed to this Annual Report.

Holding Company

M/s. Sikander (Private) Limited is the holding company of Dadex Eternit Limited under its 63.18% shareholding in the Company.

Auditors

The present auditors M/s. BDO Ebrahim & Co., Chartered Accountants shall retire after the 66th Annual General Meeting. Being eligible, they have offered themselves for re-appointment. As required by the Code of Corporate Governance, the Board Audit Committee has recommended their re-appointment as auditors of the Company for the financial year ending June 30, 2026, and the Board agreed with the recommendation of the Board Audit Committee and therefore has recommended their re-appointment to the Shareholders of the Company.

Pattern of Shareholding

The detailed pattern and categories of its shareholding including shares held by directors and executives, if any, are annexed to the Annual Report.

Material Changes

There have been no material changes and commitments affecting the financial position since June 30, 2025, to the date of this report, which has an impact on the financial statements of the Company.

Future Prospects and Challenges

Pakistan's economy continues to face significant challenges, including high inflation, currency depreciation, elevated energy costs, and macroeconomic uncertainty, all of which have impacted overall industrial activity and consumer demand.

Despite these formidable challenges, the Company maintains a measured yet forward-looking outlook for 2026. Pressures from import restrictions, limited foreign exchange availability, taxation reforms, and volatility in the construction materials market may continue to influence business performance in the short term. However, management remains focused on strategic resilience by leveraging Dadex's strong brand equity, its diversified product portfolio, and its reputation for quality and reliability in the plastic pipes and chrysotile cement market.

Management remains committed to expanding the customer base, exploring new markets, and diversifying raw material sources to mitigate supply chain risks. The Company also plans to capitalize on opportunities arising from government-led infrastructure development and housing initiatives, which are expected to support medium-term growth in the construction materials sector.

Acknowledgements

The Directors would like to acknowledge the efforts of the Dadex team for working tirelessly in these challenging economic conditions. We would like to take this opportunity to thank all its shareholders and other stakeholders including suppliers, service providers, banks / financial institutions, and insurers for supporting the Company in these financially challenging conditions and look forward to their continued support to the Company.

Karachi: September 24, 2025

On behalf of the Board of Directors


Sikander Dada
Chief Executive Officer


Shahzad M. Husain
Director

XX XX XX XX XX

مادی تبدیلیاں

۳۰ جون ۲۰۲۵ سے اس رپورٹ کی تاریخ تک مالی پوزیشن کو متاثر کرنے والی کوئی مادی تبدیلیاں اور وعدے نہیں ہوئے ہیں، جس کا اثرائتی کے مالی بیانات پر پڑتا ہے۔

مستقبل کے امکانات اور چیلنجز

پاکستان کی معیشت کو اہم چیلنجز کا سامنا ہے جن میں افراط زر میں اضافہ، کرنسی کی قدر میں کمی، توانائی کی قیمتوں میں اضافہ اور میکرو اکنامک غیر یقینی صورتحال شامل ہیں، ان سب نے مجموعی صنعتی سرگرمیوں اور صارفین کی طلب کو متاثر کیا ہے۔

ان زبردست چیلنجوں کے باوجود، کمپنی ۲۰۲۶ کے لیے ایک پینالٹس شدہ لیکن مستقبل کے نقطہ نظر کو برقرار رکھتی ہے۔ دہائی پابندیوں، محدود غیر ملکی زرمبادلہ کی دستیابی، ٹیکس اصلاحات اور تعمیراتی مواد کی مارکیٹ میں اتار چڑھاؤ سے ہونے والے دباؤ مختصر مدت میں کاروباری کارکردگی کو متاثر کرنا چاہیے رکھ سکتے ہیں۔ تاہم، انتظامیہ ڈاؤنکس کی مضبوط برانڈ ایکٹیوٹی، اس کے متنوع پروڈکٹ پورٹ فولیو، اور پلاسٹک پائپوں اور کرسٹال سینٹ مارکیٹ میں معیار اور خوشنیت کے لیے اس کی سہا کھ کا فائدہ اٹھاتے ہوئے اسٹریٹجک پلگ پر توجہ مرکوز کرتی ہے۔

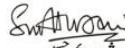
انتظامیہ کسٹمر میں کورجھانے، نئی منڈیوں کی تلاش اور سلائی چین کے خطرات کو کم کرنے کے لیے خام مال کے ذرائع کو متنوع بنانے کے لیے پرعزم ہے۔ کمپنی حکومت کی زیر قیادت بنیادی ڈھانچے کی ترقی اور ہاؤسنگ کے اقدامات سے پیدا ہونے والے مواقع سے فائدہ اٹھانے کا بھی ارادہ رکھتی ہے، جس سے تعمیراتی مواد کے شعبے میں درمیانی مدت کی ترقی میں مدد ملنے کی امید ہے۔


اظہار تشکر

ڈائریکٹرز ان مشکل معاشی حالات میں انتہک محنت کرنے کے لیے ڈاؤنکس ٹیم کی کوششوں کا اعتراف کرنا چاہیں گے۔ ہم اس موقع پر اپنے تمام حصص یافتگان اور دیگر اسٹیک ہولڈرز بشمول سپلائرز، سروس فراہم کنندگان، بینکوں / مالیاتی اداروں اور بیرونی کنندگان کا شکریہ ادا کرنا چاہتے ہیں جنہوں نے ان مالی طور پر چیلنجنگ حالات میں کمپنی کی مدد کی اور کمپنی کو ان کی مسلسل حمایت کے منتظر ہیں۔

مفتاب بورڈ آف ڈائریکٹرز

کراچی: ۲۴ ستمبر ۲۰۲۵


شہزاد اہم حسین
ڈائریکٹر


سکندر دادا
چیف ایگزیکٹو آفیسر

قومی خزانے اور ملک کی معیشت میں حصہ

کمپنی نے آمدنی کی ٹیکس، سلیز ٹیکس، ڈیو ٹیز، لیویز اور دیگر ٹیکسوں کی شکل میں قومی خزانے میں ۱۹۲ ملین روپے (۲۰۲۳:۱۲ ملین روپے) سے زیادہ جمع کرائے۔

انسانی وسائل

ڈاؤ کیمس میں انسانی وسائل سب سے قیمتی اثاثہ ہے جس نے کمپنی کی پائیداری اور ترقی کے لیے اہم کردار ادا کیا ہے۔ کمپنی کا سچا آرکالفس محفوظ اور اچھا کام کرنے کا ماحول فراہم کرنے کے لیے اپنے انسانی وسائل کی ترقی اور اچھی دیکھ بھال میں مسلسل مشغول ہونے کے لیے پرعزم ہے۔ لوگوں کو راغب کرنے اور برقرار رکھنے کے لئے، ڈاؤ کیمس ان کی ترقی میں سرمایہ کاری کرنے کی ضرورت کو تسلیم کرتے ہیں۔

صنعتی اجرت کا فرق

۳۰ جون ۲۰۲۵ کو اختتام پذیر سال کے لیے اوسط صنعتی تنخواہ کا فرق اور میڈین صنعتی تنخواہ کا فرق بالترتیب ۲۰۲۰ فیصد اور ۳۱ فیصد ہے۔

خصوصی افراد کی ملازمت

خصوصی افراد کو روزگار کے مواقع فراہم کرنے اور انہیں معاشرے کے مفید ممبر کے طور پر باعزت زندگی گزارنے کا موقع فراہم کرنے کے لیے، کمپنی کے پاس ایسے افراد کو ملازمت دینے کی پالیسی ہے۔

تعمیل کا بیانیہ

کمپنی نے مندرجہ ذیل طریقے سے کمپنی پر لاگو ہونے والے قواعد و ضوابط کی مناسب تعمیل کی ہے:

- کمپنی کی انتظامیہ کے ذریعہ تیار کردہ مالی بیانات، اس کی صورت حال، اس کے آپریشنز کے نتائج، نقد بہاؤ، اور انکیوبٹی میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔
- کمپنی کے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو کی گئی ہیں، اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- پاکستان میں لاگو ہونے والے بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈز (آئی ایف آر ایس) پر مالی بیانات کی تیاری میں عمل کیا گیا ہے اور اس سے کسی بھی ردائی کو مناسب طریقے سے ظاہر کیا گیا ہے اور اس کی وضاحت کی گئی ہے۔
- بورڈ نے داخلی آڈٹ کے ایک قابل اور تجربہ کار سربراہ کی تقرری کر کے ایک موثر داخلی آڈٹ فنکشن قائم کیا ہے جو کمپنی کی پالیسیوں اور طریقہ کار سے بخوبی واقف ہے۔ اندرونی کنٹرول اور دیگر طریقہ کار کے نظام کارپوریٹ آڈٹ کمپنی کے ذریعہ مسلسل جائزہ لیا جا رہا ہے۔

بورڈ کے پاس ڈائریکٹرز کے لیے معاوضے کی ایک باضابطہ پالیسی ہے۔ اہم خصوصیات میں یہ ہے کہ آزاد ڈائریکٹرز سمیت ہر نان ایگزیکٹو ڈائریکٹر ذیلی کمیٹیوں کے اجلاس سمیت بورڈ آف ڈائریکٹرز کے اجلاسوں میں شرکت کے لیے معاوضے کے طور پر ایک مقررہ فیس کا حقدار ہے۔

کمپنی کو ۳۰ جون ۲۰۲۵ کو ختم ہونے والے سال کے لیے ۷۰۳ ملین روپے (۲۰۲۳: ۳۵۰ ملین روپے کا نقصان) اور ۳۰ جون ۲۰۲۵ تک اس کا مجموعی منافع / نقصانات ۹۹۹ ملین روپے (۲۰۲۳: ۱۰۸ ملین روپے) کا خالص نقصان ہوا۔ کمپنی کی کل موجودہ واجبات ۷۰۳ ملین روپے (۲۰۲۳: ۲۰۲۳: ۲۵۹ ملین روپے) موجودہ اثاثوں ۹۹۹ ملین روپے (۲۰۲۳: ۸۱۹ ملین روپے) سے تجاوز کر گئیں۔

جون ۲۰۲۵ کو ختم ہونے والے سال کے لیے کمپنی کے مالی بیانات جاری توثیق کی بنیاد پر تیار کیے جا رہے ہیں، کیونکہ انتظامیہ کے پاس مارکیٹنگ کی نئی حکمت عملی 30 متعارف کروا کر اور آپریشنل اخراجات کو کم کر کے منافع میں اضافہ کرنے کا منصوبہ ہے جس سے منافع میں بہتری آئے گی اور درگت کھینچل کی ضروریات کو پورا کیا جائے گا۔

کمپنی نے پہلی ۳۰ جون ۲۰۲۵ کو منعقدہ کمپنی کے اپنے ای او بی ایم میں رجسٹرڈ دفتر کی زمین اور عمارت کو ٹھکانے لگانے کے لیے شیئر ہولڈرز کی منظوری حاصل کر لی ہے۔ اس کا مقصد اپنے بینک قرضوں کو کم کر کے اور چلنی سطح کے منافع کو بہتر بنا کر مالی ذمہ داریوں کو کم کرنا تھا جس کے نتیجے میں کمپنی کے حصص یافتگان کی قدر میں بہتری آتی ہے۔

کمپنی نے اپنے متعلقہ فریقوں کے ساتھ لین دین کیا۔ ان لین دین کی تفصیلات مالیاتی بیانات کے نوٹ ۳۵ میں ظاہر کی گئی ہیں۔

کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں ہوا ہے، جیسا کہ قابل اطلاق پی ایس ایکس ضوابط میں تفصیل سے بیان کیا گیا ہے۔

آپریٹنگ اور مالی اعداد و شمار

پچھلے چھ سالوں پر محیط کمپنی کے کلیدی آپریٹنگ اور مالیاتی اعداد و شمار کا خلاصہ اس رپورٹ کے ساتھ منسلک ہے۔

ٹیکس اور محصولات جیسا کہ اکاؤنٹس کے نوٹس میں ظاہر کیا گیا ہے۔

۳۰ جون ۲۰۲۵ تک تازہ ترین آڈٹ شدہ کھاتوں کی بنیاد پر پروویڈنٹ فنڈ کے ذریعہ رکھی گئی سرمایہ کاری کی قیمت درج ذیل ہے:

2025	2024
(روپے '۰۰۰' میں)	
176.612	198.191

ڈائریکٹرز کے دستخط شدہ تعمیل کا علیحدہ بیان اس سالانہ رپورٹ کے ساتھ منسلک ہے۔

ہولڈنگ کمپنی

میسرز سنکدر (پرائیویٹ) لمیٹڈ، کمپنی میں ۶۳.۱۸ فیصد حصص کی مالک ہونے کے ناطے ڈاؤ کیمس انٹرنٹ لمیٹڈ کی ہولڈنگ کمپنی ہے۔

اکویزٹرز

موجودہ اکویزٹرز میں ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ۶۶ ویں سالانہ جنرل میٹنگ کے بعد ریٹائر ہو جائیں گے۔ اہل ہونے کے ناطے، انہوں نے خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔ کوڈ آف کارپوریٹ گورننس کے مطابق، بورڈ آڈٹ کمیٹی نے ۳۰ جون ۲۰۲۶ کو اختتام پذیر ہونے والے مالی سال کے لیے کمپنی کے اکویزٹرز کے طور پر ان کی دوبارہ تقرری کی سفارش کی ہے، اور بورڈ، بورڈ آڈٹ کمیٹی کی سفارش سے متفق ہے لہذا کمپنی کے شراکت داروں سے ان کی دوبارہ تقرری کی سفارش کی ہے۔

حصص داری کا نمونہ

شیئر ہولڈنگ کا تفصیلی بیژن اور زمرہ جات بشمول ڈائریکٹرز اور ایگزیکٹوز کے حصص، اگر کوئی ہے، کو سالانہ رپورٹ میں منسلک کیا گیا ہے

جانیہ ادوں کی فروخت اور تنظیم نو کی کوششیں

سال کے دوران، بورڈ آف ڈائریکٹرز نے لیکویڈ پنی کو مضبوط بنانے اور مجموعی کارکردگی کو بڑھانے کے لیے کمپنی کے مالی اور آپریشنل ڈھانچے کا جائزہ لیا۔ اس سلسلے میں بورڈ نے ۲۸ اپریل ۲۰۲۵ کو منظور کی گئی اپنی قرارداد کے ذریعے کچھ غیر بنیادی اثاثہ جات کی فروخت کا مشورہ دیا جن میں ۲۱-۲۲، مکتوبہ، کراچی میں واقع مکتوبہ کی زمین اور عمارت اور کمپنی کی زمین، عمارت، پلانٹ، مشینری، گنجر، بلاک ۶، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی میں واقع ہیں۔

ایس آر او ۲۰۱۸/۱(۲۳) کی قابل اطلاق ضروریات کے مطابق، اس لین دین کے لئے حصص یافتگان کی منظوری حاصل کرنے کے لئے ۰۳ جون، ۲۰۲۵ کو ایک غیر معمولی جنرل میٹنگ (ای او جی ایم) طلب کی گئی ہے۔ مجوزہ ڈیپنڈنٹ کا مقصد کمپنی کے اثاثوں کے پورٹ فولیو کو بہتر بنانا، مالی ذمہ داریوں کو کم کرنا، اور آپریشنل کارکردگی اور مستقبل کی کاروباری ترقی کو سہارا دینے کے لیے اضافی لیکویڈ پنی شامل کرنا ہے۔

فروخت سے حاصل ہونے والی رقم، ایک بار وصول ہونے کے بعد، بقایا ترقی کی تنظیم نو، ورکنگ کپینٹل کو بہتر بنانے اور منافع بخش کاروباری منصوبوں میں سرمایہ کاری کے لئے استعمال کی جائے گی۔ کمپنی لین دین کی کامیابی تکمیل کے بعد اپنے رجسٹرڈ/ہیڈ آفس کو منتقل کرنے کا بھی ارادہ رکھتی ہے۔

بورڈ نے اس معاملے سے متعلق تمام قانونی اور ریگولیٹری تعمیل کو بھی اپنایا ہے جس میں کمپنیز ایکٹ ۲۰۱۷ کے تحت اعلانات اور پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز شامل ہیں۔

صحت، حفاظت، ماحول اور کوالٹی

ڈاؤ کیس ایک ذمہ دار مینوفیکچرر ہونے کے ناطے اور صورتحال سے آگاہ ہونے کے ناطے آلودگی پر قابو پانے، ملازمین کے لئے پیشہ ورانہ صحت اور حفاظت کے معیارات کو نافذ کرنے اور قریبی کمیونٹی کے لئے بھی ماحول کے تحفظ میں سرمایہ کاری کر کے مسلسل تعاون کر رہا ہے۔

کمپنی صحت، حفاظت اور ماحولیات (ایچ ایس ای) کو سب سے زیادہ ترجیح دیتی ہے۔ لاہور (سندر) اور حیدرآباد کی فیکٹریوں میں ایچ ایس ای پروگرام کو مزید مستحکم کیا گیا ہے۔ ڈیٹیکس کو جدید ترین آئی ایس او ۲۰۱۸:۲۵۰۰۱ کے لئے کامیابی کے ساتھ تصدیق کی گئی ہے جو پہلے OHSAS ۱۸۰۰۱ کی جگہ لے رہا ہے۔ کمپنی نے آئی ایس او ۲۰۰۸:۹۰۰۱ سے تازہ ترین آئی ایس او ۲۰۱۵:۹۰۰۱ کے لئے کامیابی کے ساتھ کو ایف ایف کیا ہے۔ ہم نے یہ سرٹیفیکیشن تصدیق کرنے والی ایجنسیوں کے سخت آڈٹ کے بعد حاصل کیے ہیں اور مینوفیکچرنگ سہولیات میں نظام کو مؤثر طریقے سے نافذ رکھنے کے لیے نگرانی کے آڈٹ کیے جا رہے ہیں۔

ایچ ایس ای نوعیت کے اعتبار سے فعال، مقامی قیام و وجہ قوانین کے تابع اور آئی ایل او / ڈیپو ایچ ایس ای اور کرسٹال انسٹی ٹیوٹ - کینیڈا کے رہنما خطوط کے ساتھ مکمل طور پر منسلک ہے۔

پائیدار ماحول اور توانائی کا استعمال

کمپنی ماحول کے تحفظ اور وسائل کے مؤثر استعمال کے اپنے ذمہ داریوں اور عہد سے آگاہ ہے۔ اپنے عہد کو آگے بڑھاتے ہوئے، دیگر اقدامات کے درمیان، ہم مری سائیکلائٹ / بارود کام کو فروغ دیتے ہیں، جو ماحولاتی فوائد کے ساتھ ساتھ خام مال کی لاگت میں نمایاں بچت کا باعث بنتا ہے۔

کمپنی اپنے ملازمین کو بجلی بچانے کی ترغیب دیتی ہے کہ وہ بے کار روشنیاں، کمپیوٹر سسٹمز، اور الیکٹرانک آلات بند کر دیں اور تمام الیکٹریکل آلات کو توانائی بچانے کے لیے مناسب طریقے سے برقرار رکھا جاتا ہے۔

ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضے کی منظوری دے دی ہے۔ تاہم، کوڈ آف کارپوریٹ گورننس کے لحاظ سے، اس بات کو یقینی بنایا جاتا ہے کہ کوئی بھی ڈائریکٹر اپنے معاوضے کے فیصلے میں حصہ نہ لے۔ کمپنی اپنے نان ایگزیکٹو ڈائریکٹرز بشمول آڈٹ ڈائریکٹرز کو معاوضہ ادا نہیں کرے گی۔ تاہم، نان ایگزیکٹو اور آڈٹ ڈائریکٹرز کو بورڈ آف ڈائریکٹرز اور بورڈ کمیٹی کے اجلاسوں میں شرکت کے لئے میٹنگ فیس ادا کی جاتی ہے۔ ڈائریکٹرز اور سی ای او کے معاوضے کے بارے میں معلومات کے لیے، براہ کرم مالیاتی بیانات کے نوٹ ۲۳ کا حوالہ دیں۔

متعلقہ پارٹی کے ساتھ لین دین

کمپنی نے اپنے متعلقہ پارٹیوں کے ساتھ تمام لین دین معمول کی قیمت پر انجام دیے ہیں سوائے اس کے جن کا اظہار مالی گوشواروں میں کیا گیا ہے۔ تمام پارٹیوں کے ساتھ لین دین کی تفصیلات آڈٹ کمیٹی کے سامنے پیش کی گئیں اور اس کی سفارش پر انہیں بورڈ آف ڈائریکٹرز نے منظوری دے دی۔

انفارمیشن کمیونیکیشن ٹیکنالوجی

آئی سی ٹی کو انفارمیشن اینڈ کمیونیکیشن ٹیکنالوجی کے متحرک دور کے مطابق ڈھالنے کی بڑھتی ہوئی ضروریات کو پورا کرنے کے لیے، ڈاؤ کیس آئی سی ٹی ڈیپارٹمنٹ اپنے موجودہ سافٹ ویئر / ہارڈ ویئر کو اپ ڈیٹ کرے گا۔ کمپنی مارکیٹ میں موجود سخت مسابقت میں پر جوش رہنے کے لیے انفارمیشن اور کمیونیکیشن ٹیکنالوجیز کو ایک آلے کے طور پر استعمال کرتی ہے اور اس طرح اپنے اندرونی اور بیرونی اسٹیک ہولڈرز کے درمیان کاروباری عمل اور رابطے میں مسلسل بہتری کو یقینی بناتی ہے۔

آئی سی ٹی ڈیپارٹمنٹ اپنے آخری صارفین کو جدید اور مستقل آئی سی ٹی اور ایس ایس پی سپورٹ خدمات فراہم کرنے کے لیے ہر عزم ہے۔ کمپنی کاروباری اہداف کو حاصل کرنے کے لیے ایپلی کیشنز / سافٹ ویئر / ہارڈ ویئر / ڈیٹا کمیونیکیشن کو اپ ڈیٹ کرنے کے لیے بہتر کنٹرول اور موجودہ ایس ایس پی عمل کو تیار کرنے کے لیے لائنوں پر کام کر رہی ہے۔

کارپوریٹ فلاح و بہبود اور سماجی بہبود

کمپنی نے سال کے دوران اپنی سی ایس آر سرگرمیوں کے لیے صفر روپے خرچ کیے (۲۰۰۳: صفر روپے)

کاروباری اخلاقیات اور انسداد بدعنوانی کے خلاف اقدامات

کمپنی اخلاقیات اور کاروباری پروٹوکول کے جامع کوڈ کی پابندی کرتی ہے۔ تمام ملازمین کے لیے یہ لازمی ہے کہ وہ اپنے ذاتی مالی معاملات اور کمپنی کے آپریشنز سے پیدا ہونے والے کسی بھی اقتصاد مفاد سے دور رہیں۔ کمپنی کی طرف سے کیے گئے تمام کاروباری لین دین کا احتیاط اس کے اکاؤنٹس میں ریکارڈ رکھا جاتا ہے۔

ہر ملازم اپنے اختیارات کے دائرہ کار میں ممکنہ قانونی خلاف ورزیوں کو روکنے کی ذمہ داری رکھتا ہے، چاہے مخصوص کاموں کی تفویض کی گئی ہو۔ ذمہ داری ملازم پر ہی عائد ہوتی ہے۔

کمپنی کے رہنما اصول اور نقطہ نظر مضبوط کارپوریٹ طریقوں کو اپنانے کو مسلسل ترجیح دیتے ہیں۔ یہ طریقے صارفین کے تحفظ کو یقینی بناتے ہیں اور بدعنوانی کے خلاف مؤثر اقدامات کو برقرار رکھتے ہیں۔

۲۔ مالیاتی خطرہ

کمپنی کو مالیاتی اداروں سے قرضے لینے کے وجہ سے مالیاتی خطرہ لاحق ہو سکتا ہے۔ اس خطرے کو کم کرنے کے لیے کمپنی اپنی منگوبہ کی زمین اور شارع فیصل کی زمین، عمارت، پلاٹ، مشینری، گنچہ زرکی فروخت کے ذریعے بینک کے قرضے کم کرے گی۔

۳۔ ضوابط کی تعمیل سے متعلق خطرات

کمپنی سمجھتی ہے کہ قوانین و ضوابط کی عدم تعمیل کے نتیجے میں جرمانے، نااہلی، بلیک لسٹنگ، لائسنس منسوخ و غیرہ ہو سکتی ہے۔ لہذا، کمپنی کی عدم تعمیل کی سرگرمیوں اور رویوں کے لیے مضرب داشت کی پالیسی رکھتی ہے۔ مزید برآں، ایسے خطرات کو کم کرنے کے لیے، کمپنی میں ایک جامع اور مؤثر نظام تعمیل موجود ہے۔

ڈیٹ پیڈ اور مختص کردہ رقم

کمپنی نے زیر جائزہ سال کے لیے مصروف پے یعنی مقرر فیصد حتی نقد منافع فی حصص کا اعلان کیا ہے۔

مختص کرنے کے لیے دستیاب منافع / (نقصان) کا خلاصہ درج ذیل ہے:

(روپے '۰۰۰' میں)

(1,108,194)

19,442

(407,047)

(1,495,799)

تیم جولائی ۲۰۲۳ تک مجموعی نقصان

اکاؤنٹ پر غیر منقولہ اثاثوں کی دوبارہ تشخیص پر فاضل متعلقہ اثاثوں پر عائد اضافی فرسودگی کی رقم

۳۰ جون ۲۰۲۵ کو ختم ہونے والے سال کے لیے ٹیکس کے بعد کا نقصان

۳۰ جون ۲۰۲۵ تک جمع ہونے والا نقصان

۳۰ جون ۲۰۲۵ تک فی شیئر بریک اپ ویلیو ۳۹ روپے (۲۰۲۳: ۵۷ روپے) ہے۔

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیاں

بورڈ آف ڈائریکٹرز کی ۳۰ جون ۲۰۲۵ کو اختتام پزیر سال کے دوران سات میٹنگیں ہوئیں۔ بورڈ میں تجربہ کار اور ہنرمند ارکان کا اچھا امتزاج ہے۔

بورڈ آف ڈائریکٹرز کی چار میٹنگیں ہوئیں جبکہ بیو من ریسورس اینڈ ریسرچ کمپنی کی زیر نظر سال میں کوئی میٹنگ نہیں ہوئی۔ بورڈ کمیٹیوں نے بورڈ کے مجموعی کام میں بہت مدد کی۔

سید شاہد علی بخاری، آزاد ڈائریکٹر، بورڈ آف ڈائریکٹرز کی چیئر مین ہیں اور محترمہ عائشہ طارق اللہ والہ، آزاد ڈائریکٹر، کوڈ آف کارپوریٹ گورننس، ریگولیشنز ۲۰۱۹ کے تحت مطلوبہ بورڈ بیو من ریسورس اینڈ ریسرچ کمپنی کی چیئر پرسن ہیں۔

سال کے دوران اجلاسوں کی حاضری

بورڈ آف ڈائریکٹرز اور اس کی آؤٹ اور بیو من ریسورس اینڈ ریسرچ کمپنیوں کی اجلاس کی تعداد اور ان میں حاضری درج ذیل ہے:

ذائریکٹر کا نام	حیثیت	بورڈ آف ڈائریکٹرز کا اجلاس		بورڈ آؤٹ کمیٹی کا اجلاس	
		شرکت	منعقدہ	شرکت	منعقدہ
جناب شہزاد ایم حسین	نان ایگزیکٹو ڈائریکٹر	7	7	4	4
جناب سکندر دادا	نان ایگزیکٹو ڈائریکٹر	7	7	-	-
جناب ابوطالب ایچ کے دادا	نان ایگزیکٹو ڈائریکٹر	7	7	-	-
سید شاہد علی بخاری	آزاد ڈائریکٹر	7	7	4	4
محترمہ امیر احمد موتی والا	آزاد ڈائریکٹر	7	7	4	4
محترمہ عائشہ طارق اللہ والہ	آزاد ڈائریکٹر	7	7	-	-
خواجہ سبج اللہ عسکری	نان ایگزیکٹو ڈائریکٹر	4	4	1	1
جناب مقبول ایچ رحیم تولہ	نان ایگزیکٹو ڈائریکٹر			1	1

ذائریکٹر کی تقرری / تبدیلی اور بورڈ کی کارکردگی کا جائزہ اور ڈائریکٹر ٹرینٹنگ پروگرام

۰ سال کے دوران خواجہ سبج اللہ عسکری کو ۹ دسمبر ۲۰۲۳ کو جناب مقبول ایچ رحیم اللہ کی جگہ کمپنی کا ڈائریکٹر مقرر کیا گیا۔

۰ جناب سکندر دادا کو جناب محمد دادا کی جگہ ۱۱ اپریل ۲۰۲۵ سے ڈاؤن کیس ایگزیکٹو لیڈنگ کا چیف ایگزیکٹو مقرر کیا گیا ہے۔

بورڈ نے اپنی ذمہ داریوں اور کاموں کو احتیاط کے ساتھ انجام دیا، کمپنی کو اس کے اسٹریٹجک معاملات میں مؤثر طریقے سے آگے بڑھایا۔ مزید برآں، بورڈ نے انتظامیہ کی کارکردگی کی نگرانی اور خطرے کے اہم شعبوں پر توجہ مرکوز کرنے میں اہم کردار ادا کیا۔

بورڈ نے کارپوریٹ گورننس کی اعلیٰ سطحی کوربر قرار رکھنے کے لیے مکمل مصروفیت اور نگران کا مظاہرہ کیا، جس کا مقصد اسٹیک ہولڈرز کے مفادات کا تحفظ کرنا ہے۔ آزاد ڈائریکٹر سمیت ہر ڈائریکٹر نے بورڈ کے فیصلہ سازی کے طریقہ کار میں فعال طور پر مشغول اور قدر میں اضافہ کیا۔

کمپنی ایک خود مختار داخلی آؤٹ ڈویژن کو برقرار رکھتی ہے جو موجودہ عمل کے اندر اضافے کے شعبوں کی نشاندہی کرنے میں مدد کرتی ہے۔

بورڈ نے بہترین کارپوریٹ طریقوں کے ساتھ ہم آہنگی میں اضافے کے ممکنہ شعبوں کی نشاندہی کرتے ہوئے خود جائزہ لینے کا عمل شروع کیا۔ بنیادی فوکل پوائنٹس اسٹریٹجک توسیع، کاروباری امکانات، خطرے کی نگرانی، اور انتظامیہ کو نگرانی فراہم کرنا تھے۔

کمپنی کو پہلے ہی سی سی جی کے ریگولیشن ۱۹ کے مطابق سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان سے اسٹاک کی منظوری مل چکی ہے۔ یہ اسٹاک ڈائریکٹر جناب سکندر دادا، جناب ابوطالب ایچ کے دادا اور جناب شہزاد ایم حسین سے متعلق ہے۔ سید شاہد علی بخاری اور جناب خواجہ سبج اللہ عسکری سرٹیفائیڈ ڈائریکٹر ہیں۔ بقیہ ڈائریکٹر زکارپوریٹ گورننس ریگولیشنز ۲۰۱۹ کے لنڈ کمپنیز کوڈ کے ذریعہ اجازت شدہ مقررہ مدت کے اندر ضرورت کے مطابق ڈائریکٹر کے تربیتی پروگرام میں حصہ لینے کا ارادہ رکھتے ہیں۔ بورڈ کے ممبران مختلف قسم کے تجربے کے حامل ہیں اور وہ قابل پیشہ ور ہیں۔ وہ پاکستان میں قانونی فریم ورک اور کاروباری طریقوں سے بخوبی واقف ہیں۔ مختلف شعبوں میں ان کی نمایاں مہارت کو کمپنی پر مؤثر طریقے سے لاگو کیا گیا ہے۔

تمام ڈائریکٹر زعوامی طور پر درج کمپنی کے ڈائریکٹر زکے طور پر اپنی ذمہ داریوں اور کرداروں سے اچھی طرح واقف ہیں۔

بورڈ آف ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز ۳۰ جون ۲۰۲۵ کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی بیانات کے ساتھ اس رپورٹ کو پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

بنیادی سرگرمیاں اور کمپنی کی کاروباری کارکردگی

کمپنی کا بنیادی کاروبار تعمیراتی مواد کی تیاری اور فروخت کرتا ہے، جس میں کروٹا سٹیل فابریک، ربرڈ اور پلاسٹک سے تیار کردہ پائپنگ سسٹم اور دیگر متعلقہ مصنوعات، دوا مد شدہ پائپ فٹنگز، لوازمات اور دیگر تعمیراتی مصنوعات کی تجارت شامل ہیں۔

کاروباری ماحول

سال ۲۰۲۵ میں، عالمی معیشت انتہائی غیر یقینی ماحول سے گزر رہی ہے، جہاں ۲۰۰۸ کے بعد کساد بازاری کے علاوہ نمو کی شرح سب سے کمزور رہنے کا تخمینہ ہے۔ عالمی بینک نے تجارتی تھکیل کی میں اضافہ، پالیسی میں غیر یقینی اور وبا سے متعلق مسلسل رکاوٹوں کو کلیدی خرابی کے عوامل بتاتے ہوئے عالمی ترقیاتی بنیادی ڈھانچے کو گھٹا کر ۳.۴ فیصد کر دیا ہے۔ مزید برآں، عالمی تجارت میں محض ۸.۸ فیصد کے اضافے کی توقع ہے، جو کہ ۲۰۲۳ میں ۳.۳ فیصد سے نمایاں کمی ہے۔

یہ رجحانات کمپنی کے سامنے دوہرے دباؤ اور مواقع کو واضح کرتے ہیں۔ اگرچہ عالمی میکرو اکنامک موسمت روئی کا شکار ہے، طویل المدتی ساختی محرکات جیسے کہ شہری کاری، بنیادی ڈھانچے کی ترقی، اور پائیدار معرکہ لاگت والے مواد کی بڑھتی ہوئی ترجیح۔ تعمیراتی پلاسٹکس کے شعبے میں ترقی کو جاری رکھے ہوئے ہیں۔ پلاسٹک پائپ اور کروٹا سٹیل سینٹس کی تیاری کرنے والی کمپنی ہونے کے باوجود، ڈیکس ان رجحانات سے فائدہ اٹھانے کے لیے اسٹریٹیجک طور پر موزوں مقام پر ہے، بشرطیکہ وہ اپنے آپریشنز میں یکدم آ رہے اور عالمی تجارت اور مارکیٹ کی مانگ میں تبدیلیوں پر فوری رد عمل ظاہر کرے۔

پاکستان کا معاشی جائزہ

مالی سال ۲۰۲۳-۲۵ میں پاکستان کی معیشت اہم میکرو اکنامک مشکلات سے گزر رہی ہے، جس کی نشاندہی ترقی کی حرکیات، مالیاتی رکاوٹوں اور کلیدی شعبوں میں استحکام کی علامات شامل ہیں۔ گھریلو محاذ پر، تعمیراتی شعبہ جو ڈیکس کے لیے ایک بنیادی ڈھانچہ ہے، ۲۰۲۵ کے لیے حقیقی معنوں میں ۲.۸ فیصد سکڑ جانے کا امکان ہے، جو زیادہ افراط زر، روپیے کی قدر میں کمی، اعلیٰ مواد اور توانائی کے اخراجات، محدود ترقیاتی اخراجات اور سیاسی عدم استحکام جیسے چیلنجز سے متاثر ہے۔ ادارہ برائے شماریات پاکستان (پی پی ایس) کے ابتدائی سال کے اعداد و شمار اس کی نشاندہی کرتے ہیں، جو ۲۰۲۵ کی پہلی سہ ماہی کے دوران ویلیو ایڈیشن میں ۹ فیصد سال بہ سال کی کو ظاہر کرتے ہیں۔ تاہم، اس کے بعد ایک معتدل بحالی کی توقع ہے، جس میں ۲۰۲۶ سے ۲۰۲۹ تک ۴.۶ فیصد کی اوسط سالانہ نمو کا تخمینہ ہے، جو بنیادی ڈھانچے، توانائی، تعلیم اور ہاؤسنگ منصوبوں میں نئی سرمایہ کاری سے ممکن ہوگی۔

پاکستان میں تعمیراتی صنعت

پاکستان میں تعمیراتی صنعت سال ۲۰۲۵ میں حقیقی معنوں میں ۲.۸ فیصد سکڑ جانے کی توقع ہے، جس کی بنیادی وجہ میکرو اکنامک اور ساختی چیلنجز ہیں۔ مسلسل بڑھتی ہوئی مہنگائی، قرضوں کا بھاری بوجھ، کرنٹ اکاؤنٹ خسارہ میں اضافہ، پاکستانی روپے کی قدر میں کمی اور توانائی کی بلند قیمتوں نے مجموعی طور پر تعمیراتی سرگرمیوں کو متاثر کیا ہے۔ تعمیراتی سامان کی بڑھتی ہوئی قیمتوں کے ساتھ ساتھ ٹیکسوں میں اضافے اور سرکاری شعبے کے ترقیاتی اخراجات میں کمی نے نجی اور سرکاری دونوں منصوبوں پر پھیرفت کو مزید سست کر دیا ہے۔

ادارہ برائے شماریات پاکستان (پی پی ایس) کے اعداد و شمار کے مطابق، سال ۲۰۲۵ کی پہلی سہ ماہی کے دوران تعمیراتی صنعت کی قدر میں سالانہ بنیادوں پر ۹.۱ فیصد کی واقع ہوئی ہے، جو اس مندی کی شدت کو ظاہر کرتی ہے۔ اس سست روی کے نتیجے میں سرمایہ کاروں کے اعتماد میں کمی آئی ہے، جس کے باعث بہت سے سرمایہ کار اپنی سرمایہ کاری غیر ملکی منڈیوں میں منتقل کر رہے ہیں، اور اس طرح ملکی سطح پر روزگار کے مواقع متاثر ہو رہے ہیں، خاص طور پر بڑے پیمانے کے بنیادی ڈھانچے اور رہائشی منصوبوں کے اندر متاثر ہوا ہے۔

ان قبیل مدتی مشکلات کے باوجود، صنعت ۲۰۲۶ سے بحال ہونے کی توقع ہے، جس کے ۲۰۲۶ سے ۲۰۲۹ کے درمیان اوسط سالانہ ۳.۶ فیصد نمو کے حامل ہونے کا تخمینہ ہے۔ اس بحالی کی توقع عوامی اور پرائیویٹ شعبے کی کوششوں کی مدد سے بنیادی ڈھانچے کی ترقی، توانائی کے منصوبوں، تعلیمی سہولیات اور سستی ہاؤسنگ اسکیموں میں سرمایہ کاری میں اضافے سے ہے۔

آپریشنز

زیر جائزہ سال کے دوران دو مینیجنگ مقامات پر مجموعی پیداواری صلاحیت شدید متاثر ہوئی۔ اس سال میں، حیدرآباد ٹیکسٹائلز میں ۵.۰۵ ملین روپے کی سرمایہ کاری ہماری سی ٹی شیٹس کے معیار کو بہتر بنانے اور ان کی ظاہری شکل میں بہتری لانے کے لیے کی گئی۔ کراچی ٹیکسٹائلز میں بند کرنے اور مستقبل کے لیے حیدرآباد اور سندھ پر توجہ مرکوز کرنے کا فیصلہ کیا گیا۔

تعمیل کا اعلان

کمپنی پاکستان سیکورٹیز اینڈ اینکچینج کمیشن کے جاری کردہ کارپوریٹ گورننس کے اصولوں کی سختی سے پابندی کرتی ہے اور تمام مقررہ شرائط نافذ کر چکی ہے۔ اس کا خلاصہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، ۲۰۱۹ کے ساتھ تعمیل کے بیان میں پیش کیا گیا ہے جس کا آؤٹ رٹز نے بروقت جائزہ لیا ہے۔

انٹر عمل کنٹرولز اور رسک مینجمنٹ

کمپنی کارکردگی اور مؤثر آپریشنز، مالی رپورٹس کی قابل اعتمادیت، اور قابل اطلاق قوانین و ضوابط کی تعمیل کے حوالے سے معقول یقین دہانی فراہم کرنے کے لیے مضبوط اندرونی کنٹرول سسٹم برقرار رکھتی ہے۔ ایسے سسٹمز کا انتظامیہ مؤثر طریقے سے نگرانی کرتی ہے جبکہ بورڈ آڈٹ کمیٹی خطرات کے جائزے کی بنیاد پر اندرونی کنٹرول سسٹمز کا جائزہ لیتی ہے اور بورڈ آف ڈائریکٹرز کو رپورٹ کرتی ہے۔

کمپنی کو درپیش خطرات اور کمی کے اقدامات

کمپنی کو مندرجہ ذیل عمومی خطرات لاحق ہیں اور ہر اس خطرے کے جواب میں جو اس وقت درپیش ہے، کمپنی نے خطرات کو کم کرنے کے مناسب اقدامات کیے ہیں۔

۱- تجارتی خطرہ

کمپنی کو چھوٹوں کے لیے دہا مدت میں اضافے کا خطرہ درپیش ہے۔ اس خطرے کو کم کرنے کے لیے، کمپنی مقامی صنعت کے تحفظ کے لیے حکومتی دہا مد پالیسیوں میں تبدیلی کے لیے لالچ کر رہی ہے۔

کمپنی کو عام مالی قیوتوں میں اتار چڑھاؤ کا خطرہ بھی درپیش ہے۔ اس خطرے کو کم کرنے کے لیے کمپنی قیمتوں کے رجحانات کا جامع جائزہ لیتی ہے اور لازماً دیگر عام مالی قیوتوں میں اضافے کے اثرات کو کم کرنے کے لیے اسٹریٹیجک خریداری کے فیصلے کرتی ہے۔

KEY OPERATING AND FINANCIAL DATA

	2025	2024	2023	2022	2021	2020
----- (Rupees in 000') -----						
Summary of Profit or Loss						
Sales - gross	936,616	1,348,479	1,660,325	2,011,487	2,880,728	2,806,696
Sales tax	(155,673)	(229,215)	(259,154)	(314,640)	(436,189)	(432,586)
Sales - net	780,943	1,119,264	1,401,171	1,696,847	2,444,539	2,374,110
Cost of Goods Sold	(826,617)	(1,062,590)	(1,271,588)	(1,449,027)	(2,133,655)	(2,139,045)
Gross Profit	(45,674)	56,674	129,583	247,820	310,873	235,065
Operating (Loss)/Profit	(259,677)	(145,402)	(196,233)	(21,208)	152,008	(158,738)
Finance Cost	(120,423)	(167,558)	(169,578)	(135,973)	(155,763)	(213,533)
Profit / (loss) before tax	(380,100)	(312,960)	(365,811)	(157,181)	(3,755)	(372,271)
Profit / (loss) after tax	(407,047)	(350,403)	(420,029)	(142,938)	(39,009)	(361,519)
Financial Popsition						
Share Capital	107,640	107,640	107,640	107,640	107,640	107,640
Reserves	(1,495,799)	(1,108,194)	(776,884)	(361,295)	(393,089)	(378,866)
Surplus on revaluation of Fixed Assets	1,817,308	1,506,789	1,525,882	1,054,892	1,169,490	1,194,276
Total Non- Current Liabilities	1,496	3,875	6,772	2,915	56,913	141,932
Total Current Liabilities	2,437,004	2,259,165	2,101,451	2,102,405	2,178,362	2,341,817
Total Non- Current Assets	572,099	1,335,638	644,709	1,011,958	1,721,641	1,799,906
Total Current Assets	530,069	716,087	829,645	1,171,394	1,038,875	1,606,893
Key Ratios						
Gross profit margin ratio	(5.85%)	5.06%	9.25%	14.60%	12.72%	9.90%
Operating profit margin (EBIT)	(33.25%)	(12.99%)	(14.00%)	(1.25%)	6.22%	(6.69%)
Pre Tax Profit Margin	(48.67%)	(27.96%)	(26.42%)	(9.26%)	(0.15%)	(15.68%)
Net profit margin ratio	(52.12%)	(31.30%)	(29.98%)	(8.42%)	(1.60%)	(15.23%)
Return on Equity Gross	(93.62%)	(68.45%)	(48.71%)	(17.84%)	(4.41%)	(39.17%)
Current Ratio	0.22	0.32	0.40	0.56	0.48	0.69
Quick Ratio	0.13	0.21	0.28	0.35	0.45	0.56
Receivables collection period	14.00	18.00	23.00	27.00	23.00	35.00
Inventory turn-over Days	81.00	67.00	84.00	105.00	89.00	105.00
Payables payment period	135.00	226.00	176.00	155.00	113.00	96.00
Debt equity ratio	(0.01)	(0.01)	(0.01)	(0.01)	(0.20)	(0.52)
Interest coverage ratio	(2.16)	(0.86)	(1.16)	(0.16)	0.98	(0.74)
Earning per share - in Rupees	(37.82)	(32.55)	(39.02)	(13.28)	(3.62)	(33.59)
Share Price - in Rupees	40.39	47.56	80.11	74.44	43.80	29.30
P/E Ratio	(1.79)	(1.17)	(0.92)	(5.81)	(12.10)	(0.90)



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF DADEX ETERNIT LIMITED ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of DADEX ETERNIT LIMITED for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

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

As a part of our audit of 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

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

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:

S. No	Paragraph Reference	Description
(i)	24	Contrary to the provisions of the Regulations, Mr. Muhammad Yousuf, the current Chief Financial Officer of the Company, has been appointed as the Company Secretary in place of outgoing Company Secretary, effective from June 21, 2023, for an interim duration.

KARACHI
DATED: October 06, 2025
UDIN: CR202510166vu6LeadDi

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CHARTERED ACCOUNTANTS
Engagement Partner: Tariq Feroz Khan

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

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

1. The total number of directors are 07 as per the following:-
 - a. Male: 05
 - b. Female: 02

2. The composition of the Board is as follows:

Category	Name
Independent Directors	Syed Shahid Ali Bukhari Mrs. Ayesha Tariq Allawala
Non-Executive Directors	Mr. Abu Talib H.K. Dada Mr. Shahzad M. Husain Mr. Khawaja Samiullah Askari
Executive Director	Mr. Sikandar Dada
Female Director	Mrs. Amber Ahmed Motiwala

3. The directors have confirmed that none of them is serving as a director on more than seven listed Companies, including this Company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. Three out of Seven Directors have confirmed that they possess requisite educational and directorship experience on the board of listed companies and hence are exempted from the requirement of attending Directors' Training Program. Two Directors has already attended Directors' Training Program. Remaining two directors will attend Directors' Training in coming fiscal year.
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:-

a) Audit Committee

Chairman: Syed Shahid Ali Bukhari
Members: Mr. Shehzad M. Husain
Mrs. Amber Ahmed Motiwala
Mr. Khawaja Samiullah Askari

b) HR and Remuneration Committee

Chairperson: Mrs. Ayesha Tariq Allawala
Members: Mr. Abu Talib H.K. Dada
Mr. Khawaja Samiullah Askari

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings of the committee were as per following:-
 - a) Audit Committee Four meetings (Quarterly)
Office # 20, 5th floor, Arkay Square Extension, New Chali, Shahrah-e-Liaquat, Karachi.
 - b) HR and Remuneration Committee One meeting
15. The Board has set up an effective internal audit function comprising of personnel who are considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the Institute of Chartered Accountants of

Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

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


Requirement Regulation No. 24

The same person shall not simultaneously hold office of Chief Financial Officer (CFO) and the Company Secretary of a listed company. However, contrary to the regulation of the Code of Corporate Governance, Mr. Muhammad Yousuf, the current Company Chief Financial Officer, has been appointed as the Company Secretary, replacing Mohammad Irfan, effective from June 21, 2023, for an interim duration.

Explanation:

The Company is well aware of this and intent to complete the appointment of a new Company Secretary.

KARACHI: September 24, 2025


 SHAHZAD M. HUSAIN
 CHAIRMAN



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DADEX ETERNIT LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **DADEX ETERNIT LIMITED**, (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and 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 and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Material Uncertainty relating to Going Concern

The Company incurred net loss after tax for the year ended June 30, 2025 amounting to Rs. 407.047 million and its accumulated losses as at June 30, 2025 amounted to Rs. 1,495.799 million. The Company's current liabilities aggregating to Rs. 2,437.004 million exceeded the current assets by Rs. 135.798 million. These events or conditions along with other factors disclosed in the note 2 indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.



Emphasis of matter paragraph

We draw attention to note 13 to the financial statements which states that the company has recognized deferred tax asset on the basis of the Company's financial projections and best estimates. The preparation of financial projections involves management's assumptions regarding future business plan and any significant change in such assumptions may have an effect on the realizability of the deferred tax asset. Our opinion is not qualified in respect of this matter.

Key Audit Matters

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

Following are the Key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1.	Assets classified as held for sale - Head office Land and Building The Board of Directors, in its meeting held on April 28, 2025, and the shareholders, in their Extraordinary General Meeting on June 03, 2025, approved the disposal of the aforementioned property. Accordingly, as disclosed in Note 22 to the accompanying financial statements, the Company has classified assets amounting to Rs. 1,047.931 million as held for sale. We identified asset classified as held for sale as key audit matter due to its financial magnitude and judgment and estimates involved in the assessment of the fair value of these assets.	<p>Our audit procedures to assess the classification of head office land and building as non-current assets held for sale, amongst others, include the following:</p> <ul style="list-style-type: none">Reviewed underlying evidence including but not limited to board of directors / shareholders' approval related to decision to sell the assets rather than to use them;We evaluated the conditions as per International Financial Reporting Standard (IFRS) 5 - 'Non-current Assets Held for Sale and Discontinued Operations', for classifying the assets held for sale ;Checked the fair valuation reports of independent valuer immediately prior to the date of transfer of such assets; and



S. No	Key audit matters	How the matter was addressed in our audit
		<ul style="list-style-type: none">Assessed the adequacy of the presentation and disclosures in the accompanying financial statements in respect of the assets classified as held for sale in accordance with approved financial and reporting standards.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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Report on Other Legal and Regulatory Requirements

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

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- 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 Tariq Feroz Khan.

KARACHI

DATED: October 06, 2025

UDIN: AR202510166h58iat20m

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CHARTERED ACCOUNTANTS

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FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment
Operating fixed assets
Capital work in progress

Investment property
Long-term loans
Long-term deposits
Deferred tax asset

CURRENT ASSETS

Stores, spares and loose tools
Stock-in-trade
Trade debts
Loans and advances
Trade deposits and short term prepayments
Other receivables
Income tax refund due from Government
Taxation - net
Cash and bank balances

Non-current assets held for sale

TOTAL ASSETS

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital
12,000,000 (2024: 12,000,000) ordinary shares of Rs. 10 each
8,000,000 (2024: 8,000,000) 'B' class ordinary shares of Rs. 10 each

Issued, subscribed and paid-up capital
Share premium

Reserve
Capital reserves
Surplus on revaluation of property, plant and equipment
Revenue reserves
Accumulated losses

NON-CURRENT LIABILITIES

Lease liabilities

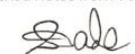
CURRENT LIABILITIES


GIDC Payable
Trade and other payables
Short-term borrowings
Accrued markup
Current portion of lease liabilities
Loan from directors
Unclaimed dividend

TOTAL EQUITY AND LIABILITIES

CONTINGENCIES AND COMMITMENTS

The annexed notes from 1 to 52 form an integral part of these financial statements.


Sikander Dada
Chief Executive


Shahzad M. Husain
Chairman


Muhammad Yousuf
Chief Financial Officer

Note	2025	2024
	---- (Rupees in thousands) ----	
8	405,275	1,148,639
9	13,177	1,932
	418,452	1,150,571
10	-	24,112
11	232	454
12	14,715	14,715
13	138,700	145,786
	572,099	1,335,638
14	41,752	42,624
15	175,353	192,153
16	10,386	48,635
17	58,532	38,606
18	36,621	40,585
19	35,379	22,093
20	131,807	243,816
21	17,222	38,477
	23,017	49,098
	530,069	716,088
22	1,771,136	723,205
	2,873,304	2,774,930
	120,000	120,000
	80,000	80,000
	200,000	200,000
23	107,640	107,640
	5,655	5,655
	113,295	113,295
	1,817,308	1,506,789
	(1,495,799)	(1,108,194)
24	321,509	398,595
	434,804	511,890
25	1,496	3,875
	1,496	3,875
27	29,344	29,344
28	1,659,073	1,440,371
29	651,426	669,111
30	27,410	37,800
25	1,534	1,323
26	52,000	65,000
	16,217	16,217
	2,437,004	2,259,165
31	2,873,304	2,774,930


STATEMENT OF PROFIT OR LOSS


For the Year Ended June 30, 2025

	Note	2025	2024
		----- (Rupees in thousands) -----	
Sales - gross		936,616	1,348,479
Sales tax		(155,673)	(229,215)
Sales - net	32	780,943	1,119,264
Cost of sales	33	(826,617)	(1,062,590)
Gross (loss) / profit		(45,674)	56,674
Distribution costs	34	(70,256)	(96,950)
Administrative expenses	35	(201,671)	(176,067)
Other expenses	36	(60,143)	(22,214)
Other income	37	118,067	93,155
Operating loss		(259,677)	(145,402)
Finance cost	38	(120,423)	(167,558)
Loss before income tax and levy		(380,100)	(312,960)
Levy	39	(10,187)	(1,161)
Loss before income tax		(390,287)	(314,121)
Taxation	40	(16,760)	(36,282)
Net loss for the year		(407,047)	(350,403)
Loss per share - basic and diluted (Rupees)	41	(37.82)	(32.55)

The annexed notes from 1 to 52 form an integral part of these financial statements.


Sikander Dada
 Chief Executive


Shahzad M. Husain
 Chairman

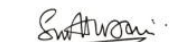

Muhammad Yousuf
 Chief Financial Officer
STATEMENT OF COMPREHENSIVE INCOME


For the Year Ended June 30, 2025

	2025	2024
	----- (Rupees in thousands) -----	
Net loss for the year	(407,047)	(350,403)
Other comprehensive income		
Items that will not be reclassified subsequently to statement of profit or loss:		
Revaluation of property, plant and equipment	329,961	-
Total comprehensive loss for the year	(77,086)	(350,403)

The annexed notes from 1 to 52 form an integral part of these financial statements.


Sikander Dada
 Chief Executive


Shahzad M. Husain
 Chairman


Muhammad Yousuf
 Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

For the Year Ended June 30, 2025

Issued, subscribed and paid-up capital		Reserves			
		Capital Reserve	Revenue Reserve	Total Reserves	Total
Ordinary shares	Share premium	Revaluation surplus	Accumulated losses		
(Rupees in thousands)					

Balance as at July 01, 2023 107,640 5,655 1,525,882 (776,884) 748,998 862,293

Total comprehensive loss					
Loss for the year	-	-	-	(350,403)	(350,403)
Other comprehensive income	-	-	-	-	-
	-	-	-	(350,403)	(350,403)

Transferred from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	(19,093)	19,093	-	-
--	---	---	----------	--------	---	---

Balance as at June 30, 2024 107,640 5,655 1,506,789 (1,108,194) 398,595 511,890

Balance as at July 01, 2024 107,640 5,655 1,506,789 (1,108,194) 398,595 511,890

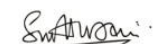
Total comprehensive income					
Loss for the year	-	-	-	(407,047)	(407,047)
Other comprehensive income	-	-	329,961	-	329,961
	-	-	329,961	(407,047)	(77,086)


Transferred from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	(19,442)	19,442	-	-
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Balance as at June 30, 2025 107,640 5,655 1,817,308 (1,495,799) 321,509 434,804

The annexed notes from 1 to 52 form an integral part of these financial statements.


Sikander Dada
Chief Executive


Shahzad M. Husain
Chairman


Muhammad Yousuf
Chief Financial Officer


STATEMENT OF CASH FLOW


For the Year Ended June 30, 2025

		2025	2024
	Note	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	42	26,394	254,302
Finance cost paid		(130,073)	(169,401)
Taxes received/(paid)		114,562	(52,880)
Net cash flows generated from operating activities		10,883	32,021
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to capital work in progress		(27,051)	(27,772)
Addition of right-to-use assets		-	(3,854)
Disposal of right-to-use assets		-	4,594
Proceeds from sale of property, plant and equipment		8,993	20,424
Long term security deposits		-	1,744
Interest received		633	10,766
Net cash flows (used in)/generated from investing activities		(17,425)	5,902
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(1,854)	(2,631)
Dividend paid during the year		-	(471)
Net cash used in financing activities		(1,854)	(3,103)
Net increase in cash and cash equivalents		(8,396)	34,820
Cash and cash equivalents at the beginning of the year		(620,014)	(654,834)
Cash and cash equivalents at the end of the year	43	(628,409)	(620,014)

The annexed notes from 1 to 52 form an integral part of these financial statements.


Sikander Dada
Chief Executive


Shahzad M. Husain
Chairman


Muhammad Yousuf
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

1 STATUS AND NATURE OF BUSINESS

- 1.1 Dadex Eternit Limited ("the Company") was incorporated in Pakistan as a public limited company on April 13, 1959 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and its ordinary shares are listed on Pakistan Stock Exchange. The principle business of the Company is to manufacture and sell construction material, which mainly includes piping systems and other allied products manufactured from chrysotile cement, rubber and plastics, merchandising of imported pipe fittings, accessories and other building product.
- 1.2 As at the reporting date, Sikandar (Private) Limited (the Holding Company) holds 6,800,648 ordinary shares representing 63.18% shareholding (2024: 63.18%).

2 MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

One of the Company's factory, which is located at Deh-22, Manghopir, Karachi, has been closed since March 30, 2021. The factory was closed down as dispute had arisen between management and labor union regarding retrenchment of some labor working at chrysotile cement roofing and pipe plant which was used to manufacture chrysotile cement roofing and pipes. The labor union went on strike as a result whole factory was closed down.

The Company has been facing various challenges for past many years which include, but were not limited to, decline in export sales, procurement of raw material, high inflation, exorbitant energy costs, domestic debt burdens, domestic labor union conflicts and stringent conditions associated with International Monetary Fund (IMF) support. These unprecedented internal and external factors placed considerable pressure on the manufacturing sector, leading to reduced demand and capacity utilization resulting in heavy losses and financial instability of the Company. Further, the Company has incurred net loss after tax for the year ended June 30, 2025 amounting to Rs. 407.047 million (2024: Rs 350.403 million) and its accumulated losses as at June 30, 2025 are amounting to Rs.1,495.799 million (2024: Rs. 1,108.194 million). The Company's total current liabilities amounting to Rs. 2,437.004 million (2024: Rs. 2,259.165 million) exceeded the current assets by Rs 135.798 million (2024: Rs 819.872 million) at the reporting date. In view of these financial difficulties, the Company has also classified its head office land and building as assets held for sale in order to generate liquidity for meeting working capital requirements and settlement of outstanding liabilities. These events or conditions along with other factors disclosed above indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern and, therefore, it may not be able to realize its assets and discharge its liabilities in the normal course of business.

However, the Company's financial statements for the year ended June 30, 2025 are being prepared on a going concern basis based on the following:

- the Company has successfully renewed its financial facility with National Bank of Pakistan (NBP).

- the management has plans to increase profitability by introducing new marketing strategies and cutting down operational expenses which will improve profitability and meet working capital requirements of the company.

- the Company sponsors support to meet any liquidity constraints and discharge its obligation as and when arises.

3 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at Dadex House, 34-A/1, Block 6, P.E.C.H.S, Sharah-e-Faisal, Karachi (held for sale property). The Company has three factories which are located at the following locations:

- DEH # 21-22, Manghopir, Karachi (held for sale property)
- Badin Road, Hyderabad
- Sunder Industrial Estate, Multan Road, Raiwind, District, Lahore

4 BASIS OF PREPARATION

4.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

4.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

4.3 Functional and presentation currency

The financial statements are presented in Pakistani Rupees ('Rupees' or 'Rs.') which is the Company's functional and presentation currency.

5 APPLICATION OF NEW STANDARDS, Amendments AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

5.1 New accounting standards, Amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following standards, Amendments and interpretations are effective for the year ended June 30, 2025. These standards, Amendments and interpretations are either not relevant to

the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

**Effective date
(annual periods
beginning on or after)**

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

5.2 New accounting standards, Amendments and interpretations 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, amendments and interpretations 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 IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

6. MATERIAL ACCOUNTING POLICY INFORMATION

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

6.1 Property, plant and equipment

a) Operating fixed assets

i) Owned

These are initially stated at cost. Subsequently, these are stated at cost less accumulated depreciation and impairment except for land. Freehold land and leasehold land are stated at revalued amounts less accumulated impairment.

Depreciation is charged to statement of profit or loss using the straight-line method over their estimated useful lives at the rates disclosed in note 8 to these financial statements, whereby the cost of an asset less residual value is written-off over its estimated useful life. A full month's depreciation is charged for assets in the month of purchase and no depreciation is charged in the month of disposal.

Maintenance and normal repairs are charged to the statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalized.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of an asset is recognized in the profit or loss in the period of disposal.

The assets residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, at each reporting date.

The carrying values of property, plant and equipment are reviewed at each reporting date for impairment when events or changes in circumstances indicate that carrying values may not be recoverable. If such indication exists where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amounts.

Surplus on revaluation of freehold and leasehold land is credited to the surplus on revaluation of property, plant and equipment account and is shown in the statement of changes in equity. The revaluation reserve is not available for distribution to the Company's shareholders. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. Cost / revalued amount at the date of the revaluation is adjusted / eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. To the extent of the incremental depreciation charged on the revalued assets, the related surplus on revaluation of property, plant and equipment is transferred directly to retained earnings. If carrying amount is increased as a result of a revaluation, the increase shall be recognized in statement of comprehensive income and accumulated in equity under the heading of surplus on revaluation of property plant and equipment.

If the carrying amount is decreased as a result of a revaluation, the decrease shall be recognized in profit or loss. However, the decrease shall be recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in statement of comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus. However, the increase shall be recognized in statement of profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in statement of profit or loss. When revalued assets are sold, their remaining revaluation is transferred directly to retained earnings.

ii) Right-of-use asset

The right-of-use asset is initially measured at the amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using straight line method from the commencement date to the earlier of the end of useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

b) Capital work-in-progress

Capital work-in-progress are stated at cost and consists of expenditure incurred, advances made and other costs directly attributable to operating fixed assets in the course of their construction and installation. Cost also includes applicable borrowing costs. Transfers are made to relevant operating fixed assets category as and when assets are available for use intended by the management.

6.2 Intangible assets

These are stated at cost less accumulated amortization and impairment. Amortization is charged to the statement of profit or loss using the straight-line method over their estimated useful lives.

6.3 Investment property

These are assets held for capital appreciation and for rental earnings and are measured under the cost model. These are stated at cost less accumulated depreciation and impairment.

Investment property is derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposals and carrying amount of the asset is recognized in the statement of profit or loss in the period of derecognition.

Transfers are made to or from the investment property only when there is a change in use. If owner occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Depreciation is charged to the statement of profit or loss using the straight-line method over their estimated useful lives at the rates disclosed in note 8 to these financial statements, whereby the cost of an asset less residual value is written-off over its estimated useful life. A full month's depreciation is charged for assets in the month of purchase and no depreciation is charged in the month of disposal.

Maintenance and normal repairs are charged to the statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalized.

6.4 Impairment of non-financial assets

The carrying amount of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indications exist, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss, if any.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating

unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that is largely independent from other assets and group. Impairment losses are recognized as expense in statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Impaired assets are reviewed for possible reversal of the impairment at each reporting date. Reversal of the impairment losses are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment losses had been recognized. A reversal of impairment loss is recognized in the statement of profit and loss.

6.5 Stores, spares and loose tools

Stores, spares and loose tools are stated at cost less provision for slow moving and obsolete items. Cost is determined by using the weighted average cost method. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

The Company reviews the carrying amount of stores, spares and loose tools on a periodic basis and provision is made for slow moving and obsolescence on periodic basis.

6.6 Stock-in-trade

Stock-in-trade, except goods-in-transit, are valued at lower of net realizable values and cost determined as follows:

Raw and packing materials - Moving average basis.

Work-in-process - Cost of direct materials plus conversion cost is valued on the basis of equivalent production units.

Finished goods - Cost of direct materials plus conversion cost is valued on time proportion basis.

Goods-in-transit are valued at purchase price, freight value and other charges incurred thereon up to the reporting date.

Stock-in-trade is regularly reviewed by the management and any obsolete items are brought down to their net realizable values.

6.7 Trade debts and other receivables

Trade debts are recognized initially at the amount of the consideration that is unconditional, unless they contain significant financing component in which case such are recognized at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at

amortized cost using the effective interest method. Impairment of trade debts is disclosed in note 6.16.1.

6.8 Taxation-levy and taxes

6.8.1 Levy

The Institute of Chartered Accountants of Pakistan has issued IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes and defined two approaches for bifurcation of tax between current and minimum taxes. Accordingly, the Company has accounting policy to recognize minimum tax if any on any amount over the current tax as levy under IAS-37 "Provisions, Contingent liabilities and Contingent assets"

6.8.2 Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognized in statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case it is also recognized in other comprehensive income or directly in equity respectively.

a) Current

Current tax is the expected tax payable on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using tax rates enacted or substantively enacted at the reporting date after taking into account tax credits and tax rebates. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

b) Deferred

Deferred tax is recognized using the balance sheet liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that the temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantially enacted by the statement of financial position date. Deferred tax is charged or credited in the statement of profit or loss and statement of comprehensive income.

Cash in hand and at banks are carried at nominal amount.

6.10 Non current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale (except for investment property measured at fair value) are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

6.11 Finance lease - lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less lease incentives receivable (if any), variable lease payments that depend on an index or a rate (if any), and amounts expected to be paid under residual value guarantees (if any). The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company (if any) and payments of penalties for terminating the lease (if any), if the termination option is reasonably certain to be exercised. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments at the lease commencement date, the Company uses the interest rate implicit in the lease. In case where the interest rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

6.12 Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company and subsequently measured at amortized cost. Exchange gains and losses arising on transaction in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

6.13 Borrowing

Borrowings are recognized initially at fair value net of transaction cost incurred. Borrowing cost are subsequently carried at amortized cost. Any difference between the proceeds received net of transaction cost and the redemption value is recognized in the Statement of profit or loss over the period of the borrowings using the effective interest method.

Finance cost are accounted for on accrual basis and are shown as interest and markup is accrued to the extent of the amount remaining unpaid.

Short term borrowings are classified as current liabilities unless the Company has unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Borrowing cost on long term finances and short term borrowings which are obtained for the acquisition of qualifying assets are capitalized as part of cost of that asset. All other borrowing costs are charged to the statement of profit or loss in the period in which these are incurred.

6.14 Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and amount of that obligation can be measured reliably. Provisions are not recognized for future operating losses. Provisions are reviewed at each reporting date and adjusted to reflect current best estimates.

6.15 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

6.16 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

6.16.1 Financial Assets

a) Initial Recognition and Measurement

Financial assets are classified at initial recognition and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15 'Revenue from Contract with Customers'.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- * Financial assets at amortized cost (debt instruments)
- * Financial assets designated at fair value through OCI (FVOCI) with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- * Financial assets at fair value through profit or loss (FVPL)

i) Financial assets at amortized cost (debt instruments)

Financial assets are measured at amortized cost if both of the following conditions are met:

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

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

ii) Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, equity investments can be classified as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

iii) Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognized in statement of profit or loss and other comprehensive income.

This category also includes derivative instruments and listed equity investments. Dividends on equity investments are also recognized as other income in profit or loss when the right of payment has been established.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) when:

- * The rights to receive cash flows from the asset have expired, or
- * The rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

6.16.2 Financial Liabilities

a) Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, trade payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

i) Financial liabilities at FVPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at FVPL.

ii) Financial liabilities at amortized cost

After initial recognition, borrowings and payables are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in

respect of borrowings in foreign currency are added to the carrying amount of the borrowing.

c) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

6.16.3 Offsetting of financial assets and financial liabilities

Financial asset and financial liability are offset and the net amount is reported in the financial statements only when the Company has a legally enforceable right to set-off the recognized amounts and the Company intends to settle either on a net basis or realize the asset and settle the liability simultaneously.

6.17 Foreign currency translation

Transactions in foreign currencies are converted into Pakistani Rupees at the rates of exchange prevailing on the dates of transactions. Monetary assets and liabilities in foreign currencies are translated into functional currency at the rates of exchange prevailing at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year and exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss.

6.18 Retirement benefits

The Company contributes to an approved contributory provident fund scheme for all its permanent employees. Equal monthly contributions, both by the Company and the employees are made to the fund, at the rate of 11% of the basic salary plus cost of living allowance. All regular employees are eligible for provident fund upon their confirmation. Obligation for contributions to defined contribution plan by the Company is recognized as an expense in the statement of profit or loss. Prepaid contribution are recognized as an asset to the extent that cash refund or reduction in future payment is available.

6.19 Revenue recognition

Revenue is recognized at amounts that reflect the consideration that the Company expects to be entitled to in exchange for transferring goods or services to a customer. Revenue is measured at the fair value of the consideration received or receivable, and is recognized when performance obligation is satisfied, at a point in time, when control of goods have been transferred to a customer. Generally, the normal credit term is 30 to 60 days upon delivery.

6.20 Other Income

- a) Scrap sales are recorded on receipt basis.
- b) Profit on bank accounts is recorded using effective interest rate.
- c) Rental income is recorded on accrual basis.
- d) Dividend income is recognized when the right to receive the dividend is established.

6.21 Cash and cash equivalents

Cash and cash equivalents comprise of cash, cheques in hand, bank deposits and balances with banks. Short-term borrowing facilities which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of statement of cash flows.

6.22 Share capital

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

6.23 Earnings per share

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

6.24 Dividend and appropriation to reserves

Dividend is recognized as a liability in the period in which it is declared by Board of Directors. Appropriations to reserves are recognized in the year in which these are approved by the Company's shareholders at the Annual General Meeting.

6.25 Related party transactions

Transactions with related parties are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

6.26 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

7 SIGNIFICANT ACCOUNTING JUDGEMENTS ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to consider industry practices and exercise its judgments in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

a) Residual value and useful life of property, plant and equipment

The Company reviews appropriateness of the rates of depreciation, useful lives and residual values used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available 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.

b) Surplus on revaluation of property, plant and equipment

The Company reviews the appropriateness of the revaluation of freehold and leasehold land after every 3 years for the purpose of ensuring that the carrying amount of the same does not differ materially from its fair value. In making this assessment, the Company uses the technical resources available with the Company. Any change in assessment in future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effect on revaluation surplus of property, plant and equipment.

c) Stock in trade and stores and spares

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

Provision for obsolete and slow moving stores, spares and loose tools is determined based on management's estimate regarding their future usability.

d) Impairment financial assets

The Company uses a provision matrix to calculate ECLs for trade debts and other receivables. The provision rates are based on days past due for Company's various customer that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with

forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

e) Assets classified as held for sale

The Company considered the factory building and head office land and building to meet the criteria to be classified as held for sale at that date for the following reasons:

- The factory and head office land and building are available for immediate sale and can be sold to the buyer in their current condition.
- An active buyer programme has been located and negotiations as at the reporting date are in progress.
- The shareholders approved the plan to sell on June 03, 2025.

f) Determination of the lease term for lease contracts with extension and termination options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate.

g) Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

h) Taxation

Significant judgment is required in determining the provision for income taxes and deferred tax asset and liability. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due taking into account decisions/judgement of appellate authorities on similar tax issues in the past. Where the

final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made. The recognition of deferred tax is also made taking into these judgements and the best estimate of future results of the Company.

i) Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information estimates the value of contingent assets and liabilities which may differ on the occurrence /non-occurrence of the uncertain future events.

8 OPERATING FIXED ASSETS

The following is the statement of operating fixed assets:

Description	Owned								Right-of-use-assets	Total
	Freehold land	Leasehold land	Factory building on freehold and leasehold land	Buildings on leasehold land other than factory	Plant and machinery	Furniture and fixtures	Vehicles and transportation equipment	Office and factory equipment	Building	
(Rupees in thousands)										
Year ended June 30, 2025										
Net carrying value basis										
Opening book value	221,936	763,230	732	19,303	133,618	96	281	3,870	5,571	1,148,637
Additions	8.1	-	9,757	549	1,560	1,370	-	2,570	-	15,806
Transfer to non-current asset held for sale	-	(1,009,230)	-	(14,328)	-	-	-	(2,799)	-	(1,026,357)
Reassessment against right of use of asset	-	-	-	-	-	-	-	-	(1,052)	(1,052)
Revaluation surplus	-	329,961	-	-	-	-	-	-	-	329,961
Disposal	-	-	-	-	-	-	-	(226)	-	(226)
Depreciation charge	-	(23,643)	(822)	(2,203)	(30,500)	(120)	(141)	(2,602)	(1,463)	(61,494)
Closing net book value	221,936	60,318	9,667	3,321	104,678	1,346	140	813	3,056	405,275
Gross carrying value basis										
Cost/Revalued amount	221,936	79,175	153,169	10,294	967,986	10,010	15,377	28,433	9,937	1,496,317
Accumulated depreciation	-	(18,857)	(143,502)	(6,973)	(863,308)	(8,664)	(15,237)	(27,620)	(6,881)	(1,091,042)
Net book value	221,936	60,318	9,667	3,321	104,678	1,346	140	813	3,056	405,275
Year ended June 30, 2024										
Net carrying value basis										
Opening net book value	221,936	64,451	851	4,520	147,609	170	426	3,665	7,851	451,480
Additions	-	-	213	-	37,736	-	-	1,417	3,854	43,219
Transfer from ROUA	-	-	-	-	-	-	-	-	-	-
Transfer to non-current asset held for sale	-	722,500	-	17,039	6,893	-	-	75	-	746,307
Disposal	-	-	-	-	(23,994)	-	-	-	(4,594)	(28,588)
Depreciation charge	-	(23,721)	(332)	(2,256)	(34,425)	(74)	(145)	(1,287)	(1,540)	(63,780)
Closing net book value	221,936	763,230	732	19,303	133,618	96	281	3,870	5,571	1,148,639
Gross carrying value basis										
Cost/Revalued amount	221,936	801,675	143,412	27,333	975,460	11,218	21,722	36,566	10,989	2,250,311
Accumulated depreciation	-	(38,445)	(142,680)	(8,030)	(841,841)	(11,121)	(21,441)	(32,696)	(5,418)	(1,101,672)
Net book value	221,936	763,230	732	19,303	133,618	96	281	3,870	5,571	1,148,639
Depreciation rate % per annum										
	0%	1% to 2.5%	10%	5%	10%	10%	20%	30% to 33.80%		

8.1 This represents amount transferred from capital work in progress.

8.2 Particulars of immovable property in the name of Company are as follows:

Details	Location	Total area
Free hold land	Plot No: 561-561A, Sunder Ind. Estate, Multan Road, Raiwind, Distt.	26,111 Sq-yard
Lease hold land	34-A/1, Block-6, P.E.C.H.S. Shahrah-e-Faisal, Karachi-75400,	1249 Sq-yard
Lease hold land	DEH # 21-22, Manghopir, Karachi 75890	125,840 Sq-yard
Lease hold land	P.O. Box No. 10, Badin Road, Hyderabad.	48,932 Sq-yard

8.3 The cost of fully depreciated assets which are still in use as at June 30, 2025 is Rs. 2,631.123 million (2024: Rs. 1,081.439 million).

8.4 The Company has lease contracts for the various office buildings used in its operations. The lease of office buildings generally have lease term between 3 years and 5 years. The Company's obligation under its leases are secured by the lessor's title to the leased assets.

Note	2025	2024
	---- (Rupees in thousands) ----	
Amounts recognized in the statement of profit or loss:		
Depreciation charge of right-of-use assets	1,463	1,540
8.5 The depreciation charge for the year has been allocated as follows:		
Cost of sales	33 33,837	34,554
Selling and distribution expenses	34 1,977	1,937
General and administrative expenses	35 28,218	29,867
	64,032	66,358

8.6 The Company has been revaluing its freehold and leasehold land since January 23, 2012, with the freehold land latest being done in the year 2023 and leasehold land latest being done in the year 2025, by independent valuers Oceanic Surveyors (Private) Limited and Fairwater Property Valuers and Surveyors (Private) Limited on the basis of market value. The incremental value of the leasehold land so revalued are being depreciated over the remaining useful lives of these assets at the date of revaluation.

8.7 Had there been no revaluation, the carrying amount of freehold land, leasehold land at June 30, 2025 would have been as under:

	2025			2024		
	Cost	Accumulated Depreciation	Written down value	Cost	Accumulated Depreciation	Written down value
	(Rupees in thousands)					
Free-hold land	62,101	-	62,101	62,101	-	62,101
Lease-hold land	450,977	(57,955)	393,022	465,701	(14,724)	450,977
	513,078	(57,955)	455,123	527,802	(14,724)	513,078

8.8 The forced sales value of leasehold land, which was subject to revaluation by Fairwater Property Valuers and Surveyors (Private) Limited, is Rs. 481.085 million (2024: Rs. 481.085 million).

Details of Company's free-hold and lease-hold land and information about the fair value hierarchy as at the end of the reporting period are as follows:

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
	-----Rupees in thousands-----			
Free-hold land	-	261,100	-	261,100
Lease-hold land	-	2,445,825	-	2,445,825
	-	2,706,925	-	2,706,925

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
	-----Rupees in thousands-----			
Free-hold land	-	261,100	-	261,100
Lease-hold land	-	2,445,825	-	2,445,825
	-	2,706,925	-	2,706,925

8.8.1 Fair value of freehold land and leasehold land are based on assumptions considered to be level 2 in the fair value hierarchy due to significant observable inputs used in the valuation.

Valuation techniques used to derive level 2 fair values - freehold land and leasehold

Fair values have been derived using a sales comparison approach. Sale prices of comparable lands in close proximity are adjusted for differences in key attributes such as location and size of the land. The most significant input in this valuation approach is price / rate per square yards in particular locality. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.

8.8.2 There were no transfers between level 2 and 3 for recurring fair value measurements during the year (2024: none).

9 CAPITAL WORK IN PROGRESS

9.1 Movement of carrying amount is as follows:

	2025	2024
	---- (Rupees in thousands) ----	
Plant and machinery	13,177	1,932
Opening balance	1,932	13,525
Additions (at cost) during the year	27,051	27,772
	28,983	41,297
Transfer to operating fixed assets during the year	(15,806)	(39,365)
Closing balance	13,177	1,932

10 INVESTMENT PROPERTY

	COST			DEPRECIATION			NET BOOK VALUE		Rate %
	As at July 1, 2024	Transfer	As at June 30, 2025	As at July 1, 2024	Depreciation for the year	As at June 30, 2025	Transfer to NCA held for sale	Net book value As at June 30, 2025	
	(Rupees in thousands)								
Building on lease hold land									
2025	50,762	-	50,762	26,650	2,538	29,188	21,574	-	5
2024	-	50,762	50,762	24,112	2,538	26,650	-	24,112	5

- 10.1** The investment property comprises of 61% of Karachi head office building is transferred to non-current assets held for sale at net book value in current year.

11 LONG-TERM LOANS

Note	2025	2024
	---- (Rupees in thousands) ----	

Secured - considered good
Long-term loans to employees

11.1	232	454
------	-----	-----

11.1 Long-term loans to employees

Due from employees
Current portion shown under current assets

11.3	432	732
17	(200)	(278)
11.2	232	454

- 11.2** Chief Executive Officer and Directors of the Company have not taken any loans and advances from the Company.

- 11.3** This represents loan provided to employees by the Company for the purchase of motor vehicles (cars and motorcycle). These are repayable over the period of 5 years and are secured by way of registration of vehicles purchased in the name of the Company.

12 LONG-TERM DEPOSITS

Note	2025	2024
	---- (Rupees in thousands) ----	

Long term security deposit

14,715	14,715
--------	--------

- 12.1** Most of the long-term deposits do not meet the definition of a financial instrument under IFRS 9. The remaining deposits, placed with government utility departments, have an indeterminate maturity period; therefore, the impact of discounting is not determinable, and these deposits are not remeasured.

13 DEFERRED TAXATION

Note	2025	2024
	---- (Rupees in thousands) ----	

Tax effects of temporary differences relating to:

Accelerated tax depreciation
Lease liabilities
Provisions
Unabsorbed tax losses

(12,345)	(19,295)
(7)	(108)
28,313	(5,351)
443,732	165,186
459,693	140,432
40,733	62,640
500,426	203,072

Minimum tax

13.1	500,426	203,072
------	---------	---------

Less:

Deferred tax asset not expected to be recovered with reasonable certainty

13.1	(361,726)	(57,286)
	138,700	145,786

- 13.1** Total deferred tax asset arising due to timing difference calculated at applicable tax rates as at the reporting date amounted to Rs.500.426 million (2024: Rs. 203.072 million). Out of this, deferred tax asset of Rs. 361.726 million (2024: Rs. 57.286 million) has not been recognized in these financial statements based on management's best estimate of probable benefit expected to be realized in the foreseeable future and / or adjustment of taxable and deductible temporary differences in future years.

14 STORES, SPARES AND LOOSE TOOLS

Note	2025	2024
	---- (Rupees in thousands) ----	

Stores
in hand
Spares
Loose tools

3,059	3,547
37,511	39,041
11,161	10,191
51,731	52,779
(9,979)	(10,155)
41,752	42,624

Less: provision for slow moving stores and spares

14.1	(9,979)	(10,155)
14.2	41,752	42,624

14.1 Provision for slow moving stores and spares comprises:

Balance at the beginning of the year
Reversals during the year
Balance at the end of the year

10,155	12,273
(176)	(2,118)
9,979	10,155

- 14.2** Stores and spares also include items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

	Note	2025	2024
		---- (Rupees in thousands) ----	
15 STOCK-IN-TRADE			
Raw materials			
- in hand		94,778	60,932
Work-in-process	15.1	6,116	20,224
Finished goods			
- manufactured	15.2	66,634	91,967
- trading	15.3	7,825	19,030
		74,459	110,997
		175,353	192,153
15.1 These are stated at cost less provision for slow moving stock.			
15.2 Finished goods - manufactured			
Manufactured goods - at cost		98,922	104,995
Less: provision for slow moving stock	15.2.1	(32,288)	(13,028)
		66,634	91,967
15.2.1 Provision for slow moving and obsolete - finished goods:			
Balance at beginning of the year		13,028	18,986
Provision for the year		19,260	-
Reversal for the year		-	(5,958)
Balance at end of the year		32,288	13,028
15.3 Finished goods - trading goods			
Trading goods - at cost		77,554	80,671
Less: provision for slow moving stock	15.3.1	(69,729)	(61,641)
		7,825	19,030
15.3.1 Provision for slow moving and obsolete - trading goods:			
Balance at beginning of the year		61,641	72,016
Provision for the year		8,088	-
Reversal for the year		-	(10,375)
Balance at end of the year		69,729	61,641
16 TRADE DEBTS			
(Unsecured - considered good)			
Export		-	-
Local		10,386	4,483
		10,386	4,483
(Unsecured - considered doubtful)			
Due from Turnkey project	16.1	-	17,414
Due from Others		214,373	218,571
		214,373	235,985
		224,759	240,468

	Note	2025	2024
		---- (Rupees in thousands) ----	
Allowance for expected credit loss			
Turnkey project	16.1	-	(17,414)
Others	16.3	(214,373)	(174,419)
		(214,373)	(191,833)
		10,386	48,635

16.1 Turnkey projects refer to the Company undertaking projects relating to laying down water lines for various government projects. The Company was not only responsible for providing pipes for that project but also was responsible for excavation and installation of said pipes. The amount receivable from turnkey projects comprises majority of retention money to be received after completion of work. The said amount is write off as it has been outstanding for more than 16 years. Moreover, the Company has discontinued its practice of undertaking project based works.

16.2 Allowance for expected credit losses- Turnkey

Allowance for turnkey projects		-	17,414
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16.3 Allowance for expected credit losses- Others

Balance at beginning of the year		174,419	174,419
Provision for the year	36	39,954	-
Balance at end of the year		214,373	174,419

16.4 Ageing of receivable

Trade debts are normally on 30 days term. Ageing analysis of trade debts is as follows:

	Ageing days					
	Neither past due nor impaired	30 days upto 90 days	90 days upto 180 days	180 days upto 360 days	Above 360 days	Total Amount
	-----Rupees in thousands-----					
2025	3,142	478	5,731	1,051	214,357	224,759
2024	4,483	268	502	3,411	231,804	240,468

17 LOANS AND ADVANCES

		2025	2024
		---- (Rupees in thousands) ----	
(Secured - considered good)			
Loans to employees			
Current portion of long-term loans to employees	11.1	200	278
(Unsecured - considered good)			
Advances			
to employees	17.1	316	228
to suppliers / contractors	17.2	58,016	38,100
		58,332	38,328
(Unsecured - considered doubtful)			
Advances			
to suppliers / contractors		-	500
Provision for doubtful advances		-	(500)
		-	-
	17.3	58,532	38,606

17.1 This includes advances provided to employees to meet business expenses and are settled as and when the expenses are incurred. These advances do not carry any interest or mark-up.

17.2 This represents advances to suppliers in the normal course of business and does not carry any interest or mark-up.

17.3 Chief Executive Officer and Directors of the Company have not taken any loans and advances from the Company.

18 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

Note	2025	2024
	---- (Rupees in thousands) ----	
Trade deposits (secured - considered)		
Tender deposits	21,797	24,543
Margin deposits	14,378	14,378
	<u>36,175</u>	<u>38,921</u>
Short term prepayments	446	503
	<u>36,621</u>	<u>39,424</u>
Considered doubtful		
Trade deposits	5,182	5,182
Allowance for expected credit losses	(5,182)	(5,182)
	-	-
Minimum tax - levy	-	1,161
39	<u>36,621</u>	<u>40,585</u>
18.1		

18.1 This represents short term deposits in the normal course of business and does not carry any interest or mark-up.

19 OTHER RECEIVABLES

(Secured - considered good)

Rent receivable from tenants	2,101	20,129
Sales tax receivable	33,278	1,964
	<u>35,379</u>	<u>22,093</u>

(Unsecured - considered doubtful)

Receivable from K-Electric Limited	10,227	10,227
Allowance for expected credit losses	(10,227)	(10,227)
	-	-
	<u>35,379</u>	<u>22,093</u>

20 TAXATION - NET

Advance tax	909,988	751,649
Provision for taxation	(892,766)	(713,171)
	<u>17,222</u>	<u>38,477</u>

21 CASH AND BANK BALANCES

Note	2025	2024
	---- (Rupees in thousands) ----	
Cash in hand	99	276
Local currency		
Bank balances		
Current account	10,766	40,232
PLS Savings account	12,152	8,590
21.1	<u>22,918</u>	<u>48,822</u>
	<u>23,017</u>	<u>49,098</u>

21.1 These carry profit rate ranging from 9.5% to 19% (2024: 15% to 20.5%) per annum.

22 NON-CURRENT ASSETS HELD FOR SALE

Head office-Karachi		
Leasehold land	1,009,230	-
Buildings on leasehold land	14,328	-
Machinery	2,744	-
Office equipment	55	-
Investment property	21,574	-
22.1	<u>1,047,931</u>	<u>-</u>
Factory-Karachi		
Leasehold land	720,000	720,000
Buildings on leasehold land	3,205	3,205
22.2	<u>723,205</u>	<u>723,205</u>
	<u>1,771,136</u>	<u>723,205</u>

22.1 To meet its working capital requirements and settle outstanding liabilities, the Company has decided to dispose of its head office located in Karachi, comprising leasehold land, building, machinery, and investment property. These assets have been classified as non-current assets held for sale in accordance with IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations.

The Board of Directors approved the disposal on April 28, 2025, which was subsequently ratified by the shareholders in the Extraordinary General Meeting held on June 03, 2025. Management has an active plan and is in discussions with potential buyers to complete the disposal in the following year to generate liquidity for repayment of liabilities and support working capital needs. Based on an independent valuation by Fairwater Property Valuers & Surveyors, the assessed market value of the leasehold land was Rs. 1,009.230 million.

22.2 The Company planned to sell the factory property and, accordingly, classified the leasehold land and building of the "Karachi Factory" as held for sale in 2022, with carrying amounts of Rs. 720 million and Rs. 3.205 million, respectively. During the year, the Board of Directors, in its meeting held on April 28, 2025, and the shareholders, in their Extraordinary General Meeting held on June 03, 2025, re-approved the planned disposal.

The last valuation by Oceanic Surveyors (Pvt.) Limited in September 2021 assessed the market value at Rs. 800 million and forced sale value at Rs. 723.205 million. The Company is still in the procedure of finding and negotiating with potential buyers. The management is still committed to plan and actively locating any potential buyer near future.

23 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		2025	2024
---- (Rupees in thousands) ----			---- (Rupees in thousands) ----	
914,264	914,264	Ordinary shares of Rs.10/- each fully paid in cash	9,143	9,143
476,386	476,386	Ordinary shares of Rs.10/- each issued as fully paid for consideration other than cash	4,764	4,764
800,000	800,000	B' class ordinary shares of 10/- each fully paid in cash	8,000	8,000
8,573,309	8,573,309	Issued as fully paid bonus shares	85,733	85,733
<u>10,763,959</u>	<u>10,763,959</u>		<u>107,640</u>	<u>107,640</u>

23.1 Ordinary shares include 4,090,536 shares (2024: 4,090,536 shares) of B class of Rs.10/- each converted into and deemed to be ordinary shares on disposal by a foreign shareholder, in prior years, in accordance with the Articles of Association of the Company.

23.2 The Holding Company holds 6,800,648 (2024: 6,800,648) ordinary shares representing 63.18 percent (2024: 63.18 percent) shareholding at the reporting date.

23.3 The Company has more than one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.

24 RESERVES

	Note	2025	2024
---- (Rupees in thousands) ----			
Capital reserve			
Surplus on revaluation of property, plant and equipment		1,817,308	1,506,789
Revenue reserve		(1,495,799)	(1,108,194)
Accumulated losses		<u>321,508</u>	<u>398,595</u>

24.1.2 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.

25 LEASE LIABILITIES

Balance at July 01	5,198	7,829
Addition	-	3,854
Reassessment	(1,052)	-
	<u>4,146</u>	<u>11,683</u>
Interest expense during the year	738	368
Payments / adjustments during the year	(1,854)	(6,853)
	<u>3,030</u>	<u>5,198</u>
Less: Payable within one year shown Under current liabilities	(1,534)	(1,323)
	<u>1,496</u>	<u>3,875</u>
Current portion of lease liabilities	1,534	1,323
Non-current portion of lease liabilities	<u>1,496</u>	<u>3,875</u>
	<u>3,030</u>	<u>5,198</u>

25.2

	Note	2025	2024
---- (Rupees in thousands) ----			
25.1 Maturity analysis-contractual undiscounted cash flows:			
Less than one year		1,534	1,323
One to five year		<u>1,496</u>	<u>3,875</u>
Total undiscounted lease liability		<u>3,030</u>	<u>5,198</u>

25.2 This pertains to office premises of company occupied in various cities as a tenant. The discount rate use to calculate is 22.5% (2024: 22.5%).

26 LOAN FROM DIRECTORS

26.1	<u>52,000</u>	<u>65,000</u>
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26.1 This represents interest free loan obtained from Ms. Ayesha Allahwala , Mr.Sikandar Dada and from directors of Holding Company amounting to Rs. 20 million, Rs. 5 million and 27 million respectively.

27 GIDC PAYABLE

GIDC payable	27.1	<u>29,344</u>	<u>29,344</u>
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27.1 An amount of Rs. 87.349 million was contingent in respect of Gas Infrastructure Development Cess (GIDC) levied under GIDC Act, 2015. Previously, based on appeal filed by the Government, the Supreme Court of Pakistan in its judgement dismissed all the petition filed against the aforesaid matter and decided in favour of Federal Government. Accordingly, as per the direction given in the said judgement, the Company would be required to pay the amount of levy payable up to July 2020 in forty eight equal monthly installment commenced from August, 2020.

In October 2022, number of monthly installment is reduced from forty eight to twenty four equal monthly installments resulting in Loss on restructuring of GIDC liability Rs. 4.695 million and GIDC fee was also reduced by SSGC resulting in extinguishment of liability amounting to Rs. 43.497 million. The component of late payment surcharge is no more payable as per the aforesaid judgment.

28 TRADE AND OTHER PAYABLES

	Note	2025	2024
---- (Rupees in thousands) ----			
Trade creditors		801,370	675,698
Accrued liabilities		<u>83,847</u>	<u>89,997</u>
Advance from customers	28.1	<u>677,556</u>	<u>595,563</u>
Advance from tenants		6,204	6,260
Infrastructure cess payable	28.2	<u>40,913</u>	<u>40,913</u>
Security deposits from distributors and others	28.3	<u>30,970</u>	<u>19,792</u>
Workers' Profit Participation Fund	28.4	<u>932</u>	<u>932</u>
Workers' Welfare Fund		-	7,557
Provident fund payable	28.5	<u>14,374</u>	<u>1,243</u>
Payables to employees		<u>776</u>	<u>776</u>
Withholding tax		<u>35</u>	<u>455</u>
Other payables		<u>2,096</u>	<u>1,184</u>
		<u>1,659,073</u>	<u>1,440,370</u>

28.1 Movement in advances from customers during the year is as follows:

Note	2025	2024
---- (Rupees in thousands) ----		
Opening balance	595,563	461,492
Additions during the year	1,006,364	1,778,623
	1,601,927	2,240,116
Adjusted against revenue	(924,371)	(1,644,553)
Closing balance	677,556	595,563

28.2 The amount represents bank guarantees issued by the Company against infrastructure cess levied by the Government of Sindh on manufacturing companies in respect of imported materials. Under the levy, companies were required to pay a cess to the provincial government for the maintenance and development of infrastructure related to road carriage and the smooth and safe movement of goods within the Province, upon entering or leaving through air or sea. The Company has challenged the levy in court on the grounds that imposition of cess on imported goods does not fall within the ambit of the provincial government. The matter is currently pending adjudication.

Note	2025	2024
---- (Rupees in thousands) ----		
Deposits received from supplier	6	6
Deposits received from dealers	6,164	6,164
Deposits received from tenants	24,800	13,621
	30,970	19,792

28.3 Security deposits from distributors and others

Deposits received from supplier	6	6
Deposits received from dealers	6,164	6,164
Deposits received from tenants	24,800	13,621
	30,970	19,792

28.4 Workers' Profit Participation Fund

Balance at July 01	932	932
Interest on funds utilized in Company's business	-	-
Balance at June 30	932	932

28.5 All investments out of the provident fund in mutual funds, term finance certificates, and bank deposits have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules made thereunder.

29 SHORT TERM BORROWINGS

Note	2025	2024
---- (Rupees in thousands) ----		
(Secured)		
Conventional mode		
Running finance	29.1	448,460
	448,460	449,760
Islamic mode		
Karobar finance	29.2	57,960
Istisna finance	29.3	145,006
	202,966	219,351
	651,426	669,111

29.1 The Company has obtained financing facilities from National Bank of Pakistan (NBP) amounting to Rs. 450 million (June 30, 2024: Rs. 500 million). These facilities are secured by a first pari-passu charge through hypothecation of the Company's stock and trade debts amounting to Rs. 666.67 million (June 30, 2024: Rs. 1,448 million), and by a first exclusive mortgage charge of Rs. 934 million (June 30, 2024: Rs. 934 million) over the Company's land and building situated at 21-22 Manghopir Road, Tapo Manghopir, Karachi. The Bank is aware of the fact that the said land and building has been classified by the Company as non-current asset held for sale.

These facilities carry mark-up rate 3 months KIBOR + 2.75% (June 30, 2024: 3 months KIBOR + 2.75%) per annum. The Company negotiation these financing facilities with NBP and submitted various plans for enhancing product lines and improvement in business profitability. Subsequent to the period end, negotiations with NBP have reached and formal letter pertaining to renewal / re-positioning of financing facilities has been received. Accordingly, new limit for running finance is Rs. 450 million and mark-up rate has been revised to 3 months KIBOR + 3.25%.

29.2 This facility has been obtained from Bank Islami Pakistan Limited aggregating to Rs. 57.9 million (June 30, 2024: Rs. 80 million) out of which all has been utilized at the reporting date. The facility is secured by creation of first pari-passu charge against hypothecation of the Company's property, plant and equipment of Rs. 333.33 million (June 30, 2024: Rs. 333.33 million) located at Karachi and Lahore. The facility carries mark-up rates ranging from 13.33 % to 23.23% (June 30, 2024: 19.23% to 23.19%) per annum.

29.3 This facility of Rs. 150 million has been obtained from Habib Metropolitan Bank which has been fully utilized as at the reporting date (June 30, 2024: 150 million unutilized facilities). This facility is secured by creation of 100% cash collateralized of lien on Islamic Naya Pakistan certificate (INPC) placed by three Share holders of the Company, of equivalent amount as proposed. The facility carries mark-up rates ranging from 6 months KIBOR + 2% (June 30, 2024: KIBOR + 2%) per annum.

30 ACCRUED MARKUP

Mark-up accrued on short term borrowing

Note	2025	2024
---- (Rupees in thousands) ----		
Conventional mode		
Running finance	17,253	26,864
Islamic mode		
Karobar finance	2,221	4,010
Istisna	7,936	4,927
Tijarah Finance	-	1,999
	10,157	10,936
	27,410	37,800

31 CONTINGENCIES AND COMMITMENTS**31.1 Contingencies**

31.1.1 During the year ended June 30, 2010, the Environmental Protection Tribunal (EPT) initiated proceedings against the Company, containing allegations of pollution, under the Pakistan Environmental Protection Act, 1997 based on a complaint filed by the brother of an ex-employee

of the Company. The Company submitted a plea before the EPT raising the issue of the maintainability of the complaint and its lack of jurisdiction to hear the same which was dismissed vide an order dated June 29, 2010. The Company filed a constitutional petition before the Honorable High Court of Sindh (HCS) seeking reliefs that the proceedings before EPT vis-a-vis the compliant were taken Corum non judice and has maintained that the EPT has no jurisdiction of the subject matter. The said constitutional petition was dismissed by HCS vide its judgment dated March 9, 2011.

The Company filed petition for leave to appeal against the judgment of HCS before the Honorable Supreme Court of Pakistan (SCP) which granted leave to appeal to the Company vide its order dated June 23, 2011 and converted the petition into an appeal. Thereafter, after the partial hearing of the civil appeal, the SCP vide its order dated October 25, 2011 directed a commission constituted by the EPT to submit the report of environmental audit of the Company's factory and surrounding premises. Pursuant to the direction of SCP, a report was filed ostensibly on behalf of a commission constituted by the EPT to which objections have been filed by the Company before SCP. The hearing of civil appeal on merits is now pending. Based on the opinion of the legal counsel of the Company, the management expects a favorable outcome of the case. Accordingly, no provision for any potential demand in respect of the above has been made in these financial statements.

31.1.2 The Company is defending various suits filed in various courts of Pakistan for sums aggregating to Rs. 17.027 million (June 30, 2024: Rs. 16.345 million). However, in view of a legal advice, the Company's management is confident that these suits will be decided in its favor, and accordingly, no provision has been made in this respect.

	Note	2025	2024
---- (Rupees in thousands) ----			
31.2 Commitments			
Outstanding letter of guarantee		70,824	70,824
Post dated cheques		69,723	48,488
Outstanding contracts		720,159	703,450
Duties Payable on goods in Transit		9,210	-
32 SALES-NET			
Local sales		931,788	1,335,011
Export sales		4,828	13,468
Gross sales		936,616	1,348,479
Less:			
Sales tax		155,673	229,215
		<u>780,943</u>	<u>1,119,264</u>

	Note	2025	2024
---- (Rupees in thousands) ----			
33 COST OF SALES			
Manufactured goods			
Raw materials consumed		60,932	110,864
Opening stock		514,805	637,150
Purchase		(94,778)	(60,932)
Closing stock	15	<u>480,959</u>	<u>687,082</u>
Raw materials consumed			
Manufacturing overheads			
Stores, spares and loose tools consumed	33.1	20,990	32,399
Salaries, wages and benefits	33.2	74,725	71,096
Procured services		7,691	24,245
Fuel, water and power		68,466	102,390
Insurance		4,498	4,054
Travelling		93	78
Communication		655	851
Depreciation	8.5	33,837	34,554
Rent, rates and taxes		1,978	3,084
Repair and maintenance		20,307	26,621
Printing and stationary		133	807
Reversal of provision for stores, spares and loose tools written back	14.1	(176)	(2,118)
Other expenses		1,864	1,813
		<u>235,061</u>	<u>299,874</u>
		716,020	986,956
Work-in-process			
Opening stock		20,224	11,565
Closing stock	15	(6,116)	(20,224)
Cost of goods manufactured		<u>730,128</u>	<u>978,297</u>
Finished goods			
Opening stock		91,967	58,272
Closing stock	15.2	(66,634)	(91,967)
		<u>755,461</u>	<u>944,602</u>
Trading goods			
Opening stock		19,030	18,297
Purchase		59,951	118,721
Closing stock	15.3	(7,825)	(19,030)
		<u>71,156</u>	<u>117,988</u>
		<u>826,617</u>	<u>1,062,590</u>
33.1 Stores spares and loose tools consumed			
Opening stock		52,779	56,203
Purchases		19,943	28,974
Closing stock	14	(51,731)	(52,779)
		<u>20,990</u>	<u>32,399</u>

33.2 This includes Rs. 1.681 million (2024: Rs. 1.659 million) in respect of contribution to staff provident fund.

34 DISTRIBUTION COSTS	Note	2025	2024
		---- (Rupees in thousands) ----	
Salaries, wages and benefits	34.1	46,650	56,873
Repair and maintenance		1,874	4,182
Depreciation	8.5	1,977	1,937
Printing, Stationery & Subscription		112	160
Advertising and sales promotion		1,650	870
Communication		983	1,021
Travelling		664	2,545
Legal and professional charges		-	1,163
Transportation and other charges	34.2	5,400	14,476
Fuel and other charges		10,242	13,257
Insurance		317	359
Sundry expenses		387	107
		<u>70,256</u>	<u>96,950</u>

34.1 This include Rs. 2.284 million (2024: Rs. 1.911 million) in respect of contribution to staff provident fund.

34.2 This includes Rs. 0.869 million (2024: Rs. 2.914 million) related to transportation and other charges against export sales.

35 ADMINISTRATIVE EXPENSES	Note	2025	2024
		---- (Rupees in thousands) ----	
Salaries, wages and benefits	35.1	76,896	61,910
Repair and maintenance		9,209	7,124
Depreciation on property, plant and equipment	8.5	25,680	27,329
Depreciation on investment property	10	2,538	2,538
Procured services		13,632	4,163
Auditor's remuneration	35.2	1,920	1,920
Communication		5,705	7,279
Travelling		11,477	17,101
Professional charges		5,355	6,203
Electricity, gas and water		35,354	30,008
Insurance		1,601	1,197
Printing stationary and subscription		2,897	2,991
Rent, rates and taxes		4,869	3,246
Sundry expenses		4,538	3,058
		<u>201,671</u>	<u>176,067</u>

35.1 This include Rs. 1.778 million (2024: Rs. Rs. 2.762 million) in respect of provident fund.

35.2 Auditor's remuneration

Audit fee	1,200	1,200
Fee for half yearly review	475	475
Other services	125	125
Out of pocket expenses	120	120
	<u>1,920</u>	<u>1,920</u>

36 OTHER EXPENSES

Note	2025	2024
	---- (Rupees in thousands) ----	
Non-executive director's fee	795	645
Exchange loss	19,394	-
Fines and penalties	-	17,999
Loss on disposal of property, plant and equipment	-	3,570
Net provision for expected credit	39,954	-
	<u>60,143</u>	<u>22,214</u>

36.1 The penalties of Rs. 0.01 million was imposed by SECP due to late filling of annual return for the year ended June 30, 2021. The Company has also paid penalty to SNGPL against non performance of performance obligation.

37 OTHER INCOME

Rental income	74,647	55,617
Service income	20,887	-
Gain on disposal of property, plant and equipment	8,766	-
Interest income	633	10,766
Exchange gain	-	20,681
Sale of scrap material	13,134	6,091
	<u>118,067</u>	<u>93,155</u>

38 FINANCE COST

Short-term borrowings	118,557	166,031
Finance charges on leases	738	368
Bank and other charges	1,128	1,159
	<u>120,423</u>	<u>167,558</u>

39 MINIMUM TAX DIFFERENTIAL

Income tax levy under IFRIC 21/IAS	39.1	10,187	1,161
------------------------------------	------	--------	-------

39.1 This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

40 TAXATION

Current	7,131	12,902
Prior year	2,544	6,662
Deferred	7,085	16,718
	<u>16,760</u>	<u>36,282</u>

Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognized in the profit or loss is as follows:

Income tax under IAS 12	7,131	12,902
Income tax levy under IFRIC 21/IAS 37	10,187	1,161
Current tax liability as per Income Tax Ordinance	<u>17,318</u>	<u>14,063</u>

The provision of current tax liability for the year contains minimum tax at 1.25% of the net local turnover for the year and of export proceeds.

Note	2025	2024
	---- (Rupees in thousands) ----	
Income tax under IAS 12	7,131	12,902
Income tax levy under IFRIC 21/IAS 37	10,187	1,161
Current tax liability as per Income Tax Ordinance	17,318	14,063

The provision of current tax liability for the year contains minimum tax at 1.25% of the net local turnover for the year and of export proceeds.

41 LOSS PER SHARE - BASIC AND DILUTED

The basic loss per share as required under "IAS 33. Earnings per share" is given below:

Net loss for the year (Rupees)	(407,047)	(350,403)
Weighted average number of ordinary shares	10,764	10,764
Loss per share - basic and diluted (Rupees)	(37.82)	(32.55)

There is no dilutive effect on the basic earnings per share of the Company.

42 CASH GENERATED FROM OPERATIONS

Loss before income tax and levy		(380,100)	(312,960)
Adjustment for non-cash and other items:			
Depreciation			
Property, plant and equipment	8	61,494	63,780
Investment property	10	2,538	2,538
Loss / (gain) on disposal of property, plant and equipment	37	(8,766)	3,570
Amortization		-	40
Interest income	37	(633)	(10,766)
Finance costs	38	120,423	167,558
Working capital changes	42.1	231,438	340,542
		<u>26,394</u>	<u>254,302</u>

42.1 Working capital changes

Decrease/(Increase) in current assets		
Stores, spare parts and loose tools	872	1,306
Stock in trade	16,800	6,845
Trade debts	38,249	11,991
Loans and advances	(19,703)	49,981
Trade deposits and short-term prepayment	3,964	76,515
Other receivable	(14,446)	(7,781)
	25,736	138,857
Increase /(decrease) in current liabilities		
Trade and other payable	218,702	161,685
Loan from directors	-	40,000
Loan repaid to directors	(13,000)	-
	231,438	340,542

42.2 Reconciliation of movement of liabilities to cash flows arising from financing activities

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

	July 1, 2024	Non-cash changes	Cash flows		June 30, 2025
	Rs. In '000'		Obtained	Repaid	Rs. In '000'
Lease liabilities	5,198	738	-	(1,854)	4,082
Dividend (paid) / reversed	16,217	-	-	-	16,217
Loans from director	65,000	-	34,500	(47,500)	52,000
Total	86,415	738	34,500	(49,354)	72,299

	July 1, 2023	Non-cash changes	Cash flows		June 30, 2024
	Rs. In '000'		Obtained	Repaid	Rs. In '000'
Lease liabilities	7,829	4,222	-	(6,853)	5,198
Dividend (paid) / reversed	16,687	-	-	(471)	16,217
Loans from director	25,000	-	40,000	-	65,000
Total	49,517	4,222	40,000	(7,324)	86,415

43 CASH AND CASH EQUIVALENTS

	Note	2025	2024
		---- (Rupees in thousands) ----	
Cash and bank balances	21	23,017	49,098
Short term borrowing	29	(651,426)	(669,111)
		(628,409)	(620,014)

44 REMUNERATION TO THE CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

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

	Chief Executive Officer		Executives		Total	
	2025	2024	2025	2024	2025	2024
	Rupees in thousands					
Managerial remuneration	16,733	3,000	17,505	21,655	34,238	24,655
Housing						
-Rent	-	-	7,877	9,745	7,877	9,745
-Utilities	1,063	501	1,750	2,165	2,813	2,666
-Other items	2,662	1,997	50	673	2,712	2,670
Bonus	-	-	-	-	-	-
Retirement Benefits	-	-	1,929	2,385	1,929	2,385
Insurance				400		400
Medical and other reimbursable expenses	16,707	14,943	478	-	17,185	14,943
	37,165	20,441	29,589	37,023	66,754	57,464
Number of persons	1	1	10	9	11	10

- b) Aggregate amount charged in these financial statements in respect of Directors' fee for attending Board of Directors (BoD), Board Audit Committee (BAC), and Board Human Resource & Remuneration (BHR&RC) Committee meetings amounted to Rs. 0.585 million (2024: Rs. 0.360 million), Rs. 0.210 million (2024: Rs. 0.240 million) and Rs. nil million (2024: Rs. 0.045 million) respectively. The Directors fees for attending BoD, BAC, and BHR&RC meetings were paid as prescribed in Articles of Association.
- c) The current and corresponding year figures include remunerations of Company's Executives whose basic salary exceeds twelve hundred thousand rupees in a financial year.
- d) The Chief Executive and certain executives are also provided with cars for business and personal use in accordance with the service rules of the Company.

45 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of the Holding Company, Associated Companies, staff retirement funds, directors and other key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of related parties (with whom the Company has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements are as follows:

Name of related party	Nature of Relation	Basis of Relation
Sikander (Private) Limited	Holding company	63.18% shares
Ray Shipping Enterprise Limited	Associated company	Common Director
Berger Paints Pakistan Limited	Associated company	Common Director
THK Solutions (Private) Limited	Associated company	Common Director
Muznash (Private) Limited	Associated company	Common Director
Bandenawaz (Private) Limited	Associated company	Common Director
Provident fund	Employees Fund	Trustees
Ms. Ayesha Allahwala	Key management personnel	Director
Mr. Sikander Dada	Key management personnel	CEO

Name of related party	Nature of transaction	2025	2024
---- (Rupees in thousands) ----			
Sikander (Private) Limited (Holding Company)	Rent paid	1,725	1,568
Provident fund	Contribution to staff retirement plans	5,744	6,334
Directors of Holding Company	Loan received	34,500	40,000
Directors of Holding Company	Loan paid	47,500	-
45.1 Year end balances			
Receivable from related parties		-	1,568
Loan from directors		27,000	65,000

45.2 The details of compensation paid to key management personnel are shown under the heading of "Remuneration of Chief Executive, Directors and Executive (note 44). There are no transactions with key management personnel other than under their terms of employment.

45.3 The above transactions with related parties are at arm's length based on normal commercial rates as approved by Board of Directors.

46 OPERATING SEGMENTS

46.1 The activities of the Company are organized into business units based on their products and have the following operating segments:

- The 'Chrysotile Cement' segment relates to manufacturing and supply of corrugated sheets and pipes and manufacturing and supply of rubber rings.
- 'Plastic' products segments includes PVC, Polydex and Polyethylene pipes.
- All other segments include merchandising of imported building products and services.

Management monitors the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on certain key performance indicators, including business volume, gross profit and reduction in operating cost.

46.2 Operating results

	Chrysotile Cement	Plastic	Others	Total
----- (Rupees in thousands) -----				
2025				
Sales - net	254,321	526,622	-	780,943
Segment Result	(157,386)	(160,215)	-	(317,601)
Unallocated expense				
Other expenses				(60,143)
Other income				118,067
Finance cost				(120,423)
Minimum tax differential				(10,187)
Taxation				(16,760)
Loss for the year				(407,047)
Other information				
Capital expenditure	1,603	9,757	4,447	15,806
Unallocated corporate capital expenditure				
Total capital expenditure				15,806
Depreciation	5,290	33,837	-	39,127
Unallocated corporate depreciation and amortization				24,905
Total depreciation and amortization				64,032

	Chrysotile Cement	Plastic	Others	Total
	(Rupees in thousands)			
2024				
Sales - net	538,861	580,403	-	1,119,264
Segment Result	(144,190)	(66,316)	-	(210,506)
Unallocated expense				
Other expenses				(28,051)
Other income				93,155
Finance cost				(167,558)
Minimum tax differential				(1,161)
Taxation				(36,282)
Loss for the year				(350,403)
Other information				
Capital expenditure	1,156	36,692	1,518	39,365
Unallocated corporate capital expenditure				-
Total capital expenditure				39,365
Depreciation	5,279	29,275	-	34,554
Unallocated corporate depreciation and amortization			-	31,804
Total depreciation and amortization				66,358

46.3 Segment assets and liabilities

	Note	Chrysotile Cement	Plastic	Others	Total
		(Rupees in thousands)			
2025					
Segment assets	22.1	438,971	574,820	118,064	1,131,855
Unallocated corporate assets					1,741,449
Total assets					2,873,304
Segment liabilities		509,902	486,160	12,908	1,008,970
Unallocated corporate liabilities					1,429,530
Total liabilities					2,438,500
2024					
Segment assets		393,465	521,483	122,404	1,037,352
Unallocated corporate assets					1,737,578
Total assets					2,774,930
Segment liabilities		411,290	427,369	23,026	861,685
Unallocated corporate liabilities					1,401,355
Total liabilities					2,263,040

46.4 Segment assets and liabilities

Segment assets includes all operating assets by a segment and consist principally of property, plant and equipment, stores and spares and loose tools, stock-in-trade, trade debts and loans and advances net of impairment and provisions, if any. Segment liabilities include all operating liabilities and consist principally of trade and other payable.

46.5 Geographical Information

All non current assets of the Company are located in Pakistan.

Sales of the Company were mainly made to customers in Pakistan. Further there are no export sales other than those disclosed in note 32

47 CAPACITY AND PRODUCTION

The production capacities of the plants depend on product mix. The name plate capacities are determined on a certain product mix whereas actual product mix is different and varies from year to year depending upon the order from customers. Therefore, production is subject to annual variations and actual capacity of the plant is indeterminable.

48 FINANCIAL INSTRUMENTS BY CATEGORY

	2025	2024
	(Rupees in thousands)	
Financial assets		
Non-interest bearing		
Amortized cost		
Trade debts	10,386	48,635
Long-term deposits	14,715	14,715
Long-term loans	432	732
Other receivables	35,379	22,093
Interest bearing		
Amortized cost		
Cash and bank balances	23,017	49,098
	83,929	135,273
Financial liabilities		
Amortized cost		
Non-interest bearing		
GIDC Payable	29,344	29,344
Trade and Other Payables		
(excluding statutory payables)	1,617,193	1,390,514
Unclaimed dividend	16,217	16,217
Loan from directors	52,000	65,000
Interest bearing		
Short term borrowings	651,426	669,111
Accrued markup	27,410	37,800
Lease liabilities	3,030	5,198
	2,396,619	2,213,183

49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to market risk, credit risk and liquidity risk. The Company's finance and treasury departments oversee the management of these risks and provide assurance to the Company's senior management that the Company's financial risk-taking activities are

governed by the appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and risk appetite. The policies for managing each of these risks are summarized below.

49.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices mainly comprises of interest rate risk and foreign currency risk.

49.1.1 Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company enters into various type of financing arrangements for financing its capital expenditure and to meet working capital requirements at variable rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variable held constant on the Company's profit before tax.

	Increase / decrease in basis points	Effect on loss before tax (Rupees in thousands)
2025	+100	3,801
	-100	(3,801)
2024	+100	3,130
	-100	(3,130)

49.1.2 Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The following table demonstrates the sensitivity to a reasonably possible change in the USD exchange rate. As at June 30, 2025, if the Pakistani Rupee (Pak Rupee) had weakened / strengthened by 5% against the USD and Euro, with all other variables held constant, the effect on the Company's profit before tax is as follows:

	Increase / decrease in US\$ and Euro to Pak rupee	Effect on loss before tax (Rupees in thousands)
2025	5%	19,005
	-5%	(19,005)
2024	5%	15,648
	-5%	(15,648)

49.2 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring and cause the other party to incur a financial loss. The Company attempts to a control credit risk by monitoring credit risk,

limiting transactions with specific counter parties and continually assessing the creditworthiness of a counterparties Concentrations of credit risk arise when a number of counterparties are engaged in similar activities or have similar economic feature that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. The maximum exposure to credit risk at the reporting date is:

	2025	2024
---- (Rupees in thousands) ----		
Long term loans	432	732
Long term deposits	14,715	14,715
Trade debts	10,386	48,635
Other receivable	35,379	22,093
Bank balances	22,918	48,822
	<u>83,830</u>	<u>134,997</u>

The credit quality of the Company's financials assets can be assessed with reference to external credit rating as follows:

Trade debts		
Neither past due nor impaired	3,142	4,483
Past due but not impaired	7,260	44,152
Past due and impaired	214,357	191,833
	<u>224,759</u>	<u>240,468</u>

The credit quality of the Company's financials assets can be assessed with reference to external credit rating as follows:

Bank balances	AAA	14,876	9,874
	AA+	7,981	23,779
	AA	19	19
	AA-	42	8,515
	A+	-	6,635
		<u>22,918</u>	<u>48,822</u>

49.3 Liquidity risk

Liquidity risk represents the risk that a company will encounter difficulties in meeting obligations with the financial liabilities. The Company manage its risk to shortage of funds by maintaining a balance between continuity of funding and flexibility through the use of financing. As of June 30, 2025, The Company's current liabilities exceed its current assets by Rs.135.798 million but the Company is confident that it will have sufficient cash flows to meet its financial obligations in the foreseeable future.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payment dates:

	2025				
	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees in thousands)				
Lease liabilities	-	325	1,667	1,612	3,604
Trade and other payable	-	-	-	-	-
Accrued markup	-	-	27,410	-	27,410
Short term borrowing	651,426	-	-	-	651,426
Unclaimed dividend	16,217	-	-	-	16,217
	667,643	325	29,077	1,612	698,657

	2024				
		Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees in thousands)				
Lease liabilities	-	-	1,323	3,875	5,198
Trade and other payable	-	1,419,857	-	-	1,419,857
Accrued markup	-	-	37,800	-	37,800
Short term borrowing	669,111	-	-	-	669,111
Unclaimed dividend	16,217	-	-	-	16,217
	685,328	1,419,857	39,123	3,875	2,148,183

49.4 Capital management

The Company finances its operation through equity, borrowings and management of working capital with a view of maintaining an appropriate mix between various sources of finance to minimize risk. The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business, Sustain future development of the business and maximize the shareholder value. The Company monitors capital using a debt to equity ratios as follows:

	2025	2024
----- (Rupees in thousands) -----		
Accrued markup	27,410	37,800
Short term borrowings	651,426	669,111
Total debt	678,836	706,911
Cash and bank balances	(23,017)	(49,098)
Net debt	655,819	657,813
Excluding surplus on revaluation of property, plant and equipment		
Total equity	(1,382,504)	(994,899)
Total equity and net debt	(726,685)	(337,087)
Gearing ratio	-90%	-195%

Including surplus on revaluation of property, plant and equipment

Total equity and net debt

Gearing ratio

2025	2024
----- (Rupees in thousands) -----	
434,804	511,890
1,090,623	1,169,702
40%	44%

49.5 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties in an arms-length transaction other than in a forced or liquidation sale. The carrying amount of all financial assets and liabilities reflected in the financial statements approximate their fair values. None of the financial instruments of the Company are carried at fair value as of the reporting date.

50 NUMBER OF EMPLOYEES

Number of employees

Average number of employees

2025	2024
129	134
132	144


51 DATE OF AUTHORIZATION FOR ISSUE


These financial statements were authorized for issue on 24th September 2025 by the Board of Directors of the Company.

52 GENERAL

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.


Sikander Dada
Chief Executive


Shahzad M. Husain
Chairman


Muhammad Yousuf
Chief Financial Officer

PATTERN OF SHAREHOLDING

As of June 30, 2025

Categories of Share Holders	Number of Shares Held	Percentage of Issued Capital
Associated Companies, Undertakings & Related Parties	6,800,648	63.18%
Sikander (Private) Limited	6,800,648	63.18%
Directors, CEO & their Spouses	1,639,680	15.23%
Mr. Shahzad M. Husain - Chairman	4	0.00%
Mr. Sikander Dada - Chief Executive Officer	1,298,335	12.06%
Mr. Abu Talib H. K. Dada - Director	310,469	2.88%
Mrs. Halima w/o Abu Talib H.K. Dada	29,847	0.28%
Mr. Khawaja Samiullah Askari - Director	19	0.00%
Syed Shahid Ali Bukhari - Director	1	0.00%
Mrs. Amber Ahmed Motiwala - Director	1,000	0.01%
Mrs. Ayesha Tariq Allawala - Director	5	0.00%
Executives	81	0.00%
Banks, Insurance Company & Others	19,214	0.18%
General Public	2,304,336	21.41%
Total Shareholding	10,763,959	100.00%
SHAREHOLDERS HOLDING 5% OR MORE VOTING INTEREST		
Sikander (Private) Limited	6,800,648	63.18%
Mr. Sikander Dada	1,298,335	12.06%

DETAILS OF TRADING IN THE SHARES OF THE COMPANY BY DIRECTORS, THEIR SPOUSES AND MINORS

No transaction was carried out during the year.

PATTERN OF SHAREHOLDING

As of June 30, 2025

COMBINED PATTERN OF CDC & PHYSICAL SHARE HOLDINGS AS AT JUNE 30, 2025

NUMBER OF SHARE HOLDERS	SHAREHOLDINGS	TOTAL SHARES HELD
2,933	1 - 100	50,860
504	101 - 500	115,475
136	501 - 1,000	97,229
88	1,001 - 5,000	175,249
12	5,001 - 10,000	82,392
3	10,001 - 15,000	35,537
1	20,001 - 25,000	22,669
1	25,001 - 30,000	29,751
1	35,001 - 40,000	39,091
1	45,001 - 50,000	46,573
1	55,001 - 60,000	59,000
1	75,001 - 80,000	77,242
2	90,001 - 95,000	184,452
1	300,001 - 305,000	304,067
1	310,001 - 315,000	310,469
1	335,001 - 340,000	339,640
1	340,001 - 345,000	344,640
1	350,001 - 355,000	350,640
1	1,295,001 - 1,300,000	1,298,335
1	6,800,001 - 6,805,000	6,800,648
3,691		10,763,959

CATEGORIES OF SHARE HOLDERS	NUMBER OF SHARE HOLDERS	SHARES HELD	PERCENTAGE
Directors, CEO, Sponsors and Family Members	21	3,240,377	30.10%
General Public	3,651	703,720	6.54%
Banks, DFI, NBF and Insurance Companies	5	833	0.01%
Joint Stock Companies	10	17,889	0.17%
Associate Company	1	6,800,648	63.18%
Others	3	492	0.00%
TOTAL	3,691	10,763,959	100.00%

FORM OF PROXY

The Company Secretary
Dadex Eternit Limited
Dadex House, 34-A/1, Block 6, PECHS,
Shahrah-e-Faisal, Karachi-75400

I/We, _____ (son/daughter/wife of _____)
of _____ (full address)
being a member(s) of Dadex Eternit Limited holding _____ ordinary shares hereby appoint
_____ of _____ (full address)
or failing him _____ (full address)
who is/are also member(s) of Dadex Eternit Limited as my/our proxy in my/our absence to attend and
vote for me/us and on my/our behalf at the 66th Annual General Meeting of the Dadex Eternit Limited
will be held on **Tuesday October 28, 2025**, at 03:30 p.m at Dadex House, 34-A/1, Block 6, P.E.C.H.S.,
Shahrah-e-Faisal, Karachi and or at any adjournment thereof.

As witness my/our hand/seal this _____ day of _____ 2025.

Signed by the said _____ in the presence of

- _____
- _____

Folio/CDC Account No

Signature on
Revenue Stamp
of Rs. 5/-

Important:

- This proxy duly completed and signed, must be received at the Registered Office of the Company, Dadex House, 34-A/1, Block 6, PECHS, Shahrah-e-Faisal, Karachi, not less than 48 hours before the time of holding the meeting.
- No person shall act as proxy unless he himself is a member of the Company, except that a corporation may appoint a person who is not a member. If a member appoints more than one proxy and more than one instrument of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
- For CDC Account Holders/Corporate Entities:
 - The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - Attested copies of CNIC or of the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
 - In the case of a corporate entity, the Board of Directors resolution/power of attorney with the specimen signature should be submitted (unless it has been provided earlier) along with the proxy form to the Company.

مختار نامہ

کپنی سیکریٹری

ڈاؤیکس ایٹرنیٹ لمیٹڈ

ڈاؤیکس ہاؤس، 34-A/1، بلاک 6، PECHS

شارع فیصل، کراچی - 75400

میں/ہم _____ ولد/بچہ/زوجہ _____

_____ (کامل پتہ) بحیثیت رکن ڈاؤیکس ایٹرنیٹ لمیٹڈ، اور

_____ عام حصص، سہمی/اسمات _____

_____ (کامل پتہ)

کو یا ان کی غیر حاضری کی صورت میں سہمی/اسمات _____

_____ (کامل پتہ)

جو کہ ڈاؤیکس ایٹرنیٹ لمیٹڈ کے حصص دار ہیں کو میری/ہماری غیر حاضری کی صورت میں اپنا/ہمارا حق مقرر کرنا/کرتی/کرتے ہیں۔ انھیں ہمارے ایماء پر بروڈ منگل، 28 اکتوبر، 2025 ہفت

3:30 بجے، ڈاؤیکس ایٹرنیٹ لمیٹڈ، ڈاؤیکس ہاؤس، 34-A/1، بلاک 6، PECHS، شارع فیصل، کراچی میں منعقد ہونے والے کپنی کے 66 واں سالانہ اجلاس عام یا کسی بھی التواء کی صورت میں

حق رائے دہی استعمال کرنے کی اجازت دینا/دیتی/دیتے ہیں۔

یہ مختار نامہ آج بروز _____ تاریخ _____ کو مندرجہ ذیل گواہان کی موجودگی میں دستخط کیا گیا۔

فولیو/سی ڈی سی اکاؤنٹ نمبر

۵ روپے مالیت کے
رویو ٹیکٹ پر دستخط کریں

ضروری ہدایات:

۱۔ یہ مختار نامہ اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل مکمل کوآئف اور دستخط کے ہمراہ کپنی کے رجسٹرڈ آفس ڈاؤیکس ہاؤس، 34-A/1، بلاک 6، PECHS، شارع فیصل، کراچی میں جمع کرنا ضروری ہے۔

۲۔ کسی ایسے شخص کو مختار نہیں کیا جاسکتا جو کہ خود کپنی کا رکن نہ ہو البتہ کوئی دوسری کپنی یا ادارہ غیر رکن کو اپنا حق مقرر کر سکتا ہے۔

۳۔ اگر کسی رکن نے ایک سے زائد مختار مقرر کیے یا مختار نامے کپنی میں جمع کرائے تو ایسی صورت میں تمام مختار نامے منسوخ کر دیے جائیں گے۔

برائے سی ڈی سی اکاؤنٹ ہولڈرز/کارپوریٹ ادارے مذکورہ بالا ہدایات کے علاوہ درج ذیل ضروری شرائط بھی پوری کرنا لازمی ہیں:

۱۔ مختار نامہ پر گواہان کے دستخط بمعہ نام، پتہ اور کیپیوٹرائزڈ قومی شناختی کارڈ نمبر درج کرنا لازمی ہیں۔

۲۔ مختار نامہ کے ہمراہ اصل مالکان اور مختار کے کیپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل بھی منسلک کرنا ہوں گی۔

۳۔ مختار کو اجلاس کے وقت اپنا اصل کیپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔

۴۔ کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت رکن، بورڈ آف ڈائریکٹرز کی منظور شدہ قرارداد یا پاور آف اٹارنی بمعہ نمونہ دستخط ہمراہ مختار نامہ کپنی میں جمع کرنا ہوگا۔



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Dadex Eternit Limited

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DADEX

KARACHI FACTORY:

Deh-22, Mangopir, Karachi-75890
Tel: (92-21) 36770155-58,

HYDERABAD FACTORY:

P.O. Box No. 10, Badin Road, Hyderabad.
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LAHORE FACTORY:

Plot No. 561-561/A Sundar Industrial Estate,
43-KM, Sundar Raiwind Road, Lahore.
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