EMCO INDUSTRIES LIMITED

# ANNUAL REPORT 2025

بسم الله الرحمن الرحيم

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# Company Information

## Board of Directors

| | |
|---|---|
| Mr. Javaid Shafiq Siddiqi | Chairman / Non-Executive Director |
| Mr. Usman Haq | Managing Director / Executive Director |
| Mr. Salem Rehman | Chief Executive / Executive Director |
| Mr. Tariq Rehman | Executive Director |
| Mr. Ahsan Suhail Mannan | Company Secretary / Executive Director |
| Mr. Pervaiz Shafiq Siddiqi | Non-Executive Director |
| Mr. Salman Javaid Siddiqi | Non-Executive Director |
| Mr. Umair Noorani | Non-Executive Director |
| Mrs. Ayesha Mussadaque Hamid | Independent Director |
| Ch. Imran Ali | Independent Director |
| Syed Muhammad Mohsin | Independent Director |
| Mr. Osman Hameed Chaudhri | Independent Director |

## Chief Financial Officer

Mr. Riaz Ahmad

## Company Secretary

Mr. Ahsan Suhail Mannan

## Audit Committee

| | |
|---|---|
| Mr. Osman Hameed Chaudhri | Chairman |
| Syed Muhammad Mohsin | Member |
| Mr. Javaid Shafiq Siddiqi | Member |
| Mr. Umair Noorani | Member |
| Mr. Ahsan Suhail Mannan | |

"Is the Committee Secretary as required by the Chapter IX, 27 (1) (iv) of Code of Corporate Governance, Regulations 2019."

## HR Committee

| | |
|---|---|
| Mrs. Ayesha Mussadaque Hamid | Chairman |
| Mr. Pervaiz Shafiq Siddiqi | Member |
| Mr. Salman Javaid Siddiqi | Member |
| Mr. Ahsan Suhail Mannan | Member / Committee Secretary |

## Risk Management Committee

| | |
|---|---|
| Syed Muhammad Mohsin | Chairman |
| Mr. Tariq Rehman | Member |
| Ch. Imran Ali | Member |
| Mr. Salem Rehman | Member / Committee Secretary |

## Nomination Committee

| | |
|---|---|
| Ch. Imran Ali | Chairman |
| Mr. Javaid Shafiq Siddiqi | Member |
| Mr. Usman Haq | Member |
| Mr. Ahsan Suhail Mannan | Member / Committee Secretary |

## External Auditors

M/s. Crowe Hussain Chaudhury & Co.,
Chartered Accountants, Lahore.

## Internal Auditors

M/s. Muhammad Ali Hussain & Co.
Chartered Accountants, Lahore.

## Legal Advisers

Cornelious Lane & Mufti
Chaudhary Associates Law Inn
Rizvi & Company
Asad Ullah Khan

## Bankers

Habib Bank Limited
National Bank of Pakistan
The Bank of Punjab
The Bank of Khyber
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Soneri Bank Limited

## BUSINESS ITEMS

### Porcelain Insulators

- Tension Insulator
- Suspension Insulator
- Pin Insulator
- Line Post Insulator
- Cap and pin Insulator
- Station Post Insulator
- Long Road Insulator
- Insulator for Railway Electrification
- Telephone Insulator
- Low Voltage Insulator
- Dropout Cutout Insulator
- HT & LT Bushings

### Switchgear

- Disconnect Switch upto 245 kv
- Metal Oxide Surge Arresters upto 245 kv
- CTs, CVTs & PT,s upto 245 kv

### RTV Coating

- Room Temperature Vulcanised Silicone Rubber Coating

### Chemical Porcelain

- Acid Proof Tiles
- Acid Proof Cement

### Special Porcelain

- High Alumina Porcelain
- Lining Special Refractories & Grinding Media

### Metal Components

- Cross Arms for Distribution Poles
- Steel Pins for Pin Insulators/ Cross Arms
- D-Shakle Assembly

## Share Registrar

Corplink (Pvt) Limited
Wings Arcade. I-K , Commercial,
Model Town, Lahore.

## Registered Office

4th Floor, National Tower,
28-Egerton Road, Lahore.

## Factory

19-Kilometre,
Lahore Sheikhupura Road, Lahore.

# Notice of Annual General Meeting

## NOTICE TO THE SHAREHOLDERS FOR THE 70TH ANNUAL GENERAL MEETING OF EMCO INDUSTRIES LIMITED TO BE HELD AT ICC HOUSE, 2 - CHAMBA HOUSE LANE, GOLF ROAD, GOR-1, LAHORE ON TUESDAY 14TH OCTOBER 2025, AT 11:30 AM

NOTICE is hereby given that the 70th Annual General Meeting of the Shareholders of EMCO Industries Limited ("Company", "EMCO") will be held at ICC House, 2 - Chamba House Lane, Golf Road, GOR-1, Lahore on Tuesday 14th October 2025, at 11:30 A.M, to conduct the following business:

### Ordinary Business:

1. To confirm the minutes of the Annual General Meeting of the Company held on 24.10.2024.

2. To receive, consider, approve and adopt the Annual Audited Accounts of the Company for the year ended 30th June 2025 together with the Director's and Auditor's Reports thereon.

3. To appoint Auditors for the next financial year ending 30th June 2026 and to fix their remuneration. The present Auditors, M/s. CROWE HUSSAIN CHAUDHURY & CO., Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

### Other Business:

1. To transact any other business with the permission of the Chair.

By order of the Board of Directors

Ahsan Suhail Mannan
(Company Secretary / Director)

Place: Lahore
Dated: September 18, 2025

### NOTES:

(a) The Share Transfer Books of the Company will remain closed from 6th October 2025 to 14th October 2025 (both days inclusive). Transfer received in order at M/S. Corplink (Pvt) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore up to the close of business on 3rd October 2025, will be treated in time for purpose of attending the Annual General Meeting.

(b) A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend and vote instead of him/her at the meeting. Proxies must be deposited at the Company's Registered Office at 4th Floor, National Tower, 28-Egerton Road, Lahore not less than 48 (forty-eight) hours before the time of holding the meeting. (Form of Proxy is available in the Financial Statements & on Company website).

(c) Any individual beneficial owner of CDC, entitled to vote at the Annual General Meeting, must bring his/her CNIC with him/her to prove his/her identity, and in case of proxy, attested copy of shareholder's CNIC must be attached with the proxy form. The representative of corporate member should bring the usual documents required for such purpose. (Form of Proxy is attached)

(d) Members are requested to promptly notify the change in their address, if any, to the Company's Share Registrar M/S. Corplink (Pvt) Limited, Wings Arcade, 1-K Commercial, Model Town, Lahore.

(e) Consent for Video Conference Facility:- Pursuant of Section 132(2) of the Companies Act, 2017, Members may avail video conference facility for this Annual General Meeting provided, the Company receives consent from the members holding aggregate 10% or more shareholding at least 7 days prior to the date of meeting. The requisite form for availing the facility is provided at the website of the Company www.emco.com.pk

(f) Unclaimed Dividend and Share Certificates:- Members, whose dividend and share certificates are still un-claimed/undelivered, are hereby once again requested to approach the Company to claim their outstanding dividend amounts and / or undelivered share certificates.

(g) Deposit of Physical Shares into CDC Account:- As per Section 72 of the Companies Act, 2017, every existing listed Company is required to replace its physical shares with book-entry form in a manner as specified by the Commission. The Members having physical shareholding are encouraged to open Investor Account directly with CDC to place their physical shares into scrip-less form. This will facilitate them in many ways, including safe custody and sale of shares any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

(h) Provision of International Bank Account Number (IBAN Detail):- Under the provision of Section 242 of the Companies Act, 2017 and Circular No. 421(1) dated 19th March 2021 issued by SECP, Listed Company deposit cash dividend directly into shareholders' designated bank accounts. Shareholders are required to provide their International Bank Account Number (IBAN) details as directed by SECP.

(i) Prohibition of Distribution of Gifts:- Considering S.R.O.452(1)/2025 dated 17th March 2025, No gifts will be distributed to the shareholders of the Company at the Annual General Meeting being prohibited under Section 185 of the Companies Act, 2017.

# سالانہ جنرل میٹنگ کا نوٹس

## 70ویں سالانہ جنرل میٹنگ کے لیے شیئر ہولڈرز کو نوٹس

**ایمکو انڈسٹریز لمیٹڈ کا انعقاد منگل 14 اکتوبر 2025 کو صبح 11:30 بجے آئی سی سی ہاؤس، 2-چمبا ہاؤس لین، گولف روڈ، جی او آر-1، لاہور میں ہوگا**

نوٹس جاری کیا جاتا ہے کہ ایمکو انڈسٹریز لمیٹڈ ("کمپنی"، "ایمکو") کے حصص یافتگان کی 70ویں سالانہ جنرل میٹنگ ("اے جی ایم") منگل 14 اکتوبر 2025 کو صبح 11:30 بجے آئی سی سی ہاؤس، 2-چمبا ہاؤس لین، گالف روڈ، جی او آر-1، لاہور میں منعقد ہوگی، جس کا مقصد درج ذیل کاروبار کرنا ہوگا:

**عام کاروبار:**

1. 24.10.2024 کو منعقدہ کمپنی کی سالانہ جنرل میٹنگ کے منٹس کی تصدیق کرنا۔
2. 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ اکاؤنٹس کو وصول کرنے، غور کرنے، منظور کرنے اور اپنانے کے لیے ڈائریکٹر اور آڈیٹر کی رپورٹس کے ساتھ۔
3. 30 جون 2026 کو ختم ہونے والے اگلے مالی سال کے لیے آڈیٹرز کا تقرر کرنا اور ان کے معاوضے کا تعین کرنا۔ موجودہ آڈیٹرز، میسرز کرو حسین چودھری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائرڈ اور اہل ہونے کے ناطے اپنے آپ کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔

دیگر کاروبار:

1. چیئر کی اجازت سے کسی بھی دوسرے کاروبار کا لین دین کرنا۔

بورڈ آف ڈائریکٹرز کے حکم سے

احسن سہیل منان
(کمپنی سکریٹری/ڈائریکٹر)

جگہ: لاہور
تاریخ: 18 ستمبر 2025

**نوٹس:**

(ا) کمپنی کی شیئر ٹرانسفر بکس 6 اکتوبر 2025 سے 14 اکتوبر 2025 تک بند رہیں گی (دونوں دن شامل ہیں)۔ میسرز کارپ لنک (پرائیویٹ) لمیٹڈ، ونگز آرکیڈ، K-1، کمرشل ماڈل ٹاؤن، لاہور میں 3 اکتوبر 2025 کو کاروبار کے اختتام تک آرڈر میں موصول ہونے والی منتقلی کو سالانہ جنرل میٹنگ میں شرکت کے مقصد سے بروقت ٹریٹ کیا جائے گا۔

(ب) سالانہ جنرل میٹنگ میں شرکت اور ووٹ دینے کا حقدار ممبر اجلاس میں شرکت کرنے اور ووٹ دینے کے لئے کسی دوسرے ممبر کو اپنی پراکسی کے طور پر مقرر کر سکتا ہے۔ پراکسی اجلاس کے انعقاد کے وقت سے کم از کم 48 (اڑتالیس) گھنٹے پہلے چوتھی منزل، نیشنل ٹاور، 28-ایجرٹن روڈ، لاہور میں کمپنی کے رجسٹرڈ آفس میں جمع کرانا ضروری ہے۔ (پراکسی کا فارم مالیاتی بیانات اور کمپنی کی ویب سائٹ پر دستیاب ہے)۔

(پ) سی ڈی سی اکاؤنٹ ہولڈر کا کوئی بھی انفرادی فائدہ مند مالک، جو سالانہ جنرل میٹنگ میں ووٹ دینے کا حقدار ہے، کو اپنی شناخت ثابت کرنے کے لیے اپنا شناختی کارڈ اپنے ساتھ لانا ہوگا، اور پراکسی کی صورت میں، شیئر ہولڈر کے شناختی کارڈ کی تصدیق شدہ کاپی پراکسی فارم کے ساتھ منسلک ہونی چاہیے۔ کارپوریٹ ممبر کا نمائندہ اس مقصد کے لئے درکار معمول کی دستاویزات لائیں۔

(ت) ممبران سے درخواست کی جاتی ہے کہ وہ اپنے پتے میں تبدیلی کے بارے میں فوری طور پر کمپنی کے شیئر رجسٹرار میسرز کارپ لنک (پرائیویٹ) لمیٹڈ، ونگز آرکیڈ، K-1 کمرشل، ماڈل ٹاؤن، لاہور کو مطلع کریں۔

(ٹ) ویڈیو کانفرنس کی سہولت:- کمپنیز ایکٹ، 2017 کے سیکشن 132(2) کے مطابق، ممبران اس سالانہ جنرل میٹنگ کے لئے ویڈیو کانفرنس کی سہولت حاصل کر سکتے ہیں بشرطیکہ کمپنی میٹنگ کی تاریخ سے کم از کم 7 دن پہلے مجموعی طور پر 10٪ یا اس سے زیادہ شیئر ہولڈنگ رکھنے والے ممبران سے رضامندی حاصل ہو۔ سہولت حاصل کرنے کے لیے مطلوبہ فارم کمپنی کی ویب سائٹ www.emco.com.pk پر دستیاب ہے

(ث) غیر دعویٰ شدہ ڈیویڈنڈ اور شیئر سرٹیفکیٹ:- ممبران، جن کے ڈیویڈنڈ اور شیئر سرٹیفکیٹ ابھی تک دعویٰ نہیں کیے گئے ہیں/فراہم نہیں کیے گئے ہیں، ایک بار پھر درخواست کی جاتی ہے کہ وہ اپنی بقایا ڈیویڈنڈ کی رقم اور/یا غیر فراہم شدہ شیئر سرٹیفکیٹ کا دعوی کرنے کے لیے کمپنی سے رجوع کریں۔

(ج) سی ڈی سی اکاؤنٹ میں فزیکل حصص جمع کرنا: کمپنیز ایکٹ 2017 کے سیکشن 72 کے مطابق، ہر موجودہ لسٹڈ کمپنی کو کمیشن کی طرف سے بیان کردہ طریقے سے اپنے فزیکل شیئرز کو بک انٹری فارم سے تبدیل کرنے کی ضرورت ہے۔ فزیکل شیئر ہولڈنگ رکھنے والے اراکین کی حوصلہ افزائی کی جاتی ہے کہ وہ اپنے فزیکل حصص کو بغیر اسکرپٹ شکل میں رکھنے کے لیے براہ راست سی ڈی سی کے ساتھ انویسٹر اکاؤنٹ کھولیں۔ اس سے انہیں کئی طریقوں سے سہولت ملے گی جن میں جب چاہیں محفوظ تحویل اور حصص کی فروخت شامل ہے، کیونکہ پاکستان اسٹاک ایکسچینج کے موجودہ قواعد وضوابط کے مطابق فزیکل شیئرز کی تجارت کی اجازت نہیں ہے۔

(چ) بین الاقوامی بینک اکاؤنٹ نمبر کی فراہمی (IBAN کی تفصیل): کمپنیز ایکٹ 2017 کے سیکشن 242 اور ایس ای سی پی کی جانب سے جاری کردہ سرکلر نمبر 421(1) مورخہ 19 مارچ 2021 کے تحت لسٹڈ کمپنی براہ راست حصص یافتگان کے نامزد بینک اکاؤنٹس میں نقد منافع جمع کراتی ہے۔ ایس ای سی پی کی ہدایت کے مطابق حصص یافتگان کو اپنا انٹرنیشنل بینک اکاؤنٹ نمبر (آئی بی اے این) کی تفصیلات فراہم کرنا ہوں گی۔

(ح) تحائف کی تقسیم کی ممانعت:- ایس آر او 452(1)/2025 مورخہ 17 مارچ 2025 کو مد نظر رکھتے ہوئے، سالانہ جنرل میٹنگ میں کمپنی کے حصص یافتگان کو کوئی تحائف تقسیم نہیں کیے جائیں گے جو کمپنیز ایکٹ، 2017 کے سیکشن 185 کے تحت ممنوع ہے۔

# Chairman Review

For the Financial Year Ended June 30, 2025

I am pleased to present the Chairman's Review, reflecting on the performance of EMCO Industries Limited and the strategic role played by the Board of Directors in steering the Company toward its objectives during the financial year ended June 30, 2025.

## Governance & Board Oversight

EMCO Industries Limited is governed by a highly experienced, diverse, and competent Board of Directors, fully aligned with the Company's vision, mission, and core values. The Board remains committed to fostering transparency, accountability, and ethical leadership, while safeguarding the interests of all stakeholders shareholders, employees, customers, and the broader community.

In compliance with the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company adheres strictly to all statutory and regulatory requirements concerning Board structure, roles, and responsibilities. This includes the appointment of executive, non-executive, and independent directors, the conduct and frequency of meetings, and the effective functioning of Board committees. These practices reinforce our commitment to sound corporate governance across the organization.

Throughout the year, the Board actively monitored the Company's performance across business operations, financial health, and productivity. Its primary objective remains to guide and advise management, ensuring strategic alignment and sustainable growth.

## Business Overview

The financial year 2024-25 presented significant challenges due to a combination of micro and macroeconomic factors that contributed to a nationwide economic slowdown. These included:

- Elevated inflationary pressures
- Domestic political uncertainty
- Reduction in PSDP funding amid IMF negotiations
- Global geopolitical tensions

These headwinds led to a decline in local demand for insulators, particularly from DISCOs and NTDC, posing concerns for the Company. In response, management strategically pivoted toward export markets, with a strong focus on the United States. This shift yielded remarkable results-export sales surged by 174% compared to the previous fiscal year. Encouraged by this momentum, the Company aims to sustain a similar growth trajectory in the coming year, while anticipating a recovery in domestic demand.

Despite the economic challenges, and by the grace of Allah Almighty, EMCO Industries Limited achieved a profit after tax of Rs. 56 million, a testament to the resilience and adaptability of our team.

## Board Performance Evaluation

In accordance with the Code of Corporate Governance, the Board conducted its annual performance evaluation. The results reflected a satisfactory level of effectiveness, strategic oversight, and governance.

## Board Composition

The Board comprises a well-balanced mix of executive, non-executive, and independent directors, each bringing a wealth of professional expertise, financial acumen, and independent judgment. This diversity enhances strategic decision-making and ensures robust compliance with fiduciary and regulatory responsibilities.

The Board remains proactive in reviewing and updating its governance frameworks and policies to reflect evolving market dynamics, external developments, and changes in the legal and regulatory landscape.

## 🙏 Acknowledgment

On behalf of the Board of Directors, I extend heartfelt appreciation to our management team, employees, and esteemed shareholders for their continued trust, support, and dedication. Your unwavering commitment is the cornerstone of our progress.

We reaffirm our pledge to uphold the highest standards of corporate governance and operational excellence as we pursue sustainable growth and long-term value creation for all stakeholders.

Javaid S. Siddiqi
(Chairman)

Dated: September 18, 2025

# چیئرمین کا جائزہ

## 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے

مجھے چیئرمین کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے، جس میں ایمکو انڈسٹریز لمیٹڈ کی کارکردگی اور 30 جون 2025 کو ختم ہونے والے مالی سال کے دوران کمپنی کو اس کے مقاصد کے حصول میں بورڈ آف ڈائریکٹرز کے اسٹریٹجک کردار کی عکاسی کی گئی ہے۔

### گورننس اور بورڈ کی نگرانی

ایمکو اوانڈسٹریز لمیٹڈ ایک انتہائی تجربہ کار، متنوع اور قابل بورڈ آف ڈائریکٹرز کے زیر انتظام ہے، جو کمپنی کے وژن، مشن اور بنیادی اقدار کے ساتھ مکمل طور پر ہم آہنگ ہے۔ بورڈ تمام اسٹیک ہولڈرز - شیئر ہولڈرز، ملازمین، صارفین اور دیگر کمیونٹی کے مفادات کا تحفظ کرتے ہوئے شفافیت، جوابدہی اور اخلاقی قیادت کو فروغ دینے کے لیے پر عزم ہے۔

کمپنیز ایکٹ، 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی تعمیل میں، کمپنی بورڈ کے ڈھانچے، کرداروں اور ذمہ داریوں سے متعلق تمام قانونی اور ریگولیٹری تقاضوں پر سختی سے عمل پیرا ہے۔ اس میں ایگزیکٹو، نان ایگزیکٹو، اور آزاد ڈائریکٹرز کی تقرری، اجلاسوں کا انعقاد، تعداد اور بورڈ کمیٹیوں کا موثر کام شامل ہے۔ یہ طرز عمل پوری تنظیم میں مضبوط کارپوریٹ گورننس کے لیے ہمارے عزم کو تقویت دیتے ہیں۔

سال بھر، بورڈ نے کاروباری آپریشنز، مالی صحت اور پیداواری صلاحیت میں کمپنی کی کارکردگی کی فعال طور پر نگرانی کی۔ اس کا بنیادی مقصد انتظامیہ کی رہنمائی اور مشورہ دینا، اسٹریٹجک انضمام اور پائیدار ترقی کو یقینی بنانا ہے۔

### کاروبار کا جائزہ

مالی سال 2024-25 نے مائیکرو اور میکرو اکنامک عوامل کے امتزاج کی وجہ سے اہم چیلنجز پیش کیے جنہوں نے ملک گیر معاشی سست روی میں اہم کردار ادا کیا۔ ان میں شامل ہیں:

- افراط زر کا بڑھتا ہوا دباؤ
- داخلی سیاسی غیر یقینی صورتحال
- آئی ایم ایف مذاکرات کے دوران (PSDP) کی فنڈنگ میں کمی
- عالمی جغرافیائی سیاسی کشیدگی

ان مشکلات کی وجہ سے انسولیٹرز کی مقامی مانگ میں کمی واقع ہوئی، خاص طور پر ڈسکوز اور این ٹی ڈی سی کی طرف سے، جس سے کمپنی کے لئے خدشات پیدا ہوئے۔ اس بناپر، انتظامیہ نے حکمت عملی کے ساتھ برآمدی منڈیوں کی طرف رخ کیا، جس میں امریکہ پر مضبوط توجہ دی گئی۔ اس تبدیلی کے قابل ذکر نتائج برآمد ہوئے، گزشتہ مالی سال کے مقابلے میں برآمدی فروخت میں 174 فیصد اضافہ ہوا۔ اس حوصلہ افزائی کی بناپر، کمپنی کا مقصد آنے والے سال میں اسی طرح کی ترقی کی رفتار کو برقرار رکھنا ہے، جبکہ مقامی طلب میں بحالی کی توقع ہے۔
ان معاشی چیلنجز کے باوجود اور اللہ تعالی کے فضل و کرم سے ایمکو انڈسٹریز لمیٹڈ نے 56 ملین روپے کا بعد از ٹیکس منافع حاصل کیا جو ہماری ٹیم کی صلاحیتوں کا منہ بولتا ثبوت ہے۔

### بورڈ کی کارکردگی کی تشخیص

کوڈ آف کارپوریٹ گورننس کے مطابق، بورڈ نے اپنی سالانہ کارکردگی کا جائزہ لیا۔ جس کے نتائج، اسٹریٹجک نگرانی اور قائدانہ صلاحیتوں کی تسلی بخش عکاسی کرتے ہیں۔

## بورڈ کی تشکیل

بورڈ ایگزیکٹو، نان ایگزیکٹو، اور آزاد ڈائریکٹرز کا ایک متوازن مرکب ہے، جس میں شامل ہر ایک پیشہ ورانہ مہارت، مالی معاملات میں ذہانت اور آزادانہ فیصلے کی صلاحیت رکھتا ہے۔ یہ تنوع اسٹریٹجک فیصلہ سازی کو بڑھاتا ہے اور امانت دار اور ریگولیٹری ذمہ داریوں کی مضبوط تعمیل کو یقینی بناتا ہے۔

بورڈ اپنے گورننس فریم ورک اور پالیسیوں کا جائزہ لینے اور انھیں بہتر کرنے میں سرگرم رہتا ہے تاکہ مارکیٹ کی پیش قدمی، بیرونی پیشرفت، اور قانونی اور ریگولیٹری منظر نامے کی صحیح عکاسی کی جاسکے۔

## اعتراف

بورڈ آف ڈائریکٹرز کی جانب سے، میں اپنی انتظامی ٹیم، ملازمین، اور معزز حصص یافتگان کو ان کے مسلسل اعتماد، حمایت اور لگن کو دل کی گہرائیوں سے سراہتا ہوں۔ آپ کا غیر متزلزل عزم ہماری ترقی کا سنگ بنیاد ہے۔

ہم کارپوریٹ گورننس اور آپریشنل عمدگی کے اعلیٰ ترین معیارات کو برقرار رکھنے کے اپنے عہد کا اعادہ کرتے ہیں کیونکہ ہم تمام اسٹیک ہولڈرز کے لیے پائیدار ترقی اور طویل مدتی قدر کی تخلیق کو آگے بڑھا رہے ہیں۔

جاوید شفیق صدیقی

(چیئرمین)

تاریخ: 18 ستمبر 2024

# Directors' Report

On behalf of the Board of Directors, we warmly welcome you to the 70th Annual General Meeting of the Company. We are pleased to present the audited financial statements along with the Auditor's Report for the fiscal year ended June 30, 2025. The financial results are summarized below:

| | 2025 Rupees | 2024 Rupees |
|---|---|---|
| Profit before levy and taxation | 42,089,544 | 357,439,343 |
| Taxation | 13,650,830 | (138,441,522) |
| Profit after Tax | 55,740,374 | 218,997,821 |
| Net Loss on Actuarial Valuation/ Revaluation Surplus-PPF | (1,510,064) | (9,594,004) |
| Total Comprehensive Profit | 54,230,210 | 209,403,817 |
| Incremental Depreciation on Revaluation Surplus-PPE | 24,932,674 | 26,122,043 |
| Payment of final dividend for the last year ended June 30 | - | (17,500,000) |
| | 79,162,984 | 218,025,860 |
| Reserves Including Accumulated Profit brought forward | 1,022,310,340 | 804,284,480 |
| Reserves including Accumulated Profit carried forward | 1,101,473,324 | 1,022,310,340 |
| Earnings per Share | 1.59 | 6.26 |

## REVIEW OF OPERATING RESULTS

### Global Environment and Outlook

In the period under review, the global economy experienced a moderate recovery, supported by easing inflationary pressures despite ongoing regional and global geopolitical tensions. Trade flows remained unpredictable, influenced by rising protectionist policies and regional conflicts. Nevertheless, the sustained trade friction between the United States and China created favorable conditions for EMCO, enabling deeper market penetration in the U.S. and expanding our export footprint.

Significant investments were directed toward digital services and green technologies, while traditional manufacturing sectors continued to face headwinds. Companies worldwide prioritized resilience, regionalization, and AI-driven transformation, all of which require extensive energy resources and help drive growth for EMCO's products. Capital investment was notably channeled into automation, cybersecurity, and compliance with Environmental, Social, and Governance (ESG) standards.

Pakistan's economy demonstrated signs of stabilization during the year, supported by the Extended Fund Facility (EFF) agreement with the International Monetary Fund (IMF). The country recorded GDP growth of approximately 2.7%, driven primarily by industrial recovery and improved fiscal discipline. Inflation moderated, and early results of the government's reform agenda began to materialize. However, challenges in energy pricing and tax policy persisted.

IMF-backed reforms played a pivotal role in enhancing fiscal responsibility and incentivizing investment. Looking ahead, the country's economic outlook will largely depend on the sustainability of these macroeconomic stabilization efforts, the pace of structural reforms, and global economic trends.

### Company Financial Performance

During the reporting period, your Company generated sales revenue of Rs. 3,607.41 million, reflecting a year-on-year decline of 14%. Despite this, the Company reported a pre-tax profit of Rs. 42.08 million and a post-tax profit of Rs. 55.74 million.

These results reflect the challenges faced by your Company in the period under review. A sluggish domestic demand for EMCO products on account of a sharp fiscal tightening in public sector spending severely impacted your Company's operations. However, your management team continued to aggressively pursue an ongoing transformation in EMCO's business strategy, including optimizing production capacity, a focus on exports, and product diversification-particularly the introduction of new High Voltage Switchgear offerings, and Metal Components and products for the Energy sector. Low demand in the domestic segment resulted in elevated finished goods inventory toward the end of the fiscal year. Encouragingly, a significant uptick in demand was witnessed in the audit period, which will result in offloading this stock.

The Company's export strategy has yielded positive results, with export sales increasing by 174% compared to the previous fiscal year. This upward trajectory is expected to continue in the current year, with the US taking the lead as EMCO's largest market this year.

Strategic expansion projects have positioned EMCO to enhance its competitiveness across both domestic and international markets. However, the second half of the year saw supply chain disruptions caused by rising global logistics costs and delays in transshipments. These issues led to Liquidated Damages (LDs) of Rs. 15.87 million, recorded against annual sales as of June 30, 2025. This LD was significantly lower than last year. Most of the financial impact from these disruptions has now been absorbed, and further LDs are expected to be significantly reduced moving forward.

Persistent inflation and elevated borrowing costs on account of short term financing posed substantial challenges. Nevertheless, through prudent management and, by the grace of ALLAH Almighty, your Company achieved positive operational and financial outcomes. Import-related constraints prompted decisive action to localize components, reducing dependence on imported materials. These initiatives will provide long-term benefits, particularly in the face of ongoing PKR currency volatility. Moreover, the export drive is expected to mitigate future input cost fluctuations.

Insulator production for the year stood at 3,224 tons, slightly lower than the 3,300 tons produced last year. The current rated production capacity is being restructured to accommodate the manufacture of new product lines, including Switchgear and Apparatus Insulators for High Voltage Substation applications, and new products for the export markets. Due to the significantly larger physical size and kiln processing requirements of these products, the overall rated capacity is reduced in this configuration.

Domestic demand for Insulators and Switchgear products was adversely affected by fiscal constraints and spending cuts imposed by the interim federal government. However, the current government has signaled its commitment to rehabilitating and expanding the country's energy infrastructure, which is evident as new tenders were announced towards the end of the period under review. Management anticipates increased demand for EMCO's products in the upcoming fiscal year, with current orders already exceeding four months of production capacity.

The Company's expansion into High Voltage Disconnect Switches and Instrument Transformers has also proven successful, supported by strong market demand.

Direct export sales of your Company reached Rs. 462.79 million during the review period, with significant volumes delivered to markets including the United States, UAE, Turkey, Brazil, Taiwan, Egypt, and Colombia. With export revenue growing by 174% year-on-year, the management has already secured substantially larger export orders currently under execution. Your Company remains committed to expanding its export portfolio and expects significant year-on-year growth in this segment.

## CODE OF CORPORATE GOVERNANCE

The requirements of the Code of Corporate Governance set out by the Pakistan Stock Exchange in its Listing Regulations, relevant for the year ended June 30, 2025, have been adopted by the Company and have been duly complied with. A statement to this effect is annexed with the report.

In compliance with the provisions of the Code, the Board members are pleased to place the following statement on record:

- The financial statements for the year ended June 30, 2025, present fairly its state of affairs, the results of its operations, cash flow and changes in equity.
- Proper books of accounts have been maintained.

- Appropriate accounting policies have been consistently applied in preparation of financial statements for the year ended June 30, 2025, and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS), as applicable in Pakistan, have been followed in preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There has been no material departure from the best practices of corporate governance, as detailed in listing regulations.
- Overall, 100% of the Board of Directors have either completed the Director's Training Program or are exempted from it.
- The value of Assets of Provident Fund based on its audited accounts as on December 31, 2024 was Rs. 9.9 Million. The value of investment includes accrued interest.

## BOARD MEETINGS

The Board of Directors, which consists of Twelve members, have responsibility to independently and transparently monitor the performance of the Company and take strategic decisions to achieve sustainable growth in the Company value. All members of the Board are elected in the general meeting after every three years. The current Board of Directors was elected on 26th June 2023. The current Board members are as follows:

| Sr. # | NAME OF DIRECTOR | |
|---|---|---|
| 1. | Mr. Javaid Shafiq Siddiqi | Chairman / Non-Executive Director |
| 2. | Mr. Usman Haq | Managing Director / Executive Director |
| 3. | Mr. Salem Rehman | Chief Executive / Executive Director |
| 4. | Mr. Tariq Rehman | Executive Director |
| 5. | Mr. Ahsan Suhail Mannan | Company Secretary / Executive Director |
| 6. | Mr. Pervaiz Shafiq Siddiqi | Non-Executive Director |
| 7. | Mr. Salman Javaid Siddiqi | Non-Executive Director |
| 8. | Mr. Umair Noorani | Non-Executive Director |
| 9. | Mrs. Ayesha Mussadaque Hamid | Independent Director |
| 10. | Ch. Imran Ali | Independent Director |
| 11. | Syed Muhammad Mohsin | Independent Director |
| 12. | Mr. Osman Hameed Chaudhri | Independent Director |

As listed above, there are a total of 12 Directors including 04 Executive Directors, 04 Non-Executive Directors and 04 Independent Directors (03 Male & 01 Female).

The term of the existing members of the Board will expire on 30-06-2026, along with their consent to act so and filed a declaration on the prescribed form as requirements of the Code of Corporate Governance.

A written notice of the Board meeting along with working papers was sent to the members seven days before meetings. A total of Four meetings of the Board of Directors were held during the year ended June 30, 2025. The attendance of the Board members was as follows: -

| SR. # | NAME OF DIRECTOR | MEETINGS ATTENDED |
|---|---|---|
| 1. | Mr. Javaid S. Siddiqi | 02 |
| 2. | Mr. Usman Haq | 04 |
| 3. | Mr. Salem Rehman | 04 |
| 4. | Mr. Tariq Rehman | 02 |
| 5. | Mr. Ahsan Suhail Mannan | 04 |
| 6. | Mr. Pervaiz S. Siddiqi | 00 |
| 7. | Mr. Salman Javaid Siddiqi | 04 |
| 8. | Mr. Umair Noorani | 04 |
| 9. | Mrs. Ayesha Mussadaque Hamid | 03 |
| 10. | Ch. Imran Ali | 04 |
| 11. | Syed Muhammad Mohsin | 04 |
| 12. | Mr. Osman Hameed Chaudhri | 04 |

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

## TRANSACTION / TRADE OF COMPANY'S SHARE

During the financial year none of the Directors, CEO, CFO, Company Secretary (including their spouses and minor children) traded in the shares of the Company.

## COMMITTEES OF THE BOARD

### Audit Committee

The Audit Committee (AC) reviews the annual and quarterly financial statements, internal audit reports, and information before dissemination to Pakistan Stock Exchange, and proposes appointment of the external auditors for approval of the shareholders, apart from other matters of significant nature. The AC holds its meeting prior to the Board meeting. A total of Six meetings of the AC were held during the year under review. It includes statutory meetings with external auditors before start of annual audit and meeting with external auditors without CFO and Head of Internal Audit being present.

The Board has appointed the following members of the Audit Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

| | |
|---|---|
| Mr. Osman Hameed Chaudhri | Chairman |
| Syed Muhammad Mohsin | Member |
| Mr. Javaid Shafiq Siddiqi | Member |
| Mr. Umair Noorani | Member |

Mr. Ahsan Suhail Mannan is the Committee Secretary as required by Chapter IX, 27 (1) (iv) of the Code of Corporate Governance, Regulations 2019.

### HR & Remuneration Committee:

A total of two meetings of HR & Remuneration Committee were held during the year under review.

The Board has appointed the following members of the HR & Remuneration Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

| | |
|---|---|
| Mrs. Ayesha Mussadaque Hamid | Chairman |
| Mr. Pervaiz Shafiq Siddiqi | Member |
| Mr. Salman Javaid Siddiqi | Member |
| Mr. Ahsan Suhail Mannan | Member / Committee Secretary |

### Risk Management Committee:

A total of one meeting of Risk Management Committee was held during the year under review.

The Board has appointed the following members of the Risk Management Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

| | |
|---|---|
| Syed Muhammad Mohsin | Chairman |
| Mr. Tariq Rehman | Member |
| Ch. Imran Ali | Member |
| Mr. Salem Rehman | Member / Committee Secretary |

### Nomination Committee:

A total of one meeting of Nomination Committee was held during the year under review.

The Board has appointed the following members of the Nomination Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

| | |
|---|---|
| Ch. Imran Ali | Chairman |
| Mr. Javaid Shafiq Siddiqi | Member |
| Mr. Usman Haq | Member |
| Mr. Ahsan Suhail Mannan | Member / Committee Secretary |

## DIRECTORS' REMUNERATION

The Company has an approved Director Remuneration policy governing remuneration of executive, non executive and independent director of the Company. The significant features of the policy are:

1. All directors, including independent director are entitled to receive remuneration as per approval from the Board in The Board of Directors ("BOD") meetings.
2. The BOD on recommendation of Human Resource & Remuneration (HR & R) Committee from time to time determines and approves the remuneration of the members of the BOD for attending Board Meetings.

Please note that the Company does not pay remuneration to its non-executive director. Aggregate amount of the remuneration paid to Chief Executive, executive directors and non-executive directors have been disclosed in note 39 of the annexed financial statements.

## RISK MANAGEMENT

It is our policy to view risk management as integral to the creation, protection and enhancement of shareholder value by managing the significant uncertainties and risks that could possibly influence the achievement of our corporate goals and objectives.

Following are the risks which may be faced by the Company in future:

1. Devaluation of Rupee and foreign exchange controls imposed by Government of Pakistan.
2. Constant fluctuations in costs of Natural Gas & Power.
3. Evolving protectionist policies in the export markets that could negatively impact export of EMCO products from Pakistan.

## BUSINESS CONTINUITY

Strategy and Policy Business Continuity Management is in place. Its application remains a priority for the Company. Risk Management processes have been reviewed and updated recently and are considered effective.

## CORPORATE SOCIAL RESPONSIBILITY

The Company acknowledges its responsibility towards society and performs its duty by providing financial assistance to local communities for their economic and social development. The Company is diligently complying with its Corporate Social Responsibility (CSR).

## ENVIRONMENT PROTECTION

Your Company has renewed its ISO 14001:2015 certification for helping it achieve its outcomes regarding environmental management. Management is pleased to announce that the ISO 50001 certification is being leveraged to further improve the metrics on energy management, which will also tie into the Company's overall vision to protect the environment. With the completion of the BMR project, your Company intends to also review the opportunity to enhance the PV Solar project to further reduce its carbon footprint, whilst simultaneously improving its operational and financial metrics.

## EMPLOYEES' RELATIONS

Despite the inflationary pressure, the Management would like to place on record a very positive and cooperative role of employees during the year. The Management would like to place on record its appreciation in this regard and will look forward to their continuous support during the difficult time that the nation is presently undergoing. The Management would also like to place on record the continuous research and development by the Engineering team and the very cooperative role played by the Union in increasing the output on virtually each stage of production and reducing losses wherever possible. The support of all other departments is also acknowledged.

## GENDER, RACE AND DIVERSITY

The Company upholds a firm commitment to non-discrimination based on gender or any other characteristic. We strongly advocate equality, fairness, and respect for every individual. Our company ensures that all policies, practices, and decision-making processes are devoid of any form of discrimination. The Company promotes an inclusive culture and cultivates a safe, supportive environment where everyone can contribute their unique talents and perspectives. By fostering a workplace free from gender bias, the Company aims to create a diverse and empowering environment for all employees.

## FUTURE OUTLOOK

Pakistan continues to face considerable macroeconomic challenges, including a slowdown in economic growth, elevated inflation, and a substantial debt burden. Despite these pressures, the country has demonstrated resilience, and efforts to enforce fiscal discipline and foster an export-oriented economy are commendable steps in the right direction. Your Company remains fully aligned with these national priorities and is committed to supporting and contributing to these broader economic objectives.

Energy sector reform has re-emerged as a focus for the current political administration. The reform agenda includes addressing structural inefficiencies, encouraging private sector participation, and promoting the indigenization of products within the sector. Management believes that this strategic national direction presents a valuable opportunity for EMCO to expand its role and footprint within the energy sector.

We are pleased to report that EMCO continues to forge ahead in its recently pre-qualified products manufactured at its metal foundry with encouraging sales in the period under review as well as in the immediate future. Your management has also strived for obtaining the ISO 17025 independent laboratory certification of the High Voltage and Mechanical Testing Laboratories at the Company. The final audit from the Pakistan National Accreditation Council (PNAC) has been conducted successfully and the certification is expected within the Calendar Year 2025. This prestigious development enables the Company to offer its state of the art laboratory facilities to external clients as a means to generate additional revenue, and to improve the ability for EMCO to offer high-quality certifications to it's products for both the domestic, as well as international clients.

In parallel with domestic initiatives, EMCO continues to strengthen its presence in the export market. Building on recent successes in North American and Latin American markets, the Company is aggressively pursuing its efforts to further grow its international customer base. Management is optimistic that the export segment will continue its upward trajectory in the coming year, Insh'Allah.

The Company is pleased to inform its stakeholders that all banking relationships remain in good standing. EMCO continues to meet its financial obligations on schedule, in accordance with all agreed terms and conditions.

The Company's contribution to the exchequer in the year under review is Rs. 794 million (Rs. 902 million in last year) in the shape of Import duty, Sales tax, Income Tax and other levies.

## ACKNOWLEDGEMENT

We would like to thank our Board of Directors for their continued guidance, and our entire management team for their hard work to ensure a positive trajectory of the Company. We would also like to acknowledge the support of our shareholders, financial institution partners and creditors for closing a successful year.

## DIVIDEND

The Board has not recommended any dividend for the period.

## PATTERN OF SHAREHOLDING

The pattern of shareholding as on June 30, 2025 and its disclosure, as required by the Code of Corporate Governance is annexed with this report.

## FINANCIAL HIGHLIGHTS

The key financial highlights for the last 10 years performance of the Company is available in this report.

## AUDITORS

As proposed by the Audit Committee and recommended by the Board, the present auditors M/s Crowe Hussain Chaudhury & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment if approved by the shareholders in Annual General Meeting.

## VIS CREDIT RATING

VIS Credit Rating Company Limited reaffirms entity ratings of EMCO Industries Limited ('EMCO' or 'the Company') at 'A-/A-2' (Single A minus/A-Two) with a 'Stable' outlook. Medium to long term rating of 'A-' indicates good credit quality; protection factors are adequate. Risk factors may vary with possible changes in the economy. Short term rating of 'A-2' indicates good certainty of timely payment. Liquidity factors and company fundamentals are sound. Access to capital markets is good. Risk factors are minimal.

For and on behalf of the board of Directors

Salem Rehman
Chief Executive Officer
Lahore: September 18, 2025

Ahsan Suhail Mannan
Director / Company Secretary

# ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے، ہم کمپنی کے 70 ویں سالانہ جنرل اجلاس میں آپ کا تہہ دل سے خیر مقدم کرتے ہیں. ہمیں 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے آڈیٹر کی رپورٹ کے ساتھ آڈٹ شدہ مالیاتی بیانات پیش کرنے پر خوشی ہے۔ مالی نتائج کا خلاصہ ذیل میں دیا گیا ہے:

| تفصیل | 2025<br>روپے | 2024<br>روپے |
|---|---|---|
| لیوی اور ٹیکس لگانے سے پہلے منافع | 42,089,544 | 357,439,343 |
| ٹیکس | 13,650,830 | (138,441,522) |
| ٹیکس کے بعد منافع | 55,740,374 | 218,997,821 |
| ایکچوریل ویلیوایشن پر خالص نقصان | (1,510,064) | (9,594,004) |
| مجموعی جامع منافع | 54,230,210 | 209,403,817 |
| ری ویلیوایشن سرپلس-پی پی ای پر بڑھتی ہوئی قدر میں کمی | 24,932,674 | 26,122,043 |
| 30 جون کو ختم ہونے والے آخری سال کے لئے حتمی منافع کی ادائیگی | - | (17,500,000) |
| | 79,162,984 | 218,025,860 |
| جمع شدہ منافع سمیت ذخائر کو آگے لایا گیا | 1,022,310,340 | 804,284,480 |
| جمع شدہ منافع سمیت ذخائر کو آگے بڑھایا گیا | 1,101,473,324 | 1,022,310,340 |
| فی حصص آمدنی | 1.59 | 6.26 |

## آپریٹنگ نتائج کا جائزہ

### عالمی ماحولیاتی منظر نامہ

زیر جائزہ مدت میں، عالمی معیشت نے معتدل بحالی کا سامنا کیا، جس وجہ سے مقامی اور عالمی جغرافیائی سیاسی تناؤ کے باوجود مہنگائی کے دباؤ میں کمی ہوئی۔ بڑھتی ہوئی تحفظاتی پالیسیوں اور علاقائی تنازعات سے متاثر، تجارتی بہاؤ غیر متوقع رہا۔ اس کے باوجود، ریاستہائے متحدہ امریکہ اور چین کے مابین مستقل تجارتی تنازعہ نے ایمکو کے لئے سازگار حالات پیدا کیے، جس سے امریکہ میں مارکیٹ میں گہری رسائی ممکن ہوئی اور ہماری برآمدات کو بڑھایا۔

اہم سرمایہ کاری، ڈیجیٹل خدمات اور گرین ٹیکنالوجیز کی طرف کی گئی تھی، جبکہ روایتی مینوفیکچرنگ کے شعبوں کو مشکلات کا سامنا کرنا پڑا۔ دنیا بھر کی کمپنیوں نے علاقائیت اور AI سے ہونے والی تبدیلی کو ترجیح دی، ان سب کے لیے توانائی کے وسیع وسائل کی ضرورت ہوتی ہے جس سے ایمکو کی مصنوعات کو آگے بڑھانے میں مدد ملی۔ آٹومیشن، سائبر سیکیورٹی میں سرمایہ کاری کو خاص طور پر ماحولیاتی، معاشرتی اور گورننس (ای ایس جی) کے معیارات کے مطابق کیا گیا تھا۔

بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) کے ساتھ اکسٹینڈڈ فنڈ سہولت (ای ایف ایف) معاہدے کی حمایت سے سال کے دوران پاکستان کی معیشت نے استحکام کے آثار دکھائے۔ ملک میں جی ڈی پی کی نمو تقریباً 2.7 فیصد ریکارڈ کی گئی، جو بنیادی طور پر صنعتی بحالی اور بہتر مالیاتی نظم وضبط کی وجہ سے ہے۔ مہنگائی میں کمی آئی، اور حکومت کے اصلاحاتی ایجنڈے کے ابتدائی نتائج سامنے آنے لگے۔ تاہم، توانائی کی قیمتوں اور ٹیکس پالیسی میں چیلنجز برقرار رہے۔

آئی ایم ایف کی حمایت یافتہ اصلاحات نے مالی ذمہ داری کو بڑھانے اور سرمایہ کاری کی ترغیب دینے میں اہم کردار ادا کیا۔ مستقبل کی طرف دیکھتے ہوئے، ملک کا معاشی نقطہ نظر بڑی حد تک میکرو اکنامک استحکام کی ان کوششوں کی پائیداری، ساختی اصلاحات کی رفتار اور عالمی معاشی رجحانات پر منحصر ہوگا۔

## کمپنی کی مالی کارکردگی

رپورٹنگ کی مدت کے دوران، آپ کی کمپنی نے 3,607.41 ملین روپے کی فروخت کی آمدنی حاصل کی، جو سال بہ سال 14 فیصد کی کمی کو ظاہر کرتی ہے۔ اس کے باوجود کمپنی نے 42.08 ملین روپے کا قبل از ٹیکس منافع اور 55.74 ملین روپے کا بعد از ٹیکس منافع درج کیا۔

یہ نتائج زیر جائزہ مدت میں آپ کی کمپنی کو درپیش چیلنجوں کی عکاسی کرتے ہیں۔ سرکاری شعبے کے اخراجات میں تیزی سے مالی دباو کی وجہ سے ایمکو مصنوعات کی کم مقامی طلب نے آپ کی کمپنی کو بری طرح متاثر کیا۔ تاہم، آپ کی انتظامی ٹیم نے ایمکو کی کاروباری حکمت عملی میں جارحانہ انداز میں جاری تبدیلی کو جاری رکھا، جس میں پیداواری صلاحیت کو بہتر بنانا، برآمدات پر توجہ مرکوز کرنا، اور مصنوعات میں تنوع شامل ہے۔ خاص طور پر نئی ہائی وولٹیج سوئچ گیئر کا تعارف، اور توانائی کے شعبے کے لئے دھاتی اجزاء اور مصنوعات۔ مقامی طلب میں کمی کے نتیجے میں مالی سال کے آخر میں تیار شدہ سامان کے ذخیرہ میں اضافہ ہوا۔ حوصلہ افزا بات یہ ہے کہ آڈٹ کے دوران سامان کی مانگ میں نمایاں اضافہ دیکھا گیا، جس کے نتیجے میں اس اسٹاک کو بیچا جائے گا۔

کمپنی کی برآمدی حکمت عملی کے مثبت نتائج برآمد ہوئے ہیں، گزشتہ مالی سال کے مقابلے میں برآمدی فروخت میں 174 فیصد اضافہ ہوا ہے۔ توقع کی جارہی ہے کہ رواں سال یہ اسی رفتار سے اوپر کی طرف بڑھتا رہے گا، جس میں امریکہ اس سال ایمکو کی سب سے بڑی مارکیٹ کے طور پر برتری حاصل کر رہا ہے۔

اسٹریٹجک توسیعی منصوبوں نے ایمکو کو ملکی اور بین الاقوامی دونوں منڈیوں میں اپنی ساخت کو بڑھانے کی پوزیشن میں رکھا ہے۔ تاہم، سال کے دوسرے نصف حصے میں سپلائی چین میں رکاوٹیں دیکھی گئیں جس کی وجہ سے عالمی لاجسٹک اخراجات میں اضافہ اور ٹرانس شپمنٹ میں تاخیر ہوئی۔ ان مسائل کی وجہ سے 30 جون 2025 تک 15.87 ملین روپے کا لیکویڈیٹڈ ڈیمیج (LD) ریکارڈ کیا گیا۔ یہ پچھلے سال کے مقابلے میں نمایاں طور پر کم تھا۔ ان رکاوٹوں سے زیادہ تر مالی منافع میں کمی آئی ہے، اور توقع کی جارہی ہے کہ آئندہ مزید ایل ڈیز کو نمایاں طور پر کم کیا جائے گا۔

مسلسل افراط زر اور قلیل مدتی فنانسنگ کی وجہ سے قرض لینے کی بڑھتی ہوئی لاگت نے کافی چیلنجز درپیش کیے ہیں۔ اس کے باوجود، دانشمندانہ اقدامات اور اللہ تعالی کے فضل و کرم سے، آپ کی کمپنی نے مثبت آپریشنل اور مالی نتائج حاصل کیے۔ درآمدی رکاوٹوں نے مصنوعات کو مقامی سطح پر بنانے کے فیصلے کو اہمیت دی، جس سے درآمدات پر انحصار کم ہوا۔ ان اقدامات سے طویل مدتی فوائد حاصل ہوں گے، خاص طور پر پاکستانی کرنسی میں جاری اتار چڑھاؤ کے پیش نظر۔ مزید برآں، برآمدات سے مستقبل میں خرچوں کے اتار چڑھاؤ میں کمی کی امید ہے۔

سال کے لئے انسولیٹر کی پیداوار 3،224 ٹن رہی، جو پچھلے سال پیدا ہونے والی 3،300 ٹن سے تھوڑا سا کم ہے۔ موجودہ درجہ بندی کی پیداواری صلاحیت کو نئی مصنوعات کی تیاری کو ایڈجسٹ کرنے کے لیے دوبارہ تشکیل دیا جارہا ہے، جس میں ہائی وولٹیج سب اسٹیشن میں استعمال ہونے والے سوئچ گیئر اور اپریٹس انسولیٹرز، اور برآمدی منڈیوں کے لیے نئی مصنوعات شامل ہیں۔ ان مصنوعات کے نمایاں طور پر بڑے سائز اور کلنز کی پروسیسنگ کی ضروریات کی وجہ سے، اس ترتیب سے مجموعی درجہ بندی کی صلاحیت کم ہو جاتی ہے۔

عبوری وفاقی حکومت کی طرف سے عائد کردہ مالی رکاوٹوں اور اخراجات میں کٹوتی کی وجہ سے انسولیٹرز اور سوئچ گیئر مصنوعات کی مقامی طلب بری طرح متاثر ہوئی۔ تاہم، موجودہ حکومت نے ملک کے توانائی کے بنیادی ڈھانچے کی بحالی اور توسیع کے لیے اپنے عزم کا اشارہ دیا ہے، جو زیر جائزہ مدت کے اختتام پر نئے ٹینڈرز کے اعلان سے ظاہر ہوتا ہے۔ انتظامیہ کو توقع ہے کہ آنے والے مالی سال میں ایمکو کی مصنوعات کی طلب میں اضافہ ہوگا، موجودہ آرڈرز پہلے ہی چار ماہ کی پیداواری صلاحیت سے تجاوز کر چکے ہیں۔

ہائی وولٹیج ڈس کنیکٹ سوئچز اور انسٹرومنٹ ٹرانسفارمرز میں کمپنی کی توسیع بھی کامیاب ثابت ہوئی ہے، جس کا ثبوت مارکیٹ کی طلب ہے۔

جائزہ مدت کے دوران آپ کی کمپنی کی براہ راست برآمدی فروخت 462.79 ملین روپے ہوئی، جس میں امریکا، متحدہ عرب امارات، ترکی، برازیل، تائیوان، مصر اور کولمبیا سمیت مارکیٹوں میں مصنوعات کی نمایاں فراہمی ہے۔ برآمدات میں سال بہ سال 174 فیصد اضافے کے ساتھ، انتظامیہ نے پہلے ہی کافی بڑے برآمدی آرڈرز حاصل کر لیے ہیں جن پر فی الحال عمل درآمد جاری ہے۔ آپ کی کمپنی اپنے برآمدات کو بڑھانے کے لئے پر عزم ہے اور اس شعبے میں سال بہ سال نمایاں ترقی کی توقع کرتی ہے۔

## کارپوریٹ گورننس کا کوڈ

پاکستان اسٹاک ایکسچینج کی جانب سے 30 جون 2025 کو ختم ہونے والے سال کے لیے لسٹنگ ریگولیشنز میں طے کردہ کوڈ آف کارپوریٹ گورننس کے تقاضوں کو کمپنی نے اپنایا ہے اور ان کی مناسب تعمیل کی گئی ہے۔ اس سلسلے میں ایک بیان رپورٹ کے ساتھ منسلک کیا گیا ہے۔

کوڈ کی دفعات کی تعمیل میں، بورڈ کے ممبران مندرجہ ذیل بیان کو ریکارڈ پر رکھنے پر خوش ہیں:

- 30 جون 2025 کو ختم ہونے والے سال کے مالیاتی بیانات میں اس کی صورتحال، اس کے آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو کافی حد تک پیش کیا گیا ہے۔
- حساب کتاب کی مناسب کتابیں رکھی گئی ہیں۔
- 30 جون، 2025 کو ختم ہونے والے سال کے لئے مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے، اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں.
- مالیاتی گوشواروں کی تیاری میں بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز (آئی اے ایس) پر عمل کیا گیا ہے جو پاکستان میں لاگو ہیں۔
- اندرونی کنٹرول کا نظام ڈیزائن میں مضبوط ہے اور مؤثر طریقے سے نافذ اور نگرانی کی گئی ہے.
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں ہوا ہے، جیسا کہ لسٹنگ ریگولیشنز میں تفصیل سے بیان کیا گیا ہے۔
- مجموعی طور پر 100 فیصد بورڈ آف ڈائریکٹرز یا تو ڈائریکٹر کا تربیتی پروگرام مکمل کر چکے ہیں یا اس سے مستثنیٰ ہیں۔
- 31 دسمبر 2024 کو آڈٹ شدہ کھاتوں کی بنیاد پر پروویڈنٹ فنڈ کے اثاثوں کی مالیت 9.9 ملین روپے تھی۔ سرمایہ کاری کی قیمت میں جمع شدہ سود بھی شامل ہے۔

## بورڈ کا اجلاس

بورڈ آف ڈائریکٹرز، جو بارہ ممبروں پر مشتمل ہے، کی ذمہ داری ہے کہ وہ آزادانہ اور شفاف طریقے سے کمپنی کی کارکردگی کی نگرانی کرے اور کمپنی کی قدر میں پائیدار ترقی کے حصول کے لئے اسٹریٹجک فیصلے کرے۔ بورڈ کے تمام ممبران کا انتخاب ہر تین سال بعد جنرل میٹنگ میں کیا جاتا ہے۔ موجودہ بورڈ آف ڈائریکٹرز کا انتخاب 26 جون 2023 کو کیا گیا تھا۔ بورڈ کے موجودہ ارکان درج ذیل ہیں:

| نمبر شمار | ڈائریکٹر کا نام | |
|---|---|---|
| .1 | جناب جاوید شفیق صدیقی | چیئرمین/نان ایگزیکٹو ڈائریکٹر |
| .2 | جناب عثمان حق | مینیجنگ ڈائریکٹر/ایگزیکٹو ڈائریکٹر |
| .3 | جناب سالم رحمان | چیف ایگزیکٹو/ایگزیکٹو ڈائریکٹر |
| .4 | جناب طارق رحمان | ایگزیکٹو ڈائریکٹر |
| .5 | جناب احسن سہیل منان | کمپنی سیکرٹری/ایگزیکٹو ڈائریکٹر |
| .6 | جناب پرویز شفیق صدیقی | نان ایگزیکٹیو ڈائریکٹر |
| .7 | جناب سلمان جاوید صدیقی | نان ایگزیکٹیو ڈائریکٹر |
| .8 | جناب عمیر نورانی | نان ایگزیکٹیو ڈائریکٹر |
| .9 | مسز عائشہ مصدق حمید | آزاد ڈائریکٹر |
| .10 | جناب چوہدری عمران علی | آزاد ڈائریکٹر |
| .11 | جناب سید محمد محسن | آزاد ڈائریکٹر |
| .12 | جناب عثمان حمید چوہدری | آزاد ڈائریکٹر |

جیسا کہ اوپر درج کیا گیا ہے، کل 12 ڈائریکٹرز ہیں جن میں 04 ایگزیکٹیو ڈائریکٹر 04 نان ایگزیکٹیو ڈائریکٹر 04 آزاد ڈائریکٹرز (03 مرد اور 01 خاتون) شامل ہیں۔

بورڈ کے موجودہ ممبران کی میعاد 30-06-2026 کو ختم ہو جائے گی، اس کے ساتھ ہی انہوں نے ایسا کرنے کے لئے اپنی رضامندی ظاہر کی اور کوڈ آف کارپوریٹ گورننس کے تقاضوں کے طور پر مقررہ فارم پر ایک اعلامیہ داخل کیا۔

اجلاس سے سات دن قبل ورکنگ پیپرز کے ساتھ بورڈ میٹنگ کا تحریری نوٹس ممبران کو بھیجا گیا تھا۔ 30 جون 2025 کو ختم ہونے والے مالی سال کے دوران بورڈ آف ڈائریکٹرز کے کل چار اجلاس منعقد ہوئے۔ بورڈ کے ممبران کی حاضری درج ذیل تھی:

| نمبر شمار | ڈائریکٹر کا نام | اجلاسوں میں شرکت |
|---|---|---|
| 1 | جناب جاوید شفیق صدیقی | 02 |
| 2 | جناب عثمان حق | 04 |
| 3 | جناب سالم رحمان | 04 |
| 4 | جناب طارق رحمان | 02 |
| 5 | جناب احسن سہیل منان | 04 |
| 6 | جناب پرویز شفیق صدیقی | 00 |
| 7 | جناب سلمان جاوید شفیق | 04 |
| 8 | جناب عمیر نورانی | 04 |
| 9 | مسز عائشہ مصدق حمید | 03 |
| 10 | جناب چوہدری عمران علی | 04 |
| 11 | جناب سید محمد محسن | 04 |
| 12 | جناب عثمان حمید چوہدری | 04 |

ان ڈائریکٹرز کو غیر حاضری کی چھٹی دی گئی جو اجلاسوں میں شرکت نہیں کر سکتے تھے۔

## لین دین / کمپنی کے حصص کی تجارت

مالی سال کے دوران کسی بھی ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری (بشمول ان کے شریک حیات اور نابالغ بچوں کے) کمپنی حصص میں لین دین کو انجام نہیں کی۔

## بورڈ کی کمیٹیاں

### آڈٹ کمیٹی

آڈٹ کمیٹی سالانہ اور سہ ماہی مالیاتی گوشواروں، اندرونی آڈٹ رپورٹس اور پاکستان اسٹاک ایکسچینج کو فراہم کرنے سے قبل معلومات کا جائزہ لیتی ہے اور شیئر ہولڈرز کی منظوری کے لیے بیرونی آڈیٹرز کی تقرری کی تجویز پیش کرتی ہے۔ آڈٹ کمیٹی بورڈ کے اجلاس سے پہلے اپنا اجلاس منعقد کرتی ہے۔ زیر غور سال کے دوران آڈٹ کمیٹی کے کل چھ اجلاس منعقد ہوئے۔ اس میں سالانہ آڈٹ شروع ہونے سے پہلے بیرونی آڈیٹرز کے ساتھ قانونی ملاقاتیں اور سی ایف او اور اندرونی آڈٹ کے سربراہ کی موجودگی کے بغیر بیرونی آڈیٹرز کے ساتھ ملاقات شامل ہے۔

بورڈنے 04.07.2023 کو ہونے والے بورڈ آف ڈائریکٹرز کے اجلاس میں 01.07.2023 سے تین سال کی مدت کے لئے آڈٹ کمیٹی کے مندرجہ ذیل ممبران کا تقرر کیا ہے۔

| | |
|---|---|
| جناب عثمان حمید چوہدری | چیئرمین |
| جناب سید محمد محسن | رکن |
| جناب جاوید شفیق صدیقی | رکن |
| جناب عمیر نورانی | رکن |

جناب احسن سہیل منان کو ڈآف کارپوریٹ گورننس ریگولیشنز 2019 کے باب 27،9(1)(4) کے مطابق کمیٹی کے سیکرٹری ہیں۔

### ایچ آر اور معاوضہ کمیٹی:

سال کے دوران ایچ آر اور معاوضہ کمیٹی کے کل دو اجلاس منعقد ہوئے۔

بورڈ آف ڈایریکٹرز کے 04-07-2023 کے ہونے والے اجلاس میں 01-07-2023 سے تین سال کی مدت کے لیے ایچ آر معاوضہ کمیٹی کے مندرجہ ذیل ممبران کو مقرر کیا گیا ہے۔

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|---|---|
| مسز عائشہ مصدق حمید | چیئرمین |
| جناب پرویز شفیق صدیقی | رکن |
| جناب سلمان جاوید صدیقی | رکن |
| جناب احسن سہیل منان | رکن/کمیٹی سیکرٹری |

### رسک مینجمنٹ کمیٹی:

سال کے دوران رسک مینجمنٹ کمیٹی کا مجموعی طور پر ایک اجلاس منعقد ہوا۔

بورڈنے 04.07.2023 کو منعقدہ بورڈ آف ڈائریکٹرز کے اجلاس میں 01.07.2023 سے تین سال کی مدت کے لئے رسک مینجمنٹ کمیٹی کے مندرجہ ذیل ممبران کو مقرر کیا ہے۔

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|---|---|
| سید محمد محسن | چیئرمین |
| جناب طارق رحمان | رکن |
| چوہدری عمران علی | رکن |
| جناب سالم رحمان | رکن/کمیٹی سیکرٹری |

### نامزدگی کمیٹی:

زیر غور سال کے دوران نامزدگی کمیٹی کا مجموعی طور پر ایک اجلاس منعقد ہوا۔

بورڈنے 04.07.2023 کو ہونے والے بورڈ آف ڈائریکٹرز کے اجلاس میں 01.07.2023 سے تین سال کی مدت کے لئے نامزدگی کمیٹی کے مندرجہ ذیل ارکان کا تقرر کیا ہے۔

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|---|---|
| چوہدری عمران علی | چیئرمین |
| جناب جاوید شفیق صدیقی | رکن |
| جناب عثمان حق | رکن |
| جناب احسن سہیل منان | رکن/کمیٹی سیکرٹری |

### ڈائریکٹرز کا معاوضہ

کمپنی کے پاس ایک منظور شدہ ڈائریکٹر معاوضہ پالیسی ہے جو کمپنی کے ایگزیکٹو، نان ایگزیکٹو اور آزاد ڈائریکٹر کے معاوضے کو کنٹرول کرتی ہے۔ اس پالیسی کی اہم خصوصیات یہ ہیں:

1. بورڈ آف ڈائریکٹرز ("بی او ڈی") کے اجلاسوں میں بورڈ کی منظوری کے مطابق تمام ڈائریکٹرز بشمول آزاد ڈائریکٹر معاوضہ حاصل کرنے کے حقدار ہیں۔
2. بی او ڈی وقتاً فوقتاً ایچ آر اور معاوضہ کمیٹی کی سفارشات پر بورڈ اجلاسوں میں شرکت کے لئے بی او ڈی کے ممبروں کے معاوضے کا تعین اور منظوری دیتا ہے۔

برائے مہربانی نوٹ کریں کہ کمپنی اپنے غیر ایگزیکٹو ڈائریکٹر کو معاوضہ ادا نہیں کرتی ہے۔ چیف ایگزیکٹو، ایگزیکٹو ڈائریکٹرز اور نان ایگزیکٹو ڈائریکٹرز کو ادا کیے جانے والے معاوضے کی مجموعی رقم کا انکشاف منسلک مالی گوشواروں کے نوٹ 39 میں کیا گیا ہے۔

### رسک مینجمنٹ

یہ ہماری پالیسی ہے کہ ہم رسک مینجمنٹ کو اہم غیر یقینی صورتحال اور خطرات کا انتظام کر کے حصص یافتگان کی قدر کی تخلیق، تحفظ اور اضافے کے لئے لازمی طور پر دیکھیں جو ممکنہ طور پر ہمارے کارپوریٹ اہداف اور مقاصد کے حصول کو متاثر کر سکتے ہیں۔

کمپنی کو مستقبل میں مندرجہ ذیل خطرات کا سامنا کرنا پڑ سکتا ہے:

1. حکومت پاکستان کی جانب سے عائد کردہ روپے کی قدر میں کمی اور زرمبادلہ کے کنٹرولز۔
2. قدرتی گیس اور بجلی کی لاگت میں مسلسل اتار چڑھاؤ۔
3. برآمدی منڈیوں میں تحفظ پسند پالیسیاں تیار کرنا جو پاکستان سے ایمکو مصنوعات کی برآمد پر منفی اثر ڈال سکتی ہیں۔

### کاروباری تسلسل

حکمت عملی اور پالیسی کاروباری تسلسل کا انتظام موجود ہے۔ اس کا اطلاق کمپنی کی ترجیح ہے۔ رسک مینجمنٹ کے عمل کا حال ہی میں جائزہ لیا گیا ہے اور اپ ڈیٹ کیا گیا ہے اور اسے موثر سمجھا جاتا ہے۔

### کارپوریٹ سماجی ذمہ داری

کمپنی معاشرے کے تئیں اپنی ذمہ داری کو تسلیم کرتی ہے اور مقامی کمیونٹیز کو ان کی معاشی اور سماجی ترقی کے لیے مالی مدد فراہم کر کے اپنا فرض ادا کرتی ہے۔ کمپنی اپنی کارپوریٹ سماجی ذمہ داری (سی ایس آر) کی بھرپور تعمیل کر رہی ہے۔

### ماحولیاتی تحفظ

آپ کی کمپنی نے ماحولیاتی انتظام کے حوالے سے اپنے نتائج کو حاصل کرنے میں مدد کے لئے اپنے آئی ایس او 14001:2015 سرٹیفیکیشن کی تجدید کی ہے۔ انتظامیہ کو یہ اعلان کرتے ہوئے خوشی ہو رہی ہے کہ آئی ایس او 50001 سرٹیفیکیشن کو توانائی کے انتظام سے متعلق میٹرکس کو مزید بہتر بنانے کے لیے استعمال کیا جا رہا ہے، جو ماحول کے تحفظ کے لیے کمپنی کے مجموعی وژن سے بھی منسلک ہوگا۔ بی ایم آر پروجیکٹ کی تکمیل کے ساتھ، آپ کی کمپنی اپنے کاربن فوٹ پرنٹ کو مزید کم کرنے کے لئے پی وی سولر پروجیکٹ کو بڑھانے کے موقع کا بھی جائزہ لینے کا ارادہ رکھتی ہے، جبکہ بیک وقت اس کے آپریشنل اور مالیاتی میٹرکس کو بہتر بناتی ہے۔

### ملازمین کے تعلقات

مہنگائی کے دباؤ کے باوجود، انتظامیہ سال کے دوران ملازمین کا ایک بہت ہی مثبت اور تعاون پر مبنی کردار ریکارڈ پر رکھنا چاہتی ہے۔ انتظامیہ اس سلسلے میں اپنی ستائش کو ریکارڈ پر رکھنا چاہتی ہے اور اس مشکل وقت میں ان کی مسلسل حمایت کا منتظر رہے گی جس سے ملک اس وقت گزر رہا ہے۔ انتظامیہ انجینئرنگ ٹیم کی طرف سے مسلسل تحقیق اور ترقی اور پیداوار کے عملی طور پر ہر مرحلے پر پیداوار بڑھانے اور جہاں بھی ممکن ہو نقصانات کو کم کرنے میں یونین کی طرف سے ادا کردہ تعاون کے کردار کو ریکارڈ پر رکھنا چاہتی ہے۔ دیگر تمام محکموں کے تعاون کا بھی اعتراف کیا جاتا ہے۔

### جنس، نسل اور تنوع

کمپنی صنف یا کسی دوسری خصوصیت کی بنیاد پر غیر امتیازی سلوک کے لیے پختہ عزم کو برقرار رکھتی ہے۔ ہم ہر فرد کے لئے مساوات، انصاف اور احترام کی پرزور وکالت کرتے ہیں۔ ہماری کمپنی اس بات کو یقینی بناتی ہے کہ تمام پالیسیاں، طرز عمل، اور فیصلہ سازی کے عمل کسی بھی قسم کے امتیازی سلوک سے پاک ہیں. کمپنی ایک جامع ثقافت کو فروغ دیتی ہے اور ایک محفوظ، معاون ماحول پیدا کرتی ہے جہاں ہر کوئی اپنی منفرد صلاحیتوں اور نقطہ نظر میں حصہ ڈال سکتا ہے۔ صنفی تعصب سے پاک کام کی جگہ کو فروغ دے کر، کمپنی کا مقصد تمام ملازمین کے لیے ایک متنوع اور بااختیار ماحول پیدا کرنا ہے۔

## مستقبل کا منظر نامہ

پاکستان کو معاشی نمو میں سست روی، مہنگائی میں اضافہ اور قرضوں کا خاطر خواہ بوجھ سمیت میکرو اکنامک چیلنجز کا سامنا ہے۔ان دباؤ کے باوجود، ملک نے لچک کا مظاہرہ کیا ہے، اور مالیاتی نظم وضبط کو نافذ کرنے اور برآمد پر مبنی معیشت کو فروغ دینے کی صحیح سمت میں کوششیں قابل ستائش اقدامات ہیں۔آپ کی کمپنی ان قومی ترجیحات کے ساتھ مکمل طور پر منسلک ہے اور ان وسیع تر اقتصادی مقاصد کی حمایت اور شراکت کے لئے پر عزم ہے۔

توانائی کے شعبے میں اصلاحات موجودہ سیاسی انتظامیہ کی توجہ کے طور پر دوبارہ ابھری ہیں۔اصلاحاتی ایجنڈے میں ساختی خامیوں کو دور کرنا، نجی شعبے کی شرکت کی حوصلہ افزائی اور اس شعبے میں مصنوعات کو مقامی بنانے کو فروغ دینا شامل ہے۔انتظامیہ کا خیال ہے کہ یہ اسٹریٹجک قومی سمت ایمکو کے لیے توانائی کے شعبے میں اپنے کردار اور نقش قدم کو بڑھانے کا ایک قیمتی موقع فراہم کرتی ہے۔

ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ ایمکو اپنی میٹل فاؤنڈری میں تیار کردہ پری کوالیفائڈ مصنوعات میں آگے بڑھ رہی ہے جس کا جائزہ لینے والی مدت کے ساتھ ساتھ مستقبل قریب میں بھی حوصلہ افزا فروخت ہے۔ آپ کی انتظامیہ نے کمپنی میں ہائی وولٹیج اور مکینیکل ٹیسٹنگ لیبارٹریز کے آئی ایس او 17025 آزاد لیبارٹری سرٹیفکیشن حاصل کرنے کے لئے بھی کوشش کی ہے۔پاکستان نیشنل ایکریڈیٹیشن کونسل (پی این اے سی) کی طرف سے حتمی آڈٹ کامیابی سے کیا گیا ہے اور کیلنڈر سال 2025 کے اندر سرٹیفکیشن متوقع ہے۔یہ باوقار ترقی کمپنی کو اضافی آمدنی پیدا کرنے کے ایک ذریعہ کے طور پر بیرونی گاہکوں کو اپنی جدید ترین لیبارٹری سہولیات پیش کرنے کے قابل بناتی ہے، اور ایمکو کی مقامی اور بین الاقوامی دونوں گاہکوں کے لئے اپنی مصنوعات کو اعلی معیار کے سرٹیفکیشن پیش کرنے کی صلاحیت کو بہتر بناتی ہے۔

مقامی اقدامات کے متوازی طور پر، ایمکو برآمدی منڈی میں اپنی موجودگی کو مضبوط کرنا جاری رکھے ہوئے ہے۔شمالی امریکہ اور لاطینی امریکہ کی مارکیٹوں میں حالیہ کامیابیوں کی بنیاد پر کمپنی اپنے بین الاقوامی صارفین کو مزید بڑھانے کے لیے اپنی کوششوں کو جارحانہ انداز میں آگے بڑھا رہی ہے۔انتظامیہ پر امید ہے کہ انشاءاللہ آنے والے سال میں برآمدات میں ترقی کی رفتار جاری رکھے گی۔

کمپنی کو اپنے اسٹیک ہولڈرز کو یہ بتاتے ہوئے خوشی ہے کہ تمام بینکوں کے ساتھ ہمارے اچھے تعلقات ہیں۔ایمکو تمام متفقہ شرائط وضوابط کے مطابق شیڈول پر اپنی مالی ذمہ داریوں کو پورا کرنا جاری رکھے ہوئے ہے۔

زیر جائزہ سال میں کمپنی کا خزانے میں امپورٹ ڈیوٹی، سیلز ٹیکس، انکم ٹیکس اور دیگر محصولات کی مد میں 794 ملین روپے (گزشتہ سال 902 ملین روپے) کا حصہ ہے۔

## اعتراف

ہم اپنے بورڈ آف ڈائریکٹرز کا ان کی مسلسل رہنمائی کے لئے شکریہ ادا کرنا چاہتے ہیں، اور کمپنی کی مثبت رفتار کو یقینی بنانے کے لئے ان کی محنت پر ہماری پوری انتظامی ٹیم کا شکریہ ادا کرنا چاہیں گے۔ہم ایک کامیاب سال کے اختتام کے لیے اپنے شیئر ہولڈرز، مالیاتی اداروں کے شراکت داروں اور قرض دہندگان کی حمایت کا بھی اعتراف کرنا چاہیں گے۔

## ڈیویڈنڈ

بورڈ نے اس مدت کے لیے کسی منافع کی سفارش نہیں کی ہے۔

## شیئر ہولڈنگ کا پیٹرن

30 جون 2025 تک شیئر ہولڈنگ کا پیٹرن اور اس کی تفصیل، جیسا کہ کوڈ آف کارپوریٹ گورننس کے مطابق، اس رپورٹ کے ساتھ منسلک ہے۔

## مالی جھلکیاں

کمپنی کی گزشتہ 10 سال کی کارکردگی کے لیے اہم مالی جھلکیاں اس رپورٹ میں دستیاب ہیں۔

## آڈیٹرز

جیسا کہ آڈٹ کمیٹی کی تجویز اور بورڈ کی سفارش کے مطابق، موجودہ آڈیٹرز میسرز کرو حسین چودھری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو رہے ہیں اور اہل ہونے کے ناطے، سالانہ جنرل میٹنگ میں شیئر ہولڈرز کی طرف سے منظوری کی صورت میں دوبارہ تقرری کے لیے خود کو پیش کرتے ہیں۔

## کریڈٹ ریٹنگ

وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے ایمکو انڈسٹریز لمیٹڈ ('ایمکو' یا 'کمپنی') کی 'A-/A-2' (سنگل اے مائنس /اے-ٹو) پر 'مستحکم' نقطہ نظر کے ساتھ ادارے کی درجہ بندی کی تصدیق کی ہے۔ 'اے-' کی درمیانی سے طویل مدتی درجہ بندی اچھے کریڈٹ کے معیار کو ظاہر کرتی ہے تحفظ کے عوامل موجود ہیں۔ معیشت میں ممکنہ تبدیلیوں کے ساتھ تحفظات مختلف ہو سکتے ہیں۔ 'اے-2' کی قلیل مدتی درجہ بندی بروقت ادائیگی کی اچھی یقین دہانی کی نشاندہی کرتی ہے۔ لیکویڈیٹی عوامل اور کمپنی کے بنیادی اصول درست ہیں۔ کیپٹل مارکیٹوں تک رسائی اچھی ہے۔ خطرے کے عوامل کم سے کم ہیں.

بورڈ آف ڈائریکٹرز کے لئے اور اس کی طرف سے

احسن سہیل منان
ڈائریکٹر / کمپنی سیکرٹری
لاہور: 18 ستمبر 2025

سالم رحمان
چیف ایگزیکٹو آفیسر

# Financial Highlights of Last Ten Years

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| | .....(Rupees in Million)..... | | | | | | | | | |
| Net Sales | 3,607 | 4,192 | 3,546 | 2,586 | 2,077 | 1,598 | 1,386 | 1,148 | 1,006 | 1,058 |
| Exports (Direct & Indirect) | 463 | 169 | 80 | 31 | 34 | 42 | 22 | 72 | 118 | 74 |
| Employees Costs | 778 | 629 | 571 | 441 | 388 | 359 | 311 | 293 | 276 | 254 |
| Profit/(Loss) before tax | 42 | 357 | 420 | 278 | 280 | 163 | 139 | (25) | 68 | 38 |
| Profit/(Loss) after tax | 56 | 219 | 293 | 217 | 202 | 118 | 145 | 36 | 29 | 27 |
| Earning per share (Rs / Share) | 1.59 | 6.26 | 8.37 | 6.20 | 5.77 | 3.37 | 4.13 | 1.03 | 0.83 | 0.78 |
| EBITDA | 558 | 940 | 815 | 483 | 468 | 336 | 293 | 119 | 209 | 196 |
| Capital Expenditure | 156 | 276 | 554 | 214 | 192 | 78 | 75 | 60 | 22 | 35 |
| Shareholder's Equity (Excl. Rev.Surplus) | 1,567 | 1,488 | 1,270 | 971 | 769 | 547 | 408 | 125 | 72 | 21 |
| Shareholder's Equity (Incl. Rev.Surplus) | 3,311 | 2,946 | 2,785 | 2,506 | 2,071 | 1,474 | 1,166 | 1,016 | 993 | 768 |

# Statement of Compliance

WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019
OF EMCO INDUSTRIES LIMITED FOR THE YEAR ENDED JUNE 30, 2025

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

1. The total number of Directors is 12 as per the following, -
   a) Male: 11
   b) Female: 01

2. The composition of the Board is as follows:

| Category | Names |
|---|---|
| Independent Directors | Ch. Imran Ali<br>Syed Muhammad Mohsin<br>Mrs. Ayesha Mussadaque Hamid<br>Mr. Osman Hameed Chaudhri |
| Executive Directors | Mr. Usman Haq<br>Mr. Salem Rehman<br>Mr. Tariq Rehman<br>Mr. Ahsan Suhail Mannan |
| Non-Executive Directors | Mr. Javaid Shafiq Siddiqi<br>Mr. Pervaiz Shafiq Siddiqi<br>Mr. Salman Javaid Shafiq<br>Mr. Umair Noorani |
| Female Directors | Mrs. Ayesha Mussadaque Hamid |

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 a 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 the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board.

8. The Board has formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.

9. Overall, 100% of the Board of Directors have either completed the Directors' Training Program or are exempted from it.

10. The Board has approved the 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. The Chief Financial Officer and 02 Directors, including Chief Executive Officer, duly endorsed the financial statements before the approval of the Board.

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

a) Audit Committee:

The Board has appointed the following members of the Audit Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

| | |
|---|---|
| Mr. Osman Hameed Chaudhri | Chairman |
| Syed Muhammad Mohsin | Member |
| Mr. Javaid Shafiq Siddiqi | Member |
| Mr. Umair Noorani | Member |

Mr. Ahsan Suhail Mannan is the Committee Secretary as required by Chapter IX, 27 (1) (iv) of the Code of Corporate Governance, Regulations 2019.

b) Human Resource & Remuneration Committee:

The Board has appointed the following members of the HR & Remuneration Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

| | |
|---|---|
| Mrs. Ayesha Mussadaque Hamid | Chairman |
| Mr. Pervaiz Shafiq Siddiqi | Member |
| Mr. Salman Javaid Siddiqi | Member |
| Mr. Ahsan Suhail Mannan | Member / Committee Secretary |

c) Risk Management Committee:

The Board has appointed the following members of the Risk Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

| | |
|---|---|
| Syed Muhammad Mohsin | Chairman |
| Mr. Tariq Rehman | Member |
| Ch. Imran Ali | Member |
| Mr. Salem Rehman | Member / Committee Secretary |

d) Nomination Committee:

The Board has appointed the following members of the Nomination Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

| | |
|---|---|
| Ch. Imran Ali | Chairman |
| Mr. Javaid Shafiq Siddiqi | Member |
| Mr. Usman Haq | Member |
| Mr. Ahsan Suhail Mannan | Member / Committee Secretary |

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

14. The frequency of meetings (quarterly / half yearly / yearly) of the committees were as follows:

a) Audit Committee: (Quarterly).
b) Human Resource and Remuneration Committee: (Half Yearly).
c) Risk Management Committee: (Yearly).
d) Nomination Committee: (Yearly).

15. The Board has set up an effective Internal Audit Function led by HIA (who is also an employee of the Company) and has outsourced the Internal Audit Function to M/S. Muhammad Ali Hussain & Co., Chartered Accountants for the year ended 30th June 2025, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the 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 all other requirements of the Regulations have been complied with.

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

| Sr. | Reg. Ref. | Description | Explanation |
|---|---|---|---|
| 1 | 10A (5) of CCG Regulation, 2019. | The Board is responsible for setting the Company's sustainability strategies, priorities and targets to create long-term corporate value. The Board may establish a dedicated sustainability committee having at least one female director. | At present the Board provides governance and oversight in relation to the Company's initiatives on Environment, Social and Governance (ESG) matters. The Company has not yet established a Sustainability Committee; however, this (non-mandatory) requirement will be complied as per rules and regulations in the forthcoming years. |

(JAVAID SHAFIQ SIDDIQI)
Chairman

# INDEPENDENT AUDITORS' REVIEW REPORT
## TO THE MEMBERS OF EMCO INDUSTRIES LIMITED
## REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

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

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

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

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

Based on our review, 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.

Lahore
Dated: September 18, 2025
UDIN: CR2025100511OAgyzjhD

CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

# INDEPENDENT AUDITORS' REPORT
## TO THE MEMBERS OF EMCO INDUSTRIES LIMITED
## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the annexed financial statements of EMCO Industries 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, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, 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 Company's affairs as at June 30, 2025 and of the profit, other comprehensive income, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standard 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.

### 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:

| Key Audit Matters | How the matter was addressed in our report |
|---|---|
| **1. Trade receivables and Revenue** | |
| Refer to note 3.12 and 25 of the financial statements.<br><br>As at June 30, 2025, the Company's gross trade receivables were Rs. 562.234 million against which provision of Rs. 60.949 million has been recognized.<br><br>We identified recoverability of trade receivables as key audit matter as it involves significant management judgement in determining the recoverable amount.<br><br>Refer to note 3.14 & 28 to the financial statements.<br><br>The Company has earned revenue of Rs. 3,607.042 million for the year ending June 30, 2025. | Our key audit procedures for valuation of trade receivables included the following:<br><br>• Obtained an understanding of the Company's processes and design and implementation of internal controls relating to credit control processes (credit limits), debt collection process and making expected credit loss for doubtful receivables.<br><br>• Tested the accuracy of aging report, on sample basis, by comparing individual balances in the report with underlying documentation.<br><br>• Assessed the appropriateness of assumptions and estimates made by management for the expected credit loss by comparing on sample basis, historic |

| Key Audit Matters | How the matter was addressed in our report |
|---|---|
| The Company is primarily engaged in manufacturing and sale of insulators. We identified recognition of revenue as a key audit matter due to revenue being one of the key performance indicators of the Company. | cash collection, actual write offs and cash receipts from customers subsequent to reporting date.<br><br>Our key audit procedures to revenue recognition included:<br><br>• Obtained an understanding of the Company's processes related internal controls for revenue recognition and on a sample basis, tested the effectiveness of those controls, specifically in relation to recognition of revenue and timing thereof;<br><br>• Compared a sample of revenue transactions recorded during the year with purchase orders, sales invoices, receipt vouchers, delivery orders and other relevant underlying documents.<br><br>• Performed analytical review procedures and other test of details including the cut-off procedures to ensure that revenue has been recognized in the appropriate accounting period.<br><br>• Checked receipts from customers to whom sales are made.<br><br>• Performed procedures to analyze the variation in price and quantity sold during the year;<br><br>• Assessed the adequacy of the related disclosures in accordance with the applicable financial reporting standards and the Companies Act, 2017. |
| **2. Stock in Trade** | |
| Refer to note 24 to the financial statements for stock in trade.<br><br>The inventories encompass diverse categories, including raw materials, packing materials, work in process and finished goods. These are valued at lower of cost and estimated net realizable value (NRV).<br><br>The provisions for slow-moving and obsolete stock-in-trade necessitate substantial judgements and estimations by management.<br><br>Considering the above matter, the valuation of stock in trade has been considered as a key audit matter. | Our audit procedures included the following:<br><br>• Assessed the corresponding inventory observation instructions and participated in inventory counts. Based on sample, performed test counts and compared the quantities counted by us with the results of the counts of the management.<br><br>• For a sample of inventory items, reperformed the weighted average cost calculation and compared the weightage average cost appearing on valuation sheets.<br><br>• Compared on sample basis specific purchases and directly attributable cost with underlying supporting documents.<br><br>• Compared the NRV, on a sample basis, to the cost of finished goods to assess whether any adjustments are required to value stocks in accordance with applicable accounting and reporting standards.<br><br>• Considered adequacy of the related disclosures and assessed whether these are in accordance with the applicable accounting and financial 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

## Report on Other Legal and Regulatory Requirements

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

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

b) 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 thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

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

d) No zakat 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 Amin Ali.

CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

Lahore
Dated: September 18, 2025
UDIN: AR202510051NERmZg9yV

# STATEMENT OF FINANCIAL POSITION
## AS AT JUNE 30, 2025

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| EQUITY AND LIABILITIES | | | |
| **Share Capital and Reserves** | | | |
| Authorized share capital | | | |
| 120,000,000 (2024: 120,000,000) ordinary shares of Rs. 10 each | | 1,200,000,000 | 1,200,000,000 |
| Issued, subscribed and paid up capital | | | |
| 35,000,000 (2024: 35,000,000) ordinary shares of Rs. 10 each | 5 | 350,000,000 | 350,000,000 |
| Reserves | 6 | 1,101,473,324 | 1,022,310,340 |
| Sponsors' loan | 7 | 115,708,828 | 115,708,828 |
| Surplus on revaluation of property, plant and equipment | 8 | 1,744,162,885 | 1,458,112,397 |
| | | 3,311,345,037 | 2,946,131,565 |
| **Non Current Liabilities** | | | |
| Long term financing | 9 | 464,340,306 | 550,558,968 |
| Lease liabilities | 10 | - | 2,850,000 |
| Post employment benefits | 11 | 189,175,068 | 163,701,914 |
| Deferred tax liability | 12 | 252,935,381 | 277,958,286 |
| Long term security deposits | | 4,567,584 | 4,567,584 |
| | | 911,018,339 | 999,636,752 |
| **Current Liabilities** | | | |
| Trade and other payables | 13 | 442,914,232 | 514,373,092 |
| Unclaimed dividends | | 768,578 | 768,578 |
| Accrued finance cost | 14 | 55,041,582 | 90,446,234 |
| Short term borrowings | 15 | 1,196,499,836 | 1,054,965,902 |
| Current portion of non-current liabilities | 16 | 176,088,051 | 162,669,833 |
| | | 1,871,312,279 | 1,823,223,639 |
| **Contingencies and Commitments** | 17 | - | - |
| **Total Equity and Liabilities** | | 6,093,675,655 | 5,768,991,956 |
| ASSETS | | | |
| **Non Current Assets** | | | |
| Property, plant and equipment | 18 | 3,192,525,667 | 2,897,920,987 |
| Investment properties | 19 | 113,385,532 | 91,138,800 |
| Intangible assets | 20 | 3,467,504 | 3,746,254 |
| Long term prepayments | 21 | 57,562,935 | 58,156,456 |
| Long term loans | 22 | 877,482 | 1,135,282 |
| Long term deposits | | 5,096,916 | 4,091,616 |
| | | 3,372,916,036 | 3,056,189,395 |
| **Current Assets** | | | |
| Stores, spares and loose tools | 23 | 91,903,355 | 106,992,488 |
| Stock in trade | 24 | 1,656,546,020 | 1,175,579,958 |
| Trade receivables | 25 | 562,234,255 | 1,242,405,524 |
| Advances, deposits, prepayments and other receivables | 26 | 150,786,010 | 92,631,271 |
| Income tax refundable from the Government | | 215,298,095 | 85,113,389 |
| Cash and bank balances | 27 | 43,991,884 | 10,079,931 |
| | | 2,720,759,619 | 2,712,802,561 |
| **Total Assets** | | 6,093,675,655 | 5,768,991,956 |

The annexed notes from 1 to 48 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

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

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Revenue | 28 | 3,607,041,808 | 4,192,404,621 |
| Cost of revenue | 29 | (2,986,556,249) | (3,068,698,361) |
| Gross Profit | | 620,485,559 | 1,123,706,260 |
| Administrative expenses | 30 | (169,436,293) | (155,550,921) |
| Selling and distribution expenses | 31 | (99,570,145) | (114,566,919) |
| Operating Profit | | 351,479,121 | 853,588,420 |
| Other operating expenses | 32 | (26,787,316) | (129,329,895) |
| Other income | 33 | 42,890,486 | 25,891,823 |
| Finance cost | 34 | (325,492,747) | (392,711,005) |
| Profit before levy and taxation | | 42,089,544 | 357,439,343 |
| Levy / final taxation | 35 | (43,378,796) | (1,491,826) |
| (Loss) / Profit before income tax | | (1,289,252) | 355,947,517 |
| Charge for taxation | 35 | | |
| Current tax - | | | |
| For the year | | (1,709,227) | (128,559,178) |
| Prior year | | 13,936,202 | (1,148,496) |
| Deferred tax | | 44,802,651 | (7,242,022) |
| | | 57,029,626 | (136,949,696) |
| Net Profit for the Year | | 55,740,374 | 218,997,821 |
| Earnings per Share - Basic and Diluted | 36 | 1.59 | 6.26 |

The annexed notes from 1 to 48 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

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

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Net Profit for the Year | | 55,740,374 | 218,997,821 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Actuarial losses due to experience adjustments | 11.2 | (2,323,175) | (14,760,006) |
| Related tax impact | 12.1 | 813,111 | 5,166,002 |
| Revaluation surplus on property, plant and equipment - net | 8 | 331,576,019 | - |
| Related tax impact | 12.1 | (20,592,857) | - |
| Items that may be reclassified to profit or loss | | - | - |
| Other comprehensive income / (loss) - net of tax | | 309,473,098 | (9,594,004) |
| Total Comprehensive Income for the Year | | 365,213,472 | 209,403,817 |

The annexed notes from 1 to 48 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

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

| Particulars | Issued, Subscribed and Paid up Capital | Reserves | | | | Sponsors' Loan | Surplus on Revaluation of Property, Plant and Equipment | Total |
|---|---|---|---|---|---|---|---|---|
| | | Capital | Revenue | | | | | |
| | | Share Premium Reserve | General Reserve | Unappropriated Profit | Total Reserves | | | |
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| Balance as at June 30, 2023 | 350,000,000 | 39,898,526 | 90,000,000 | 674,385,954 | 804,284,480 | 115,708,828 | 1,515,280,108 | 2,785,273,416 |
| Net profit for the year | - | - | - | 218,997,821 | 218,997,821 | - | - | 218,997,821 |
| Other comprehensive loss for the year | - | - | - | (9,594,004) | (9,594,004) | - | - | (9,594,004) |
| Total comprehensive income for the year | - | - | - | 209,403,817 | 209,403,817 | - | - | 209,403,817 |
| Incremental depreciation for the year on surplus on revaluation of property, plant and equipment - net | - | - | - | 26,122,043 | 26,122,043 | - | (26,122,043) | - |
| Payment of final dividend for the year ended June 30, 2023 | - | - | - | (17,500,000) | (17,500,000) | - | - | (17,500,000) |
| Effect of change in effective tax rate | - | - | - | - | - | - | (31,045,668) | (31,045,668) |
| Balance as at June 30, 2024 | 350,000,000 | 39,898,526 | 90,000,000 | 892,411,814 | 1,022,310,340 | 115,708,828 | 1,458,112,397 | 2,946,131,565 |
| Net profit for the year | - | - | - | 55,740,374 | 55,740,374 | - | - | 55,740,374 |
| Other comprehensive income for the year | - | - | - | (1,510,064) | (1,510,064) | - | 310,983,162 | 309,473,098 |
| Total comprehensive income for the year | - | - | - | 54,230,310 | 54,230,310 | - | 310,983,162 | 365,213,472 |
| Incremental depreciation for the year on surplus on revaluation of property, plant and equipment - net | - | - | - | 24,932,674 | 24,932,674 | - | (24,932,674) | - |
| Balance as at June 30, 2025 | 350,000,000 | 39,898,526 | 90,000,000 | 971,574,798 | 1,101,473,324 | 115,708,828 | 1,744,162,885 | 3,311,345,037 |

The annexed notes from 1 to 48 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

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

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Cash Generated from Operations | 37 | 692,220,894 | 660,164,966 |
| Changes in: | | | |
| Long term prepayments | 21 | 854,122 | (35,996,438) |
| Long term deposits | | (1,005,300) | (1,832,116) |
| | | (151,178) | (37,828,554) |
| Finance cost paid | | (359,883,505) | (388,399,772) |
| Gratuity paid | 11.2 | (19,420,754) | (8,929,971) |
| Payments against discontinued provident fund | | - | (131,911) |
| Workers' profit participation fund paid | 13.3 | (28,611,610) | (28,580,375) |
| Workers' welfare fund paid | 13.4 | (9,123,408) | (25,984,786) |
| Income tax paid / withheld | | (188,089,436) | (89,874,323) |
| Income tax refund | | 26,752,908 | - |
| | | (578,375,804) | (541,901,138) |
| **Net Cash Generated from Operating Activities** | | 113,693,912 | 80,435,274 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Purchase of property, plant and equipment | 18 | (156,434,322) | (120,895,156) |
| Capital work in progress | 18.11 | - | (151,899,566) |
| Purchase of intangibles assets | 20.2 | - | (3,178,830) |
| Recoveries of long term loans - net | 21.2 | 334,660 | 539,525 |
| Rental income | 33 | 12,328,872 | 11,105,645 |
| **Net Cash Used in Investing Activities** | | (143,770,790) | (264,328,382) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Repayment of long term financing | 9 | (170,947,935) | (84,321,914) |
| Receipts from long term financing | 9 | 97,697,596 | 78,341,386 |
| Repayment of lease liabilities | 10 | (4,294,764) | (4,652,660) |
| Dividend paid | | - | (17,256,337) |
| Short term borrowings obtained - net | 15 | 141,533,934 | 203,465,313 |
| **Net Cash Generated from Financing Activities** | 38 | 63,988,831 | 175,575,788 |
| **Net Increase / (Decrease) in Cash and Cash Equivalents** | | 33,911,953 | (8,317,320) |
| **Cash and cash equivalents at the beginning of the year** | | 10,079,931 | 18,397,251 |
| **Cash and Cash Equivalents at the End of the Year** | 27 | 43,991,884 | 10,079,931 |

The annexed notes from 1 to 48 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED JUNE 30, 2025

### 1. CORPORATE ANDGENERAL INFORMATION

1.1 Legal status and operations

EMCO Industries Limited ("the Company") was incorporated as a Joint Stock Company in Pakistan under the repealed Companies Act, 1913, (now the Companies Act, 2017) on August 17, 1954 by the name of Electric Equipment Manufacturing Company (Private) Limited. Later, it was converted into a public company on August 20, 1983 and its name was changed to EMCO Industries Limited on September 12, 1983. The Company was listed on the stock exchange on December 29, 1983.

The Company is domiciled in Pakistan and is principally engaged in manufacturing and sale of high / low tension electrical porcelain insulators and switchgears.

The geographical location and address of the Company's offices / other premises are as under:

| Business unit | Geographical location |
|---|---|
| Head / Registered office | 4th Floor, National Tower, 28 Egerton Road, Lahore. |
| Manufacturing unit | 19-KM, Lahore Sheikhupura Road, Lahore. |

### 2. BASIS FOR PREPARATION

2.1 Statement of compliance

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

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

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are 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 and IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

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

| | | |
|---|---|---|
| Deferred markup, interest free loans from related parties and provident fund loan | Note 9 | Stated at amortised cost |
| Post employement benefits | Note 11 | Stated at present value |
| Certain property, plant and equipment | Note 18 | Stated at revalued amount |
| Investment properties | Note 19 | Stated at fair value |

These financial statements provide comparative information in respect of the previous year. In addition, the Company presents an additional statement of financial position at the beginning of preceeding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements . During the year no restatement has been made.

2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupees (Rs.) which is the Company's functional and presentation currency. All the figures presented in financial statement have been rounded off to the nearest rupee, unless otherwise stated.

2.4 Key judgements and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and related assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the year in which the estimates is revised if the revision affacts only that year, or in the year of revision and future years if the revision affects both the current and future year.The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statments are documented in the following accounting policies, notes and related primarly to:

- Useful lives, residual values, depreciation method and fair value of property, plant and equipment – Note 3.6 & 18
- Fair value of investment property - Note 3.8 & 19
- Provision for impairment of inventories - Note 3.10, 3.11, 23 & 24
- Impairment loss of non-financial assets other than inventories – Note 3.19
- Obligation of post employment benefits - Note 3.2 & 11
- Estimation of provisions - Note 3.18, 13.3 & 13.4
- Estimation of contingent liabilities - Note 3.21 & 17
- Provision for expected credit losses – Note 3.5 & 25
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward 'tax losses)
- Note 3.3, 12 & 35

However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

2.5 Changes in accounting standards, interpretations and pronouncements

2.5.1 Standards, interpretations and amendments to approved accounting standards that are effective in the current year

The following standards, amendments, and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either irrelevant to the Company's operations or are not expected to significantly impact the Company's financial statements other than certain additional disclosures.

| Standard or Interpretation | Annual Periods Beginning on or After |
|---|---|
| - IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting policies [Amendments] | January 1, 2024 |
| - IAS 7 Amendments to IAS 7 "Statement of Cash Flows" | January 1, 2024 |
| - IFRS 7 Amendments to IFRS 7 "Financial Instruments Disclosures" | January 1, 2024 |
| - Supplier Finance Arrangements | |
| - IFRS 16 'Amendments to IFRS 16 "Leases" - Clarification on how seller | January 1, 2024 |
| - lessee subsequently measures sale and lease back transaction | |

2.5.2 Standards, interpretation and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

| Standard or Interpretation | Effective Date - Annual Period Beginning on or After |
|---|---|
| - IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability [Amendments] | January 1, 2025 |
| - IFRS 1, 7, 9, 10 and IAS 7 Annual Improvements to IFRS Accounting Standards | January 1, 2026 |
| - IFRS 7 & 9 Contracts referencing Nature-dependent Electricity | January 1, 2026 |
| - IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments Disclosures' Classification and Measurement of Financial Instruments [Amendments] | January 1, 2026 |
| - IFRS S1 - General Requirements for Disclosure of Sustainability - related Financial Information | July 1, 2027 |
| - IFRS S2 - Climate-Related Disclosures | July 1, 2027 |

Other than the aforementioned standards, interpretations, and amendments, IASB has also issued the following standards, which have not been notified locally, in relation to the Company, by the Securities and Exchange Commission of Pakistan (SECP) as at reporting date:

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

The Company has assessed that the impact of these amendments is not expected to be significant.

## 3. MATERIAL ACCOUNTINF POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods.

### 3.1 Leases

The Company assesses whether a contract contains a lease or not at the inception of a contract, for contracts entered into, or modified, on or after January 1, 2019. When the terms and conditions of a contract are modified, the Company reassesses whether the contract is, or contains, a lease further.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain to not to exercise that option.

The Company reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the Company and affects whether the Company is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in the determination of the lease term.

The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Company as a lessee

Recognition
The Company recognizes a right-of-use asset and a lease liability at the commencement date. A commencement date is the date on which the lessor makes an underlying asset available for use by the lessee (the Company).

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of all underlying assets that have a lease term of 12 months or less and leases for which the underlying asset, when new, is of low-value. The Company recognizes the lease payments associated with these leases as an expense on straight-line basis over the lease term.

Initial measurement

Lease liability
At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid. The lease payments are discounted using the interest rate implicit in the lease, or the Company's incremental borrowing rate if the implicit rate is not readily available. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments comprise fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Right-of-use asset
The Company initially measures the right-of-use asset at cost. This cost comprises the amount of lease liability as initially measured, plus any lease payments made on or before the commencement date, less lease incentives received, initial direct costs and estimated terminal costs (i.e, dismantling or other site restoration costs required by the terms and conditions of the lease contract).

Subsequent measurement

Lease liability
After the commencement date, the Company re-measures the lease liability to reflect the affect of interest on outstanding lease liability, lease payments made, reassessments and lease modifications etc. Variable lease payments not included in the measurement of the lease liability and interest on lease liability are recognized in profit or loss, unless these are included in the carrying amount of another asset.

Lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate to achieve a constant rate of interest on the remaining balance of the liability.

Lease liability payable in foreign currency is translated to local currency of the Company i.e. Pak Rupees at the reporting date. Any foreign exchange differences arising on translation of lease liability are recognized in profit or loss.

Right-of-use asset
After the commencement date, the Company measures the right-of-use asset at cost less accumulated depreciation and accumulated identified impairment losses, if any, adjusted for any remeasurement of the lease liability.

The Company depreciates the cost of right-of-use asset, net of residual value, from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. However, if the lease contract transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise the purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

Depreciation is charged to profit or loss (Note 18.10).

3.2 Post employment benefits

Defined benefit plan
Defined benefit plans provide an amount of gratuity that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined

benefit obligations at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligations are calculated annually by an independent actuary using the projected unit credit method. The Company operates an unfunded gratuity scheme for its employees. The unfunded gratuity scheme is a defined benefit final salary plan.

The present values of the defined benefit obligations are determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds or the market rates on government bond. These are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related obligation. Retirement benefits are payable to staff on resignation, retirement or termination from service, subject to the completion of prescribed qualifying period of service under these schemes.

Remeasurement gain / losses are recognized in other comprehensive income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, if any. This cost is included in employee benefit expense in the statement of profit or loss.

3.3 Taxation

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

Current
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

The charge for current tax is higher of corporate tax (higher of tax based on taxable income and minimum tax) and alternative corporate tax. However, in case of loss for the year, income tax expense is recognized as minimum tax liability on turnover of the Company in accordance with the provisions of the Income Tax Ordinance, 2001. Super tax applicable on the Company is also calculated as per applicable tax rates as per the Income Tax Ordinance, 2001.

Corporate tax is based on taxable income for the year determined in accordance with the prevailing laws of taxation. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. 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.

Alternative corporate tax is calculated at 17% of accounting profit, after taking into account the required adjustments.

Current tax for current and prior periods, to the extent unpaid, is recognized as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognized as an asset.

The Company offsets current tax assets and current tax liabilities if, and only if, it has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

When minimum tax is higher than tax calculated on taxable profits, excess amount is recognized as levy under IFRIC 21 / IAS 37. Further, the Company shall also charge tax expense under levy when tax is calculated under final tax regime.

Deferred
Deferred tax is accounted for using the balance sheet liability method in respect of all temporary timing differences arising from the difference between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable

profit. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which deductible temporary differences, unused tax losses and tax credits can be utilized. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent of probable future taxable profit available that will allow deferred tax asset to be recovered.

Deferred tax is calculated at rates that are expected to apply to the period when the differences reverse based on the tax rates and tax laws that have been enacted or have been notified for subsequent enactment by the reporting date.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit / (tax loss) of the periods in which temporary differences are expected to reverse.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.4 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within short period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.

3.5 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.

3.5.1 Financial assets

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognized and derecognized, as applicable, using trade-date accounting or settlement date accounting.

Classification
Financial assets are classified in either of the three categories: at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss. Currently, the Company classifies its financial assets at amortised cost and fair value through profit or loss. This classification is based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The management determines the classification of its financial assets at the time of initial recognition.

Initial recognition and measurement
Except for trade receivables, financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit and loss.

Trade receivables are initially measured at the transaction price if these do not contain a significant financing component in accordance with IFRS 15.

Subsequent measurement
Financial assets carried at amortised cost are subsequently measured using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss.

Financial assets measured at fair value through profit or loss are subsequently measured at fair value prevailing at the reporting date. The difference in fair value and dividend income arising on equity is charged to profit or loss.

Financial assets 'at fair value through other comprehensive income' are marked to market using the closing market rates and are carried in the statement of financial position at fair value. Net gains and losses arising on changes in fair values of these financial assets are recognized in other comprehensive income. Interest calculated using the EIR method is credited to profit or loss. Dividends on equity instruments are credited to profit or loss when the Company's right to receive payments is established.

Derecognition
Financial assets are derecognized when:
- the contractual rights to receive cash flows from the assets have expired; or
- the Company has transferred its 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.

The difference between the carrying amount and the consideration received is recognized in profit or loss.

If the Company transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognizes either a servicing asset or a servicing liability for that servicing contract.

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 which cannot be offset with the related asset. 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.

If the Company's continuing involvement is in only a part of a financial asset, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the consideration received for the part no longer recognized is recognized in profit or loss.

Impairment of financial assets
The Company recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures, for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

3.5.2 Financial liabilities

Initial recognition and measurement
Financial liabilities are initially classified at amortised cost. Such liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument and include trade and other payables, loans or borrowings and accrued mark up etc.

The Company does not reclassify any of its financial liabilities.

Financial liabilities are initially recognized at fair value less transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognized at fair value and transaction costs are credited in profit or loss.

Subsequent measurement
The Company measures its financial liabilities subsequently at amortised cost using the EIR method. Amortised 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 amortisation is included as finance costs in profit or loss. Difference between carrying amount and consideration paid is recognized in profit or loss when the liabilities are derecognized.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respect of carrying amounts is recognized in profit or loss. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

3.5.3 Offsetting of financial assets and liabilities

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

3.6 Property, plant and equipment

Property, plant and equipment, except freehold land, buildings thereon and plant and machinery, are stated at cost less accumulated depreciation and any identified impairment loss, if any. Freehold land is stated at revalued amount less any identified impairment loss while buildings on freehold land and plant and machinery are stated at revalued amount less accumulated depreciation and accumulated impairment loss, if any. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from their fair value. Additions, subsequent to revaluation, are stated at cost less accumulated depreciation and any identified impairment loss.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Cost in relation to certain assets may also include cost of borrowing during construction period in respect of loans taken for specific projects.

Depreciation on property, plant and equipment, except freehold land, is charged to profit or loss on straight line method with the exception of tools and equipment, furniture and fixture, office equipment and vehicles, whose depreciation is charged in profit or loss on diminishing balance method so as to write off the cost or revalued amount of an asset over its estimated useful life. Incremental depreciation representing the difference between actual depreciation based on revalued carrying

amount of the asset and equivalent depreciation based on the original carrying amount of the asset is transferred to retained earnings from surplus on revaluation of property, plant and equipment. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred income taxes.

Depreciation on additions is charged from the date assets are available for use to the date at which the assets are disposed off.

Depreciation rates on owned assets are disclosed in Note 18.1.

Depreciation method, residual value and useful lives of assets are reviewed at least at each reporting date and adjusted if impact on depreciation is significant.

Day to day maintenance and normal repairs are charged to profit or loss as and when incurred. Gains or losses on disposal of property, plant and equipment are included in profit or loss.

Increases in the carrying amounts arising due to revaluation are credited to revaluation surplus on property, plant and equipment through other comprehensive income. Decreases that offset previous increases of any other property, plant and equipment of the Company are debited against revaluation surplus directly in equity. All other decreases are charged to the profit or loss.

The effect of any changes in estimate is accounted for on a prospective basis. Further, determining adjustments for any differences in nature, location and condition of the property, plant and equipment involves significant judgment.

3.7 Capital work-in-progress

Capital work-in-progress is stated at cost less identified impairment loss, if any, and represents expenditure incurred on property, plant and equipment during construction and installation. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. Cost may also include applicable borrowing costs. Transfers are made to relevant property, plant and equipment category as and when assets are available for use.

3.8 Investment Properties

Investment property, which is property held to earn rentals and/or for capital appreciation, including property under construction for such purposes, is measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment property is measured at fair value. The changes in fair value are recognized in profit or loss. Any other investment property (whose fair value cannot be measured reliably) is measured at cost less accumulated depreciation and impairment loss, if any.

The fair value of investment property is determined at the reporting date using current market prices for comparable real estate, adjusted for any differences in nature, location and condition by an independent valuer.

The effect of any changes in estimate is accounted for on a prospective basis. Further, determining adjustments for any differences in nature, location and condition of the investment property involves significant judgment.

3.9 Intangible assets

An intangible asset is recognized as an asset if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of such asset can be measured reliably. Cost of intangible assets i.e. ERP software includes purchase cost and directly attributable expenses incidental to bring the software to its intended use.

Costs that are directly associated with identifiable software and have probable economic benefits beyond one year, are recognized as an intangible asset. However, costs associated with the maintenance of software are recognized as an expense.

All intangibles are measured initially at cost and subsequently stated at cost less accumulated amortisation and identified impairment losses, if any. Amortisation is charged to profit or loss using the straight line method so as to write off the cost of an asset over its estimated useful life. The amortisation period and the amortisation method for intangible assets are reviewed, at each reporting date, and adjusted if impact on amortisation is significant. ERP software is being amortised over 10 years based on estimated useful life.

3.10 Stores, spares and loose tools

Stores and spares are valued at weighted average cost except for items in transit, while items considered obsolete if any are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon. Provision is made for obsolete and slow moving stores and spares based on management estimate.

3.11 Stock-in-trade

Raw materials and packing material, except for those in transit, are valued at the lower of weighted average cost and net realizable value. Work-in-process and finished goods are valued at the lower of weighted average cost and net realizable value. Work-in-process and finished goods comprise cost of direct materials, labor and appropriate manufacturing overheads. Cost of goods purchased for resale comprises invoice value plus charges paid thereon.

Materials in transit are stated at cost comprising invoice value plus other incidental charges paid thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale. If the net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value. Provision is made in the financial statements for obsolete and slow moving stock in trade based on management estimate.

3.12 Balances from contract with customers

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. The Company recognizes a contract asset for the earned consideration that is conditional if the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due. However, the Company transfers goods after inspection by customers and receives payment as per terms of contract. Therefore, no contract asset arises.

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional. Trade receivables are carried at original invoice amount less expected credit loss based on a review of all outstanding amounts at the reporting date. Bad debts are written off when identified.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. A contract liability is recognized at earlier of when the payment is received or the payment is due if a customer pays consideration before the Company transfers goods or services to the customer.

3.13 Cash and cash equivalents

For the purpose of presentation in the statement of cashflows, cash and cash equivalents include cash in hand, deposits held at calls with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, bank overdrafts and short term borrowings.

3.14 Revenue recognition

Revenue is recognized in accordance by applying the following steps:
i) Identifying contract with a customer
ii) Identifying performance obligation in the contract
iii) Determining transaction price of the contract
iv) Allocating transaction price to each of the separate performance obligations in the contract
v) Recognizing the revenue when (or as) the Company satisfies a performance obligation

Revenue is recognized at a point in time, when the Company satisfies performance obligations by transferring the promised goods to its customers and when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The normal credit term is 30 to 90 days upon delivery. Control is transferred to the customer on dispatch of goods and transaction price is fixed and decided mostly through tendering process.

In determining the transaction price for sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non cash consideration, and consideration payable to the customer (if any). The contracts do not contain right of return as the goods are dispatched to customer after their inspection, and customer inspection process. The Company does not offer volume discount as price is agreed through tendering.

3.15 Dividend and other appropriations

Dividend to shareholders is recognized in the period in which it is declared and other appropriations are recognized as liability in the period in which these are approved by the Board of Directors.

3.16 Earnings per Share

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

3.17 Related party transactions

Related parties comprise the parent company, associated companies / undertakings, directors of the company and their close relatives and key management personnel of the company. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and due to related parties are shown under respective notes to these financial statements. Following are the key related parties of the company:

| Name of Related party | Basis of Relationship | % of Holding in the Company |
|---|---|---|
| Mr. Javaid Shafiq Siddiqi | Director | 5.514% |
| Mr. Usman Haq | Director | 5.199% |
| Mr. Salem Rehman | Director / CEO | 3.429% |
| Mr. Tariq Rehman | Director | 0.379% |
| Mr. Ahsan Suhail Mannan | Director | 8.378% |
| Mr. Pervaiz Shafiq Siddiqi | Director | 5.514% |
| Mr. Salman Javaid siddiqi | Director | 0.001% |
| Mr. Umair noorani | Director | 0.059% |
| Ms. Ayesha Mussadaque Hamid | Independent Director | 0.001% |
| Mr. Ch. Imran Ali | Independent Director | 0.001% |
| Mr. Syed Muhammad Mohsin | Independent Director | 0.001% |
| Mr. Osman Hameed Chaudhary | Independent director | 0.003% |
| Mr. Riaz Ahmed | Chief Financial Officer | Nil |
| Directors' close family members | Directors' close family members | 27.133% |
| M/s Associated Engineers (Private) Limited | Common Directorship | 5.745% |
| M/s ICC (Private) Limited | Common Directorship | 7.595% |
| M/s The Imperial Electric Company (Private) Limited | Common Directorship | 1.662% |
| M/s EBR Energy Pakistan (Private) Limited | Common Directorship | Nil |
| M/s Khairun Nisa Hospital Foundation | Common Directorship | Nil |
| M/s Tehzibul Akhlaq Trust | Common Directorship | Nil |

3.18 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources shall be required to settle the obligation and the amount has been reliably estimated. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

3.19 Impairment of non-financial assets

Assets that have an indefinite useful life - for example, goodwill or intangible assets not ready to use - are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses on fixed assets that offset available revaluation surplus are charged against this surplus, all other impairment losses are charged to profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date. Where impairment loss is recognized, the depreciation / amortisation charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its remaining useful life. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

3.20 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (the Chief Executive Officer of the Company). Segment results, assets and liabilities include items directly attributable to a segment.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets. Currently, the Company is operating in one segment.

3.21 Contingent liabilities

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent liability is also disclosed when there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

## 4. SUMMARY OF OTHER ACCOUNTING POLICIES

### 4.1 Borrowing costs

General and specific borrowing costs directly attributable to acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to profit or loss in the period in which they are incurred.

### 4.2 Ijarah contracts

The Company has entered into Ijarah contracts under which it obtains usufruct of an asset for an agreed period for an agreed consideration. Ijarah contracts are undertaken in compliance with the Shariah essentials for such contracts prescribed by the State Bank of Pakistan.

The Company accounts for its Ijarah contracts in accordance with the requirements of IFAS 2 'Ijarah'. Accordingly, the Company as a Mustaj'ir (lessee) in the Ijarah contract recognises the Ujrah (lease) payments as an expense in the profit or loss on straight line basis over the Ijarah term.

### 4.3 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in noncurrent liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

### 4.4 Foreign currency transactions and translation

All monetary assets and liabilities in foreign currencies are translated into Pak rupees at exchange rates prevailing at the reporting date. Non-monetary transactions in foreign currencies are translated into Pak rupees at exchange rates prevailing at the date of transaction. Exchange gains and losses are included in profit or loss.

### 4.5 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date in an orderly transaction between market participants in the principal, or in its absence, the most advantageous market to which the Company has access at that date. There are three levels which are as under:

Level 1

The Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2

When there is no quoted price in an active market, the Company determines transaction price by applying valuation techniques. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received.

Level 3

If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is credited or charged to profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

5. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

| 2025 No. of Share | 2024 No. of Share | | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| 18,570,460 | 18,570,460 | Ordinary shares of Rs. 10 each fully paid in cash | 185,704,600 | 185,704,600 |
| 2,800,000 | 2,800,000 | Ordinary shares of Rs. 10 each issued as fully paid bonus shares | 28,000,000 | 28,000,000 |
| 13,629,540 | 13,629,540 | Ordinary shares of Rs. 10 each issued as right shares | 136,295,400 | 136,295,400 |
| 35,000,000 | 35,000,000 | | 350,000,000 | 350,000,000 |

5.1 Reconcillation of number of shares outstanding

| 2025 No. of Share | 2024 No. of Share | | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| 35,000,000 | 35,000,000 | Ordinary shares of Rs. 10 each fully paid in cash at the beginning of the year | 350,000,000 | 350,000,000 |
| - | - | shares further issued / cancelled during the year | - | - |
| 35,000,000 | 35,000,000 | | 350,000,000 | 350,000,000 |

5.2 Ordinary shares of the Company held by its associated companies as at the reporting date are as follows:

| | 2025 (Number of Shares) | 2024 (Number of Shares) |
|---|---|---|
| Associated Engineers (Private) Limited | 2,010,575 | 2,010,575 |
| ICC (Private) Limited | 2,943,411 | 2,943,411 |
| The Imperial Electric Company (Private) Limited | 581,549 | 581,549 |
| | 5,535,535 | 5,535,535 |

5.3 All ordinary shares rank equally with respect to residual assets of the Company. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. The voting and other rights are in proportion to the shareholding.

5.4 The terms of agreement between the Company and certain lenders impose certain restrictions on distribution of dividends by the Company.

5.5 No shares of the Company were cancelled or further issued during the year.

| 6. RESERVES | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Capital reserve | | | |
| - Share premium reserve | 6.1 | 39,898,526 | 39,898,526 |
| Revenue reserve | | | |
| - General reserve | | 90,000,000 | 90,000,000 |
| - Unappropriated Profit | | 971,574,798 | 892,411,814 |
| | | 1,101,473,324 | 1,022,310,340 |

6.1 This reserve can be utilized by the Company only for the purposes specified in Section 81(2) of the Companies Act, 2017.

| 7. SPONSORS' LOAN | 2025 (Rupees) | 2024 (Rupees) |
|---|---|---|
| Sponsors' Loan | 115,708,828 | 115,708,828 |

7.1 In accordance with the requirements of Technical release TR - 32 (Accounting Directors' Loan) issued by the Institute of Chartered Accountants of Pakistan, the long term loan has been presented as sponsors' loan and shown as an equity component. These loans are unsecured, interest free and repayable at discretion of the Company. Furthermore, as part of security arrangements for financing facilities obtained from the banks as stated in note 15, these loans are subordinated with banks upto Rs. 115.708 million.

| 8. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT | | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Land - freehold: | | | |
| Opening balance | | 903,427,276 | 903,427,276 |
| Revaluation surplus arisen during the year | | 272,739,283 | - |
| | | 1,176,166,559 | 903,427,276 |
| Buildings on freehold land: | | | |
| Opening balance | | 274,526,923 | 304,547,380 |
| Revaluation surplus arisen during the year | | 57,187,566 | - |
| Related deferred taxation | | (20,015,648) | - |
| | | 311,698,841 | 304,547,380 |
| Plant and machinery: | | | |
| Opening balance | | 280,158,198 | 307,305,452 |
| Revaluation surplus arisen during the year | | 1,649,170 | - |
| Related deferred taxation | | (577,209) | - |
| | | 281,230,159 | 307,305,452 |
| | | 1,769,095,559 | 1,515,280,108 |
| Effect of change in tax rates | 12.1 | - | (31,045,668) |
| Incremental depreciation charged on revalued property, plant and equipment in current year net of deferred tax (transferred to unappropriated profit) | | (24,932,674) | (26,122,043) |
| | | 1,744,162,885 | 1,458,112,397 |

8.1 This represents surplus over book value resulting from the revaluation of freehold land, buildings on freehold land and plant and machinery adjusted by incremental depreciation arising on revaluation of the above-mentioned assets and related deferred tax assets except freehold land which is presented at revalued amount. Latest revaluation was carried out by an independent valuer as on June 30, 2025 using current market price / replacement cost methods; wherever applicable for the respective assets, which resulted in further revaluation surplus of Rs. 331.576 million.

8.2 Incremental depreciation charged on revalued property, plant and equipment has been transferred to retained earnings to record realization of surplus to the extent of incremental depreciation. Incremental depreciation represents the difference between depreciation based on revalued carrying amount of the asset and equivalent depreciation based on the original carrying amount of the asset.

8.3 The surplus on revaluation of property, plant and equipment is not available for distribution to shareholders in accordance with Section 241 of the Companies Act, 2017.

| 9. LONG TERM FINANCING | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Banking companies - secured | | | |
| The Bank of Punjab | 9.1 | 117,454,409 | 156,605,879 |
| National Bank of Pakistan | 9.2 | 77,731,248 | - |
| Habib Bank Limited | 9.3 | 199,982,102 | 249,977,628 |
| Askari Bank Limited | 9.4 | 137,715,400 | 172,144,252 |
| Saudi Pak Industrial and Agricultural Investment Company Limited | 9.5 | 35,652,179 | 49,913,047 |
| First Habib Modaraba - Diminishing Musharakah | 9.6 & 9.9 | 61,158,316 | 65,124,486 |
| | | 629,693,654 | 693,765,292 |
| Loan from related parties - unsecured | | | |
| EMCO Industries Limited Provident Fund - Associated undertaking | 9.7 | 7,951,117 | 17,129,818 |
| Discounting / unwinding of discount | 9.8 | (1,153,286) | (1,961,073) |
| | | 6,797,831 | 15,168,745 |
| | | 636,491,485 | 708,934,037 |
| Less: current portion | 16 | (172,151,179) | (158,375,069) |
| | | 464,340,306 | 550,558,968 |

9.1 This represents the utilized portion of a demand finance facility having limit of Rs. 200 million. The facility is sanctioned to finance the import and inland purchase of plant and machinery and carries markup @ 3 months KIBOR plus 2.5%. It is secured by joint pari passu charge amounting to Rs. 156.61 million on the present and future fixed assets of the Company. The repayment of loan is structured in 20 quarterly installments commencing from July 2023.

9.2 This represents the utilized portion of a demand finance facility having limit of Rs. 85 million. The facility is sanctioned to finance the import of plant and machinery and carries markup @ 3 months KIBOR + 3%. It is secured by joint pari passu charge amounting to Rs. 103.642 million on the present and future fixed assets of the Company. The loan is repayable in 16 equal quarterly installments commencing from December 2025.

9.3 This represents the utilized portion of a term finance facility having limit of Rs. 250 million. The facility is sanctioned to finance the import of plant and machinery and carries markup @ 3 months KIBOR + 1.5%. This loan is secured by joint pari passu charge of Rs. 266.64 million on fixed assets of the Company. The loan is repayable in 20 equal quarterly installments commencing from September 2024.

9.4 This represents the utilized portion of a term finance facility having limit of Rs. 210 million. The facility is sanctioned to finance the import of plant and machinery and carries markup @ 6 months KIBOR + 2%. This loan is secured by joint pari passu charge of Rs. 183.62 million on present and future fixed assets of the Company. The loan is repayable in 20 equal quarterly installments commencing from July 2024.

9.5 This represents the utilized portion of long term finance for Renewable energy amounting to Rs. 82 million. The facility is sanctioned to finance supply and installation of 980-990 KWP Solar Power Plant. It carries markup @ 3 months KIBOR + 2.75% per annum. This loan is secured by joint pari passu charge on fixed assets of the Company. The loan is repayable in 23 quarterly installments commenced from May 2022.

9.6 The Company acquired certain vehicles under the diminishing musharakah financing arrangements for a period of 60 months payable with post dated cheques. The effective rate of the diminishing musharakah financing is 3 months KIBOR + 1.75 to 2% with floor and ceiling rates of 5% to 15% respectively (2024: 13% to 21% respectively).

9.7 This represents loan obtained from EMCO Industries Limited Provident Fund on July 01, 2000. Owing to liquidity issues, this loan has been rescheduled a number of times. Latest rescheduling of the loan was carried out on March 06, 2018 by the Trustees of the fund whereby the Company decided to discontinue contributions to the Provident Fund and to discontinue the charging of markup on loan obtained from the Fund on the basis of the following covenants:

- Amount of loan to be repaid through monthly installments of Rs. 2.0 million till complete settlement of the loan. This loan is due to mature on July 31, 2027.
- The payment will represent the principal repayment and no markup will be charged on the outstanding principal amount.
- Employees who are the members of the Fund, would be inducted in a new gratuity scheme of the Company with effect from March 6, 2018.

9.8 In accordance with the requirements of IFRS 9, amortisation and unwinding have been carried out and the relevant difference is charged to profit or loss.

9.9 This includes Shariah compliant borrowings utilized from First Habib Modaraba (Diminishing Musharakah) amounting to Rs. 61.158 million (2024: Rs. 65.124 million).

| 10. LEASE LIABILITIES | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Opening balance | | 7,144,764 | 10,139,889 |
| Add: Reassessment of lease liability | | 72,978 | - |
| Add: Interest expense | 34 | 1,013,894 | 1,657,536 |
| Less: Payments made | | (4,294,764) | (4,652,661) |
| Total liability | | 3,936,872 | 7,144,764 |
| Less: Current portion | 16 | (3,936,872) | (4,294,764) |
| Closing balance | | - | 2,850,000 |

10.1 Nature of leasing activities

The Company's leases comprise space taken from a related party (M/s Imperial Electric Company (Private) Limited) for office operations. Periodic rentals are fixed over the lease term. These neither contain any variable lease payments nor any lease incentives. The Company is not committed to any lease not yet commenced as at the reporting date.

10.2 Summary of amounts relating to leases charged in different line items of the financial statements as follows:

| | Included in | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| Carrying amount of ROU assets | Statement of financial position | 18.10 | 3,272,911 | 6,472,850 |
| Depreciation charge | Administrative expenses | 18.10 & 30 | 3,272,917 | 3,236,424 |
| Interest expense | Finance cost | 34 | 1,013,894 | 1,657,536 |

10.3 Maturity analysis of contractually undiscounted cash flows

| | | |
|---|---|---|
| Up to one year | 3,936,872 | 4,294,764 |
| 2-5 Years | - | 2,850,000 |
| Total lease liability | 3,936,872 | 7,144,764 |

Remaining lease term of existing lease contract is 1 years (2024: 2 years) for which lease liability is recorded.

| 11. POST EMPLOYMENT BENEFITS | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Staff gratuity - unfunded | 11.1 | 189,175,068 | 163,701,914 |

11.1 Staff gratuity - unfunded

The Company operates an unfunded gratuity scheme covering its permanent employees subject to completion of minimum prescribed period of service. Most recent actuarial valuation was carried out as on June 30, 2025. Actuarial valuation estimates are based on assumption on anticipation of future salary increase, mortality and inflation rates.

11.2 Movement in net liability for staff gratuity

| | | | |
|---|---|---|---|
| Opening balance | | 163,701,914 | 120,389,472 |
| Benefit due but not paid at the beginning of the year | | 3,253,912 | 3,368,612 |
| Charge for the year - profit or loss | 11.3 | 42,885,871 | 37,367,707 |
| Actuarial losses due to experience adjustments | | 2,323,175 | 14,760,006 |
| Payments made during the year | | (19,420,754) | (8,929,971) |
| Benefits due but not paid | | (3,569,050) | (3,253,912) |
| Net liability at end of the year | | 189,175,068 | 163,701,914 |

11.3 Charge for the year

The amounts recognized in profit or loss against defined benefit scheme are as follows:

| | | | |
|---|---|---|---|
| Current service cost | | 20,195,361 | 19,100,568 |
| Interest cost | | 22,690,510 | 18,267,139 |
| | 11.2 | 42,885,871 | 37,367,707 |

11.4 Principal Actuarial assumptions used

| | 2025 | 2024 |
|---|---|---|
| Discount rate - per annum | 11.75% | 14.75% |
| Expected rate of increase in salary level - per annum | 10.75% | 13.75% |
| Average expected remaining working lives of employees | 9 Years | 10 Years |
| Average duration of liability | 8 Years | 9 Years |
| Expected mortality rate for active employees | SLIC (2001-2005) Mortality Table | |
| Actuarial valuation method | Projected Unit Credit Method | |

11.5 The Company does not have any plan assets covering its post-employment benefits payable. The comparative statement of present value of defined benefit obligations is as under:

| | 2025 Rupees | 2024 Rupees | 2023 Rupees | 2022 Rupees | 2021 Rupees |
|---|---|---|---|---|---|
| Present value of defined benefit obligations | 189,175,068 | 163,701,914 | 120,389,472 | 91,015,646 | 73,930,900 |
| Fair value of plan assets | - | - | - | - | - |
| Net liability | 189,175,068 | 163,701,914 | 120,389,472 | 91,015,646 | 73,930,900 |

11.6 Expected Future costs

| | 2026 Rupees |
|---|---|
| Current and past service cost | 21,741,179 |
| Interest cost | 22,228,070 |
| | 43,969,249 |

11.7 Year end sensitivity analysis on defined benefit obligation

Reasonably possible changes as at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in present value of defined benefit obligation as stated below:

| | 2025 Rupees | 2024 Rupees |
|---|---|---|
| Discount rate + 1% | 174,387,362 | 149,981,018 |
| Discount rate - 1% | 204,846,974 | 179,040,132 |
| Salary increase + 1% | 205,189,357 | 179,036,173 |
| Salary increase - 1% | 174,370,032 | 149,679,179 |

The Company faces the following risks on account of staff gratuity scheme:

- Final Salary Risk – the risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary, which will closely reflect inflation and other macroeconomic factors, the benefit amount increases as salary increases.

- Mortality Risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- Withdrawal Risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

| | | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| 11.8 | The charge for the year has been allocated as follows: | | | |
| | Cost of revenue | 29 | 31,870,070 | 28,835,940 |
| | Administrative expenses | 30 | 9,728,988 | 7,458,868 |
| | Selling and distribution expenses | 31 | 1,286,813 | 1,072,899 |
| | | 11.3 | 42,885,871 | 37,367,707 |

| | | Rupees |
|---|---|---|
| 11.9 | Expected benefit payments for next years and beyond | |
| | Year 2026 | 12,973,611 |
| | Year 2027 | 15,426,827 |
| | Year 2028 | 18,195,460 |
| | Year 2029 | 20,896,736 |
| | Year 2030 | 24,214,629 |
| | Year 2031 and beyond | 190,693,315 |

## 12. DEFERRED TAXATION

Deferred tax assets and deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, these have been offset and presented as follows:

Credit / (debit) balances arising in respect of timing differences relating to:

| | 2025 Rupees | 2024 Rupees |
|---|---|---|
| Deferred tax liability | | |
| - Accelerated tax depreciation and amortisation | 92,457,134 | 83,334,219 |
| - Revaluation of property, plant and equipment | 305,844,175 | 298,676,604 |
| | 398,301,309 | 382,010,823 |
| Deferred tax asset | | |
| - Provision for doubtful debts | (21,332,061) | (20,886,216) |
| - Minimum tax | (43,378,796) | - |
| - Provision for obsolete stores and spares | (4,201,168) | (4,201,168) |
| - Provision for obsolete stock | (6,507,747) | (6,507,747) |
| - Provision for staff gratuity | (66,211,274) | (57,295,670) |
| - Others | (3,734,882) | (15,161,736) |
| | (145,365,928) | (104,052,537) |
| | 252,935,381 | 277,958,286 |

| | | | |
|---|---|---|---|
| 12.1 | Reconciliation of deferred tax liabilities / (assets), net | | |
| | Opening balance | 277,958,286 | 244,836,598 |
| | Effect of change in tax rates on revaluation surplus | - | 31,045,668 |
| | Recognized in statement of profit or loss | (44,802,651) | 7,242,022 |
| | Recognized in statement of comprehensive income | (813,111) | (5,166,002) |
| | Charged to revaluation surplus through other comprehensive income | 20,592,857 | - |
| Closing balance | | 252,935,381 | 277,958,286 |

12.2 Deferred tax assets / liabilities on temporary differences are measured at effective rate of 35% (2024: 35%).

12.3 Analysis of change in deferred tax

| | Statement of Financial Position | | Statement of Comorehensive Income | |
|---|---|---|---|---|
| | 2025 Rupees | 2024 Rupees | 2025 Rupees | 2024 Rupees |
| Deferred tax Liability / (Asset) | | | | |
| Accelerated tax depreciation and amortisation | 92,457,134 | 83,334,219 | 9,122,914 | 34,789,750 |
| Revaluation of property, plant and equipment | 305,844,175 | 298,676,604 | (13,425,286) | (7,925,642) |
| Provision for doubtful debts | (21,332,061) | (20,886,216) | (445,845) | (9,698,326) |
| Minimum tax | (43,378,796) | - | (43,378,796) | - |
| Provision for obsolete stores and spares | (4,201,168) | (4,201,168) | - | (425,398) |
| Provision for obsolete stock | (6,507,747) | (6,507,747) | - | (658,956) |
| Provision for staff gratuity | (66,211,274) | (57,295,670) | (8,102,492) | (14,259,956) |
| Others | (3,734,882) | (15,161,736) | 11,426,854 | 5,420,550 |
| | 252,935,381 | 277,958,286 | (44,802,651) | 7,242,022 |

| 13 TRADE AND OTHER PAYABLES | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Trade creditors - unsecured | 13.1 | 261,511,191 | 255,667,177 |
| Accrued liabilities | | 129,943,284 | 131,358,806 |
| Employees retirement benefit funds | | 7,495,117 | 1,547,573 |
| Contract liabilities for goods - unsecured | 13.2 | 21,752,356 | 34,441,651 |
| Sales tax payable | | - | 33,697,127 |
| Withholding tax payable | | 12,116,879 | 17,767,199 |
| Workers' (profit) participation fund | 13.3 | 2,565,013 | 24,124,726 |
| Workers' welfare fund | 13.4 | 7,530,392 | 15,768,833 |
| | | 442,914,232 | 514,373,092 |

13.1 Trade creditors include Rs. 4,479,799 (2024: Rs. 4,179,323) due to related party M/s Imerial Electric Company (Private) Limited.

13.2 Contract liabilities are expected to be satisfied during year ending on June 30, 2026.

| 13.3 Workers' (Profit) Participation Fund | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Opening balance | | 24,124,726 | 26,380,968 |
| Expense recognised during the year | 32 | 2,565,013 | 24,124,726 |
| Interest on workers' (profit) participation fund | 32 | 4,486,884 | 2,199,407 |
| | | 31,176,623 | 52,705,101 |
| Payments / adjustments made during the year | | (28,611,610) | (28,580,375) |
| Closing balance | | 2,565,013 | 24,124,726 |

| 13.4 Workers' welfare fund | | | |
|---|---|---|---|
| Opening balance | | 15,768,833 | 32,630,211 |
| Expense recognised during the year | 32 | 884,967 | 9,123,408 |
| | | 16,653,800 | 41,753,619 |
| Payments made during the year | | (9,123,408) | (25,984,786) |
| Closing balance | | 7,530,392 | 15,768,833 |

| 14 ACCRUED FINANCE COST | 2025 Rupees | 2024 Rupees |
|---|---|---|
| Accrued finance cost on: | | |
| - Long term financing from banking companies | 19,780,211 | 35,510,490 |
| - Long term financing from related parties | 6,391,541 | 8,734,867 |
| - Short term borrowings from banking companies | 22,760,226 | 40,415,049 |
| - Short term borrowings from related parties | 6,109,604 | 5,785,828 |
| | 55,041,582 | 90,446,234 |

| 15 SHORT TERM BORROWINGS | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Interest bearing | | | |
| From banking companies - secured: | | | |
| - Running finance, local bills discounting and export and import finances | 15.1 | 1,080,455,691 | 994,610,943 |
| From related parties and directors - unsecured: | | | |
| - Directors and close relatives thereof | 15.3 | 69,997,999 | - |
| - ICC (Private) Limited | 15.2 | 6,700,000 | 20,699,999 |
| | | 1,157,153,690 | 1,015,310,942 |
| Interest free | | | |
| From related parties - unsecured: | | | |
| - Directors and close relatives thereof | | 36,730,454 | 37,039,268 |
| - The Imperial Electric Company (Private) Limited | | 2,615,692 | 2,615,692 |
| | | 39,346,146 | 39,654,960 |
| | | 1,196,499,836 | 1,054,965,902 |

15.1 Terms and conditions of borrowings

Purpose
The Company has obtained short-term running finance, local bill discounting, and export and import finance facilities from various commercial banks under mark-up arrangements amounting to Rs. 1,106.30 million (2024: Rs. 994.610 million) to meet working capital requirements. The unutilized portion of these facilities amounts to Rs. 25.84 million (2024: Rs. 2.34 million).

Markup
Mark-up on short-term borrowings is charged at rates ranging from 1 to 6 months KIBOR plus a spread of up to 2% (2024: 1 to 6 months KIBOR plus spread of up to 2%) per annum, on the balance outstanding.

Securities
These facilities are secured through a first joint pari passu charge and ranking charge on present and future assets including hypothecation of stores, spares, loose tools, stock-in-trade, trade debts, charge on property, plant and equipment of the Company, ranking charge over fixed assets and current assets , lien over export LCs/contracts, personal guarantees of directors, and subordination of sponsors' loan.

15.2 This borrowing is obtained from an associated company, to meet the working capital requirements of the Company and carries mark-up @ 1 month KIBOR + 2% per annum on the balance outstanding.

15.3 This represents loan obtained to meet the working capital requirements of the Company. The Company has also utilised personal finance line of one of the directors as disclosed in note 40.1 to the financial statements.

15.4 Letters of credit and guarantee

The main facilities for opening letters of credit and guarantees aggregate to Rs. 1463.50 million (2024: Rs. 1277.85 million). The amount utilized as at June 30, 2025, for letters of credit was Rs. 197.42 million (2024: Rs. 222.99 million) and for letters of guarantee was Rs. 734.75 million (2024: Rs. 738.59 million). The amounts unavailed as at the reporting date amount to Rs. 531.33 million (2024: Rs. 316.27 million). The aggregate facilities for opening letters of credit and letters of guarantee are secured by charge on present and future fixed assets and current assets of the Company, ranking charge on fixed assets and current assets of the Company, lien over import documents, personal guarantees, subordination of sponsors' loan and counter guarantees of the Company.

| 16 CURRENT PORTION OF NON-CURRENT LIABILITIES | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Long term financing | 9 | 172,151,179 | 158,375,069 |
| Lease liabilities | 10 | 3,936,872 | 4,294,764 |
| | | 176,088,051 | 162,669,833 |

17 Contingencies and Commitments

Contingencies

17.1 The Company has indemnified the Trustees of EMCO Industries Limited Provident Fund and the beneficiaries thereof, from any and all events wherein they or anyone suffers any loss and / or damage for allowing the Company rescheduled time frame to repatriate the borrowed sum into the fund.

17.2 On February 28, 2020, the DCIR passed an order under Section 122(1)/(5) of the Income Tax Ordinance, 2001, amending the assessment under Section 120 and creating a tax liability of Rs. 18,206,669 against the Company. The Company appealed, and on November 10, 2021, the Commissioner Inland Revenue (Appeals-I), Lahore, annulled the order, directing the DCIR to issue a fresh assessment after hearing the Company. Following re-assessment proceedings initiated on June 10, 2024, the DCIR passed an order under Section 122(4) on June 30, 2024, reducing the Company's losses to Rs. 72,363,882. The Company filed an appeal against this order on July 26, 2024, which is currently pending before the Commissioner Inland Revenue (Appeals-I), Lahore. The Company foresees that no adverse outcome against the Company will be raised based on the opinion of external legal advisor; therefore, no provision is recorded in these financial statements.

17.3 The Company was selected for audit via Notice No. 6429 dated February 27, 2013, with information requested on February 28, 2013. A pre-audit meeting was held on March 7, 2013, and an audit team notice was issued on March 26, 2013. The Company sought adjournments and submitted required details by May 27, 2013. A Show Cause Notice (No. 12019) under Section 72B of the STA, 1990, was issued on June 25, 2013, and the Company replied after multiple adjournments. On August 23, 2013, the DCIR passed Order No. 03/2013 under Section 11(2), creating a sales tax demand of Rs. 14,818,720, along with penalty under section 33 and default surcharge under section 34. The Company appealed (Appeal No. 618) on September 24, 2013, but the CIR-A upheld the order on December 16, 2013, under section 45B of the Sales Tax Act, 1990. A second appeal was filed before the ATIR on February 3, 2014, which remains pending. The Company foresees that no adverse outcome against the Company will be raised based on the opinion of external legal advisor; therefore, no provision is recorded in these financial statements.

Guarantees

17.4 Bank guarantees amounting to Rs. 734.749 million (June 30, 2024: Rs. 738.587 million) have been issued in favour of the following:

| | 2025 Rupees | 2024 Rupees |
|---|---|---|
| Sui Northern Gas Pipeline Limited | 50,406,000 | 50,406,000 |
| NTDC / DISCOs | 684,342,764 | 688,181,150 |
| | 734,748,764 | 738,587,150 |

Commitments

17.5 Letters of credit other than for capital expenditure amount to Rs. 197.420 million (2024: Rs. 222.98 million).

17.6 Commitments for future minimum payments in respect of Ijarah and Diminishing Musharkah arrangements are as follows:

| | Not later than one year | Later than one year and later than five years | Later than five years |
|---|---|---|---|
| | ---------- Rupees ---------- | | |
| Diminishing Musharkah | 19,739,856 | 41,418,460 | - |

| 18. PROPERTY, PLANT AND EQUIPMENT | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Operating fixed assets owned | 18.1 | 3,189,252,756 | 2,889,396,635 |
| Right of use assets | 18.10 | 3,272,911 | 6,472,850 |
| Capital work in progress | 18.11 | - | 2,051,502 |
| | | 3,192,525,667 | 2,897,920,987 |

18.1 Operating fixed assets - owned

Reconciliation of carrying amounts of property, plant and equipment at the beginning and at the end of the year is as follows:

| Description | Freehold Land Rupees | Buildings on Freehold Land Rupees | Plant and Machinery Rupees | Tools and Equipment Rupees | Furniture and Fittings Rupees | Vehicles Rupees | Office Equipment Rupees | Total Rupees |
|---|---|---|---|---|---|---|---|---|
| NET CARRYING VALUE BASIS | | | | | | | | |
| Year Ended June 30, 2025 | | | | | | | | |
| Opening net book value | 907,473,343 | 582,367,818 | 1,305,764,202 | 1,352,237 | 1,568,254 | 77,194,566 | 13,676,215 | 2,889,396,635 |
| Additions during the year | - | 3,724,304 | 141,817,484 | - | - | 7,768,000 | 3,124,534 | 156,434,322 |
| Depreciation charge | - | (50,772,846) | (116,674,856) | (270,447) | (313,651) | (16,119,676) | (3,133,128) | (187,284,604) |
| Transfer to investment property: | | | | | | | | |
| - Cost | 309,091 | 935,000 | - | - | - | - | - | 1,244,091 |
| - Accumulated depreciation | - | (374,475) | - | - | - | - | - | (374,475) |
| | (309,091) | (560,525) | - | - | - | - | - | (869,616) |
| Revaluation adjustments | 272,739,283 | 57,187,566 | 1,649,170 | - | - | - | - | 331,576,019 |
| Closing net book value | 1,179,903,535 | 591,946,317 | 1,332,556,000 | 1,081,790 | 1,254,603 | 68,842,890 | 13,667,621 | 3,189,252,756 |
| Depreciation rates | | 5% | 4%-50% | 20%-40% | 20% | 20% | 20% | |
| Gross Carrying Value Basis As at June 30, 2025 | | | | | | | | |
| Cost / revalued amount | 1,179,903,535 | 1,191,484,932 | 2,476,919,378 | 10,861,979 | 11,457,041 | 116,835,052 | 56,147,394 | 5,043,609,311 |
| Accumulated depreciation | - | (599,538,615) | (1,144,363,378) | (9,780,189) | (10,202,438) | (47,992,162) | (42,479,773) | (1,854,356,555) |
| Net book value | 1,179,903,535 | 591,946,317 | 1,332,556,000 | 1,081,790 | 1,254,603 | 68,842,890 | 13,667,621 | 3,189,252,756 |
| NET CARRYING VALUE BASIS Year Ended June 30, 2024 | | | | | | | | |
| Opening net book value | 907,473,343 | 604,542,118 | 1,002,962,482 | 554,394 | 1,960,310 | 86,257,995 | 12,918,428 | 2,616,669,070 |
| Additions during the year | - | 27,831,089 | 416,226,622 | 908,722 | - | 10,152,000 | 3,621,921 | 458,740,354 |
| Depreciation charge | - | (50,005,389) | (113,424,902) | (110,879) | (392,056) | (19,215,429) | (2,864,134) | (186,012,789) |
| Closing net book value | 907,473,343 | 582,367,818 | 1,305,764,202 | 1,352,237 | 1,568,254 | 77,194,566 | 13,676,215 | 2,889,396,635 |
| Depreciation rates | | 5% | 4%-35% | 20%-40% | 20% | 20% | 20% | |
| Gross Carrying Value Basis As at June 30, 2024 | | | | | | | | |
| Cost / revalued amount | 907,473,343 | 1,131,508,062 | 2,333,452,724 | 10,861,979 | 11,457,041 | 109,067,052 | 53,022,860 | 4,556,843,061 |
| Accumulated depreciation | - | (549,140,244) | (1,027,688,522) | (9,509,742) | (9,888,787) | (31,872,486) | (39,346,645) | (1,667,446,426) |
| Net book value | 907,473,343 | 582,367,818 | 1,305,764,202 | 1,352,237 | 1,568,254 | 77,194,566 | 13,676,215 | 2,889,396,635 |

18.2 Apportionment of depreciation charge for the year

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Cost of revenue | 29 | 176,867,166 | 172,944,299 |
| Administrative expenses | 30 | 10,417,438 | 13,068,490 |
| | | 187,284,604 | 186,012,789 |

18.3 Operating fixed assets contain fully depreciated assets having cost of Rs. 4.19 million (2024: Rs. 4.19 million) which are still in use as at the reporting date.

18.4 Operating fixed assets contain certain vehicles financed through diminishing musharakah facility. The cost of these vehicles amount to Rs. 105.335 million (2024: Rs. 97.567 million) and accumulated depreciation of Rs. 43.192 million (2024: Rs. 27.151 million).

18.5 Particulars of immovable property (land and building) of the Company are as follow:

| Location | Usage of immovable property | Total area |
|---|---|---|
| 19-KM Lahore Sheikhupura Road | Production plant | 222 Kanals 18 Marlas |

18.6 Cost, accumulated depreciation and book value of revalued assets

Had there been no revaluation, the carrying amounts of the following classes of assets would have been as follows:

| | 2025 Rupees | 2024 Rupees |
|---|---|---|
| Freehold land | 3,736,976 | 4,046,067 |
| Buildings on freehold land | 133,527,095 | 160,018,706 |
| Plant and machinery | 917,134,721 | 874,751,589 |
| | 1,054,398,792 | 1,038,816,362 |

18.7 Fair value of the properties is determined using the market comparable method. Fair values are categorized as level 2 fair value hierarchy where inputs are observable. The latest valuations were performed by an independent professional valuer as at June 30, 2025 and were based on proprietary databases of prices of transactions for properties of similar nature, location and condition. As per the latest valuation report, as of June 30, 2025, further surplus from revaluation of assets amounted to Rs. 331.576 million (note 8). Forced sale value of land, buildings and plant and machinery were estimated to be Rs. 1,042.057 million; Rs. 528,124 million; and Rs. 1,066.044 million respectively as at June 30, 2025.

18.8 Fair value measurements

| Description | Valuation Technique | Significant Unobservable Inputs | Range (weighted average) |
|---|---|---|---|
| Valuation techniques used to derive level 2 fair values | | | |
| Land | Inquiries in the vicinity of land and also information obtained from the estate dealers of the area. | Price per kanal | Reasonable fair value estimates |
| Building | Physical inspection and checking of measurements with the lay-out plan of the buildings provided. Construction details, covered areas and quality of construction were noted. Conditions of buildings were noted and accordingly depreciated rate of the construction was calculated which was applied to arrive at fair depreciated market value. | Price per sq. ft. | Reasonable fair value estimates |
| Machinery | All machinery and asset items across various sections of the units have been physically inspected. Market inquiries were also conducted to determine the prevailing replacement values of comparable local and imported machinery. The production unit comprises both local and imported machinery and equipment. Depreciation due to usage has been applied to all assets at 7.5% per annum on a written-down value basis to arrive at their Fair Market Value. | Year of manufacturing | Reasonable fair value estimates |

18.9 The property, plant and equipment of the Company are subject to first and joint pari passu charge as security for certain financing by banks (refer Note to 9 and 15).

18.10 Right of use assets

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Opening balance | | 6,472,850 | 9,709,274 |
| Add: Additions during the year | | - | - |
| Add: Reassessment during the year | | 72,978 | - |
| Less: Depreciation charge for the year | 30 | (3,272,917) | (3,236,424) |
| Closing balance | | 3,272,911 | 6,472,850 |
| Lease Term (Years) | | 3 Years | 3 Years |
| Remaining lease term (Years) | | 2 Years | 3 Years |

Right-of-use assets comprise office space taken from a related party for office operations. There are no variable lease payments in the lease contracts. There were no leases with residual value guarantees or leases not yet commenced to which the Company is committed.

18.11 Capital work in progress

| | 2025 Rupees | 2024 Rupees |
|---|---|---|
| Opening balance | 2,051,502 | 187,997,134 |
| Additions during the year | - | 151,899,566 |
| Transfers during the year | (2,051,502) | (337,845,198) |
| Closing balance | - | 2,051,502 |

Capital work in progress represents letter of credit for the purchase of machinery.

## 19 INVESTMENT PROPERTIES

| | Land | Building | 2025 Total | 2024 Total |
|---|---|---|---|---|
| | Rupees | Rupees | Rupees | Rupees |
| Opening balance | 37,170,000 | 53,968,800 | 91,138,800 | 84,988,507 |
| Additions during the year | 309,091 | 560,525 | 869,616 | - |
| Fair value gain on revaluation | 8,258,283 | 13,118,833 | 21,377,116 | 6,150,293 |
| Closing balance | 45,737,374 | 67,648,158 | 113,385,532 | 91,138,800 |

19.1 These represent portion of land and building on the owned land given on rent to a third party. The investment property of the Company is subject to first and joint pari passu charge as security for certain financing by banks (refer to Note 9 and 15). These are held to earn rental income. Particulars of investment properties as at the reporting date are as follows:

| Property Type | Location | Area | Independent Valuer | Fair Value | Forced Sale Value |
|---|---|---|---|---|---|
| | | | | Rupees | Rupees |
| Land | District Sheikhupura | 45,348 sq. ft. | Hamid Mukhtar & Co. | 45,737,374 | 38,876,768 |
| Building on freehold land | District Sheikhupura | 45,348 sq. ft. | Hamid Mukhtar & Co. | 67,648,158 | 57,500,934 |
| | | | | 113,385,532 | 96,377,702 |

19.2 The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

19.3 Fair value measurements

There are no level 1 and level 3 assets or any transfers between levels 1, 2 and 3 during the year.

Valuation techniques used to derive level 2 fair values

| Description | Valuation Technique | Significant Unobservable Inputs | Range (weighted average) |
|---|---|---|---|
| Land | Inquiries in the vicinity of land and also information obtained from the estate dealers of the area. | Price per kanal | Reasonable fair value estimates |
| Building | Physical inspection and checking of measurements with the lay-out plan of the buildings provided. Construction details, covered areas and quality of construction were noted. Conditions of buildings were noted and accordingly depreciated rate of the construction was calculated which was applied to arrive at fair depreciated market value. | Price per sq. ft. | Reasonable fair value estimates |

19.4 The Company, as a lessor, has entered into operating lease on its investment property. The lease originally had a term of 5 years, commencing in August 2020. The Company has received security deposit of Rs. 784,346 from the tenant which is utilizable in accordance with the requirements of written agreements, in terms of Section 217 of the Companies Act, 2017.

19.5 During the year, the Company, as a lessor, has entered into operating lease on its investment property. The lease originally had a term of 1 years, commencing in 31st January 2025. The Company has received security deposit of Rs. 112,200 from the tenant which is utilizable in accordance with the requirements of written agreements, in terms of Section 217 of the Companies Act, 2017.

19.6 Future minimum rentals receivable under non-cancellable operating lease as at the reporting date are as follows:

| | | Within one year Rupees | After one year but not more than five years Rupees | More than five years Rupees |
|---|---|---|---|---|
| | Undiscounted rentals | 1,240,152 | - | - |

19.7 Amount recognised in profit and loss account

The change in fair value is presented in statement of profit or loss as "Other income". The rental income in respect of this property amounts to Rs. 12,328,872 that has been recognized in the statement of profit or loss.

| 20 | INTANGIBLE ASSETS | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| | Intangible assets | | 3,467,504 | 3,746,254 |
| 20.1 | Net Carrying Value | | | |
| | Net carrying value - opening balance | | 567,424 | 846,171 |
| | Transfer from capital work in progress | | - | - |
| | | | 567,424 | 846,171 |
| | Amortisation during the year | 20.3 | (278,750) | (278,747) |
| | Net carrying value as at June 30, | | 288,674 | 567,424 |
| | Gross Carrying Value | | | |
| | Cost | | 2,787,496 | 2,787,496 |
| | Accumulated amortisation | | (2,498,822) | (2,220,072) |
| | Net book value | | 288,674 | 567,424 |
| | Amortisation rate - per | | 10% | 10% |
| 20.2 | Capital work in Progress | | | |
| | Opening balance | 20.4 | 3,178,830 | - |
| | Additions during the year | | - | 3,178,830 |
| | | | 3,178,830 | 3,178,830 |
| | Transfer to intangible assets | | - | - |
| | Closing balance | | 3,178,830 | 3,178,830 |

20.3 The Company has implemented Enterprise Resource Planning System (SAP). Amortisation charge for the year has been allocated to administrative expenses.

| 21 | LONG TERM PREPAYMENTS | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| | Opening balance | | 84,278,666 | 45,624,147 |
| | Additions during the year | | 26,405,126 | 62,006,114 |
| | Charged to statement of profit or loss | 21.1 | (27,259,248) | (23,351,595) |
| | | | 83,424,544 | 84,278,666 |
| | Current portion of long term prepayments | 26 | (25,861,609) | (26,122,210) |
| | | | 57,562,935 | 58,156,456 |

21.1 Long term prepayments comprise expenses incurred on product testing and international assurance on product quality whose benefits will be availed through a number of successive years. Thus, these amounts will be charged to statement of profit or loss on time proportionate basis.

| 22 LONG TERM LOANS | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Loans to employees (secured - considered good) | 22.1 | 1,449,675 | 1,784,335 |
| Less: current portion | 26 | (572,193) | (649,053) |
| | | 877,482 | 1,135,282 |

22.1 These represent interest free loans for purchase of motorcycles, bicycles and for the construction of residential houses etc. These loans are secured against gratuity, are interest free and are repayable over a period of two to eight years. This does not include any loan given to any executive (2024: Rs. 220,000). Maximum aggregate balance outstanding at any time during the year calculated by reference to month end balances amounted to Rs. 220,000 (2024: Rs. 340,000).

| 23 STORES, SPARES AND LOOSE TOOLS | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Stores | | 68,584,197 | 82,099,417 |
| Spare parts | | 33,522,469 | 35,060,561 |
| Loose tools | | 1,800,025 | 1,835,846 |
| | | 103,906,691 | 118,995,824 |
| Less: Provision for obsolescence | 23.1 | (12,003,336) | (12,003,336) |
| | | 91,903,355 | 106,992,488 |
| 23.1 Provision for obsolescence of stock | | | |
| Opening balance | | 12,003,336 | 12,003,336 |
| Provision for the year | | - | - |
| | | 12,003,336 | 12,003,336 |
| Less: Obsolete stocks written off | | - | - |
| Closing balance | | 12,003,336 | 12,003,336 |

| 24 STOCK-IN-TRADE | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Raw materials | | 693,499,300 | 424,653,260 |
| Materials in transit | | 127,577,091 | 114,956,279 |
| Work-in-process | | 126,335,864 | 98,258,475 |
| Finished goods | | 727,727,327 | 556,305,506 |
| | | 1,675,139,582 | 1,194,173,520 |
| Less: Provision for obsolescence of stock | 24.1 | (18,593,562) | (18,593,562) |
| | | 1,656,546,020 | 1,175,579,958 |
| 24.1 Provision for obsolescence of stock | | | |
| Opening balance | | 18,593,562 | 18,593,562 |
| Provision for the year | 32 | - | - |
| | | 18,593,562 | 18,593,562 |
| Less: Obsolete stocks written off | | - | - |
| Closing balance | | 18,593,562 | 18,593,562 |

24.2 The Company has written down its finished goods amonting to Rs. Nil (2024: Rs. 48.040 million) during the year.

24.3 Stocks are under charge by way of hypothecation as security against financing obtained from banks (refer to Note 15).

| 25 TRADE RECEIVABLES | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Local (unsecured - considered good) | | 438,513,052 | 1,198,600,231 |
| Local (unsecured - considered doubtful) | | 60,948,747 | 59,674,903 |
| Foreign (unsecured - considered good) | | 123,721,203 | 43,805,293 |
| | | 623,183,002 | 1,302,080,427 |
| Less: Expected credit loss allowance | 25.1 | (60,948,747) | (59,674,903) |
| | | 562,234,255 | 1,242,405,524 |

25.1 Movement in expected credit loss allowance

| | | | |
|---|---|---|---|
| Opening balance | | 59,674,903 | 35,566,793 |
| Provision for the year | 32 | 1,273,844 | 26,683,804 |
| | | 60,948,747 | 62,250,597 |
| Less: Balances written off | | - | (2,575,694) |
| Closing balance | | 60,948,747 | 59,674,903 |

25.2 Details of trade receivables from export sales as at June 30, 2025

| Jurisdiction | Export sales during the year | Gross receivables at year end | Default amount | Names of defaulting parties | Legal action taken |
|---|---|---|---|---|---|
| | Rupees | Rupees | Rupees | | |
| Turkey | 102,038,708 | - | - | No default | N/A |
| United Arab Emirates | 1,885,190 | - | - | No default | N/A |
| Qatar | - | - | - | No default | N/A |
| United States of America | 172,121,878 | 79,869,004 | - | No default | N/A |
| Brazil | 12,225,840 | - | - | No default | N/A |
| Colombia | 171,000,304 | 43,852,199 | - | No default | N/A |
| Taiwan | 587,574 | - | - | No default | N/A |
| Egypt | 2,939,068 | - | - | No default | N/A |
| | 462,798,562 | 123,721,203 | - | | |

## 26 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Advances: | | | |
| - to employees against salaries - considered good | 26.1 | 642,396 | 762,561 |
| - to suppliers | | | |
| - Considered good | | 82,006,695 | 41,361,735 |
| - Considered doubtful | | 575,685 | 575,685 |
| | | 83,224,776 | 42,699,981 |
| Security deposits | 26.2 | 3,531,466 | 6,367,298 |
| Margins held by banks | | 8,929,678 | 13,452,366 |
| Claims receivable | | 78,441 | 2,169,975 |
| Prepayments | | 785,679 | 1,746,073 |
| Sales tax refundable | | 28,377,853 | - |
| Current portion of loans to employees | | | |
| - considered good | 22 | 572,193 | 649,053 |
| Current portion of long term prepayments | 21.1 | 25,861,609 | 26,122,210 |
| | | 151,361,695 | 93,206,956 |
| Less: Provision for doubtful advances | 26.3 | (575,685) | (575,685) |
| | | 150,786,010 | 92,631,271 |

26.1 These advances are extended to employees and executives against salaries and for expenses. This does not include any amount due from directors (2024: Rs. 757,634). These balances are secured against employees' retirement benefits balances. The maximum aggregate amount due from director at any time during the year was Rs. 651,361 (2024 : Rs. 757,634).

26.2 Security deposits include Rs. 1.78 million as a deposit against performance guarantee issued by Askari Bank Limited on behalf of the Company. This amount is invested in Term Deposit Receipt (TDR) carrying markup of 8.5% per annum with one year maturity.

26.3 Provision for doubtful advances

| | | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Opening balance | | 575,685 | 575,685 |
| Add: Provision for the year | 32 | - | - |
| Closing balance | | 575,685 | 575,685 |

## 27 CASH AND BANK BALANCES

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Cash in hand | | 793,769 | 1,156,717 |
| Cash at banks - in current accounts | 27.1 | 32,057,880 | 8,923,214 |
| Cash at banks - in saving accounts | 27.2 | 11,140,235 | - |
| | | 43,991,884 | 10,079,931 |

27.1 The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows.

27.2 During the year, the Company opened savings account earning profit at floating rates, linked to daily deposit rates, ranging from 5% to 6% per annum.

27.3 This includes deposit in current account of Shariah compliant bank amounting to Rs. 7,867,456 (2024: Rs. 400,470)

| 28 | REVENUE | 2025<br>Rupees | 2024<br>Rupees |
|---|---|---|---|
| | Gross revenue: | | |
| | - Local | 3,712,624,732 | 4,748,766,226 |
| | - Export | 462,798,562 | 169,154,491 |
| | | 4,175,423,294 | 4,917,920,717 |
| | Less: Sales tax | (563,386,149) | (725,516,096) |
| | Less: Trade discounts | (4,995,337) | - |
| | Net sales | 3,607,041,808 | 4,192,404,621 |
| 28.1 | All the revenue is recognised at a point of time. | | |
| 28.2 | The Company's revenue based on geographical location is given as under: | | |
| | Pakistan | 3,712,624,732 | 4,748,766,226 |
| | Turkey | 102,038,708 | 112,618,354 |
| | United Arab Emirates | 1,885,190 | - |
| | Qatar | - | 28,135,600 |
| | United States of America | 172,121,878 | 14,727,248 |
| | Brazil | 12,225,840 | 214,062 |
| | Colombia | 171,000,304 | 512,883 |
| | China | - | 12,946,344 |
| | Taiwan | 587,574 | - |
| | Egypt | 2,939,068 | - |
| | | 4,175,423,294 | 4,917,920,717 |

| 29 COST OF REVENUE | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Raw and packing materials consumed | | 1,572,964,880 | 1,500,000,7944 |
| Salaries, wages and benefits | 29.1 | 654,066,051 | 520,165,182 |
| Power and gas | | 445,071,371 | 433,592,820 |
| Stores and spares consumed | | 96,717,739 | 107,442,235 |
| Testing and inspection | | 59,595,790 | 47,276,259 |
| Travelling and conveyance | | 126,278,873 | 170,921,656 |
| Rent, rates and taxes | | 2,983,959 | 1,348,091 |
| Professional and consultancy charges | | 2,288,000 | 2,252,779 |
| Repairs and maintenance | | 13,617,460 | 11,879,320 |
| Entertainment | | 2,618,895 | 3,177,144 |
| Insurance | | 7,019,848 | 9,058,148 |
| Ijarah rentals | | - | 19,767 |
| Printing and stationery | | 2,018,092 | 1,852,363 |
| Communication | | 788,658 | 853,926 |
| Vehicle maintenance | | 696,725 | 557,166 |
| RTV coating related project expenses | | 22,414,102 | 3,325,490 |
| Miscellaneous | | 47,850 | 23,115 |
| Depreciation | 18.2 | 176,867,166 | 172,944,299 |
| | | 3,186,055,459 | 2,986,690,554 |
| Work in process | | | |
| - Opening work in process | | 98,258,475 | 124,210,138 |
| - Closing work in process | | (126,335,864) | (98,258,475) |
| | | (28,077,389) | 25,951,663 |
| Cost of goods manufactured | | 3,157,978,070 | 3,012,642,217 |
| Finished goods | | | |
| - Opening finished goods | | 556,305,506 | 612,361,650 |
| - Closing finished goods | | (727,727,327) | (556,305,506) |
| | | (171,421,821) | 56,056,144 |
| | | 2,986,556,249 | 3,068,698,361 |

29.1 This includes provision for gratuity expense amounting to Rs. 31.870 million (2024: Rs. 28.835 million).

| 30 | ADMINISTRATIVE EXPENSES | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| | Salaries, wages and benefits | 30.1 | 113,964,172 | 100,306,791 |
| | Communication and stationery | | 2,940,354 | 2,696,999 |
| | Travelling | | 9,537,030 | 9,375,812 |
| | Legal and professional charges | | 8,631,432 | 4,103,563 |
| | Fees and subscription | | 5,095,988 | 8,572,130 |
| | Vehicle maintenance | | 1,965,788 | 1,528,745 |
| | Utilities | | 2,921,918 | 2,267,642 |
| | Insurance | | 2,445,404 | 2,118,553 |
| | Repairs and maintenance | | 784,368 | 910,768 |
| | Computer charges | | 2,050,043 | 1,426,580 |
| | Newspapers, periodicals and miscellaneous expenses | | 1,451,814 | 599,609 |
| | Charity | | - | 3,000,000 |
| | Entertainment | | 3,678,877 | 2,060,068 |
| | Depreciation on owned assets | 18.2 | 10,417,438 | 13,068,490 |
| | Depreciation on right of use assets | 18.10 | 3,272,917 | 3,236,424 |
| | Amortisation | 20.1 | 278,750 | 278,747 |
| | | | 169,436,293 | 155,550,921 |

30.1 This includes provision for gratuity expense amounting to Rs. 9.728 million (2024: Rs. 7.458 million).

| 31 | SELLING AND DISTRIBUTION EXPENSES | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| | Handling, freight and transportation | | 66,753,566 | 49,632,184 |
| | Salaries, wages and benefits | 31.1 | 10,350,546 | 8,994,228 |
| | Travelling | | 10,645,788 | 22,398,274 |
| | Insurance | | 726,722 | 447,592 |
| | Vehicle maintenance | | 174,977 | 76,140 |
| | Communication | | 224,905 | 266,182 |
| | Advertisement and sales promotion | | 6,635,889 | 29,701,838 |
| | Entertainment | | 688,992 | 1,650,153 |
| | Miscellaneous | | 3,368,760 | 1,400,328 |
| | | | 99,570,145 | 114,566,919 |

31.1 This includes provision for gratuity expense amounting to Rs. 1.286 million (2024: Rs. 1.072 million).

| 32 | OTHER OPERATING EXPENSES | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| | Auditor's remuneration | 32.1 | 1,700,000 | 1,700,000 |
| | Exchange loss | | - | 2,574,718 |
| | Workers' (profit) participation fund | 13.3 | 2,565,013 | 24,124,726 |
| | Interest on workers' (profit) participation fund | 13.3 | 4,486,884 | 2,199,407 |
| | Workers' welfare fund | 13.4 | 884,967 | 9,123,408 |
| | Expected credit loss allowance on trade debtors | | 1,273,844 | 26,683,804 |
| | Balances written off | | - | 3,753,076 |
| | Late delivery charges / liquidity damages | | 15,876,608 | 59,170,756 |
| | | | 26,787,316 | 129,329,895 |
| 32.1 | Auditor's remuneration: | | | |
| | - Statutory audit | | 1,200,000 | 1,200,000 |
| | - Half yearly review | | 400,000 | 400,000 |
| | | | 1,600,000 | 1,600,000 |
| | - Certification fee | | 100,000 | 100,000 |
| | | | 1,700,000 | 1,700,000 |

| 33 | OTHER INCOME | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| | Exchange gain | | 1,525,628 | - |
| | Export rebate | | 7,187,150 | - |
| | Rental income | 19 | 12,328,872 | 11,105,645 |
| | Liabilities written back | | 147,519 | 8,409,749 |
| | Fair value gain on investment properties | 19 | 21,377,116 | 6,150,293 |
| | Miscellaneous income | | 324,201 | 226,136 |
| | | | 42,890,486 | 25,891,823 |

| 34 | FINANCE COST | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| | Short term borrowings from banking companies | | 177,672,884 | 178,962,554 |
| | Short term borrowings from related parties | | 13,929,961 | 20,617,369 |
| | Long term financing from banking companies | | 103,155,882 | 154,234,946 |
| | Long term financing from associated companies | | 2,511,125 | 196,165 |
| | Unwinding of discount on interest free loans | 9.8 | 807,787 | 6,003,489 |
| | Diminishing musharkah finance | | 10,722,731 | 17,256,435 |
| | Commission on bank guarantees | | 8,986,091 | 6,420,153 |
| | Interest on lease liabilities | 10 | 1,013,894 | 1,657,536 |
| | Bank charges | | 6,692,392 | 7,362,358 |
| | | | 325,492,747 | 392,711,005 |

| 35 | LEVY AND TAXATION | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| | Current | 35.3 | 1,709,227 | 106,636,108 |
| | Super tax | | - | 21,923,070 |
| | Prior year adjustment | | (13,936,202) | 1,148,496 |
| | | | (12,226,975) | 129,707,674 |
| | Deferred | 12.1 | (44,802,651) | 7,242,022 |
| | | | (57,029,626) | 136,949,696 |

| 35.1 | Relationship between tax expense and accounting profit | | |
|---|---|---|---|
| | (Loss) / Profit before taxation | (1,289,252) | 355,947,517 |
| | Tax at the applicable rate of 29% (2024: 29%) | (373,883) | 103,224,780 |
| | Tax effect of amounts that are: | | |
| | Taxable under final tax regime | 7,764,296 | 1,491,826 |
| | Super tax | - | 21,923,070 |
| | Effects of taxable adjustments | (5,681,186) | 1,919,502 |
| | Prior year adjustment | (13,936,202) | 1,148,496 |
| | Deferred tax | (44,802,651) | 7,242,022 |
| | | (57,029,626) | 136,949,696 |

| 35.2 | Reconciliation of levy and income tax under IAS -12 | | |
|---|---|---|---|
| | Current tax liability for the year as per applicable tax laws | 45,088,023 | 128,559,178 |
| | Portion of current tax liability as per tax laws, representing income tax under IAS -12 | (1,709,227) | (127,067,352) |
| | Portion of levy as per IFRIC 21 / IAS 37 | (43,378,796) | (1,491,826) |
| | Difference | - | - |

35.3 The current tax expense for the year is charged under minimum tax on turnover under section 113 @ 1.25% (2024: 29%) and super tax @ Nil (2024: 6%). Deferred tax assets and liabilities on temporary differences are measured at effective rate of 35% (2024: 35%). During the year, the Company falls under minimum tax on turnover under section 113.

| 36 | EARNINGS PER SHARE | | 2025 | 2024 |
|---|---|---|---|---|
| | Earnings for the year attributable to ordinary shareholders | Rupees | 55,740,374 | 218,997,821 |
| | Weighted average number of ordinary shares outstanding during the year | Numbers | 35,000,000 | 35,000,000 |
| | Earnings per share - basic and diluted | Rupees | 1.46 | 6.26 |

36.1 Diluted earnings per share

There is no dilution effect on the earnings per share of the Company as the Company does not have any convertible instruments in issue as at the reporting date (2024: Nil) that would have any effect on the earnings per share if the option to convert is exercised.

| 37 | CASH GENERATED FROM OPERATIONS | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| | CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| | (Loss) / Profit before income tax | | 42,089,544 | 355,947,517 |
| | Adjustment for: | | | |
| | - Depreciation on own assets | 18.2 | 187,284,604 | 186,012,789 |
| | - Depreciation on right of use assets | 18.1 | 3,272,917 | 3,236,424 |
| | - Amortisation | 20.1 | 278,750 | 278,747 |
| | - Provision for gratuity | 11.2 | 42,885,871 | 37,367,707 |
| | - Workers' (profit) participation fund | 13.3 | 2,565,013 | 24,124,726 |
| | - Interest on workers' (profit) participation fund | 13.3 | 4,486,884 | 2,199,407 |
| | - Workers' welfare fund | 13.4 | 884,967 | 9,123,408 |
| | - Interest on benefits due but not paid of gratuity | 11.2 | (315,138) | 114,700 |
| | - Provision for expected credit loss allowance | 32 | 1,273,844 | 26,683,804 |
| | - Balances written off | 32 | - | 3,753,076 |
| | - Interest on lease liabilities | 34 | 1,013,894 | 1,657,536 |
| | - Liabilities written back | 33 | (147,519) | (8,409,749) |
| | - Exchange loss / (gain) | 33 | (1,525,628) | 2,574,718 |
| | - Rental income | 33 | (12,328,872) | (11,105,645) |
| | - Fair value gain on investment properties | 33 | (21,377,116) | (6,150,293) |
| | - Unwinding of discount on interest free loans | 34 | 807,787 | 6,003,489 |
| | - Finance cost | 34 | 324,478,853 | 391,053,469 |
| | | | 533,539,111 | 668,518,313 |
| | Operating profit before working capital changes | | 532,980,395 | 1,025,957,656 |
| | (Increase) / decrease in current assets | | | |
| | - Stores, spares and loose tools | 23 | 15,089,133 | 3,602,977 |
| | - Stock in trade | 24 | (478,914,560) | 64,986,538 |
| | - Trade receivables | 25 | 680,423,053 | (522,753,155) |
| | - Advances, deposits, prepayments and other receivables | 26 | (58,492,200) | 71,064,237 |
| | (Decrease) / increase in current liabilities | | | |
| | - Trade and other payable | 13 | (41,513,187) | 17,306,713 |
| | | | 116,592,239 | (365,792,690) |
| | Cash generated from operations | | 692,220,894 | 660,164,966 |

## 38. Changes in Liabilities Arising from Financing Activities

| | As at June 30, 2024 | Non-cash changes | Cash flows (Net) | As at June 30, 2025 |
|---|---|---|---|---|
| | Rupees | Rupees | Rupees | Rupees |
| Long term financing - net | 768,836,315 | 807,787 | (73,250,339) | 696,393,763 |
| Unclaimed dividends | 768,578 | - | - | 768,578 |
| Short term borrowings - net | 1,054,965,902 | - | 141,533,934 | 1,196,499,836 |
| Lease liabilities | 7,144,764 | 1,086,871 | (4,294,764) | 3,936,871 |
| | 1,831,715,559 | 1,894,658 | 63,988,831 | 1,897,599,048 |

| | As at June 30, 2023 | Non-cash changes | Cash flows (Net) | As at June 30, 2024 |
|---|---|---|---|---|
| | Rupees | Rupees | Rupees | Rupees |
| Long term financing - net | 768,813,354 | 6,003,489 | (5,980,528) | 768,836,315 |
| Unclaimed dividends | 524,915 | 17,500,000 | (17,256,337) | 768,578 |
| Short term borrowings - net | 851,500,589 | - | 203,465,313 | 1,054,965,902 |
| Lease liabilities | 10,139,889 | 1,657,536 | (4,652,661) | 7,144,764 |
| | 1,630,978,747 | 25,161,025 | 175,575,787 | 1,831,715,559 |

## 39. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Aggregate amounts charged in the financial statements for the year as remuneration and benefits to the chief executive, full time working directors and other executives of the Company are as follows:

| | Chief Executive Officer | | Executive Directors | | Non-Executive Directors | | Executives | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | Rupees | | Rupees | | Rupees | | Rupees | | Rupees | |
| Managerial remuneration | 8,078,604 | 6,732,168 | 34,109,844 | 29,368,032 | - | - | 19,431,328 | 16,167,482 | 61,619,776 | 52,267,682 |
| House rent allowance | 3,635,376 | 3,029,472 | 15,349,428 | 13,215,612 | - | - | 6,180,852 | 4,870,267 | 25,165,656 | 21,115,351 |
| Utilities | 1,289,693 | 1,276,938 | 3,441,867 | 3,312,596 | - | - | 5,357,520 | 3,098,279 | 10,089,080 | 7,687,813 |
| Ex- Gratia | 813,470 | 677,892 | 3,548,637 | 1,949,964 | - | - | 1,397,947 | 1,376,120 | 5,760,054 | 4,003,976 |
| Gratuity | 976,165 | 813,470 | 2,439,286 | 2,085,749 | - | - | 1,774,130 | 1,397,947 | 5,189,581 | 4,297,166 |
| Medical expenses | 339,930 | 188,375 | 2,668,845 | 3,153,919 | - | - | 1,566,922 | 1,286,694 | 4,575,697 | 4,628,988 |
| Meeting fee | - | - | - | - | 410,000 | 680,000 | - | - | 410,000 | 680,000 |
| Reimbursable expenses | 3,175,066 | 2,500,980 | 7,652,344 | 7,318,579 | - | - | 6,134,621 | 5,604,750 | 16,962,031 | 15,424,309 |
| | 18,308,304 | 15,219,295 | 69,210,251 | 60,404,451 | 410,000 | 680,000 | 41,843,320 | 33,801,539 | 129,771,875 | 110,105,285 |
| Number of persons | 1 | 1 | 3 | 3 | 8 | 8 | 8 | 7 | 20 | 19 |

39.1 An "executive" is defined as an employee, other than the Chief Executive and directors, whose basic salary exceeds twelve hundred thousand rupees in a financial year.

39.2 The Company provides the Chief Executive Officer and executive directors with Company maintained vehicles, utilities expenses, reimbursable club expenses, and servant salaries, while the executives are provided with Company maintained vehicles and telephone expenses.

## 40. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated companies, related group companies, retirement benefits fund, directors and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company. The Company in the normal course of business carries out transactions with various related parties. Details of significant transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

### Transactions during the year

| Related party | Relationship | Nature of transaction | 2025 Rupees | 2024 Rupees |
|---|---|---|---|---|
| EMCO Industries Limited Provident Fund | Associated company | Principal repaid | 9,178,701 | 20,000,000 |
| The Imperial Electric Company (Private) Limited | Associated undertaking | Short term borrowings received | 132,000,000 | 214,500,000 |
| | | Short term borrowings repaid | 132,000,000 | 214,500,000 |
| | | Re-assessment of lease | 72,978 | - |
| | | Payment of lease liabilities | 4,294,764 | 4,652,660 |
| | | Interest on lease liability | 1,013,894 | 1,657,536 |
| | | Markup accrued on short term borrowings | 2,257,099 | - |
| | | Markup paid on short term borrowings | 1,349,427 | 196,165 |
| | | Other expense | 5,247,837 | 4,440,016 |
| | | Payment for other expense | 4,947,361 | 720,229 |
| ICC (Private) Limited | Associated company | Short term borrowings repaid | 19,000,000 | 43,050,000 |
| | | Short term borrowings received | 5,000,000 | - |
| | | Markup accrued on short term borrowings | 1,929,635 | 11,744,557 |
| | | Markup paid on short term borrowings | 3,221,539 | 27,636,449 |
| | | Payments made on behalf of the Company | 1,534,532 | 1,074,408 |
| | | Payments received from the company | 1,214,806 | 1,339,181 |
| Directors and close afamily members | Associated company | Short term borrowings obtained | 320,767,577 | 388,665,391 |
| | | Short term borrowings repaid | 251,078,391 | 388,665,391 |
| | | Markup accrued on short term borrowings | 10,389,914 | 8,872,812 |
| | | Markup paid on short term borrowings | 12,025,232 | 4,862,505 |
| EBR Energy Pakistan (Private) Limited | Associated persons | Short Term Borrowing Received | 55,000,000 | - |
| | | Short Term Borrowing Repaid | 55,000,000 | - |
| | | Markup on short term borrowing | 35,744 | - |
| | | Markup paid on short term borrowing | 35,744 | - |
| Khairun Nisa Hospital Foundation | | Charity paid | - | 2,500,000 |
| Tehzibul Akhlaq Trust | | Charity paid | - | 500,000 |
| Executives / Key management personnel | | Short term loan received back during the year | 220,000 | 120,000 |
| | | Amount received against car leased | 176,287 | 8,827,431 |

40.1 One of the directors has arranged personal finance line of Rs. 110 million from a bank for the purpose of extending short term borrowings to the Company. During the year ended June 30, 2025, the Company obtained short term borrowings from the director through his aforesaid personal finance line. The borrowed amounts were repaid and then borowed again multiple times during the year, by rotating the said finance line. The maxium amount outstanding towards the said director during the year ended June 30, 2025 was Rs. 110 million. This facility is included in short term borrowings (Note 15.3) as at the reporting date and at any point of time during the year.

| Outstanding Balance as at the year end | | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Associated Engineers (Private) Limited | Sponsor loan - interest free | 27,335,446 | 27,335,446 |
| | Mark-up on long term financing | 6,391,541 | 6,391,541 |
| EMCO Industries Limited Provident Fund | Long term financing | 7,951,117 | 17,129,818 |
| The Imperial Electric Company (Private) Limited | Short term borrowing - interest free | 2,615,692 | 2,615,692 |
| | Markup payable on long and short term financing | 3,250,998 | 2,343,326 |
| | Payable against rent | 3,936,872 | 7,144,764 |
| | Other payable | 4,479,799 | 4,179,323 |
| ICC (Private) Limited | Short term borrowing - interest free | 6,700,000 | 20,699,999 |
| | Markup payable on borrowing | 483,617 | 1,775,521 |
| | Advance given | - | 319,726 |
| Directors and close family members | Sponsors' loan | 115,708,828 | 115,708,828 |
| | Short term borrowing | 106,728,453 | 37,039,268 |
| | Markup on short term borrowing | 2,374,989 | 4,010,307 |
| Executives / Key management personnel | Long term loan receivable | - | 220,000 |
| | Other payable | 12,851,718 | 12,675,431 |

## 41 FINANCIAL RISK MANAGEMENT

### 41.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

(a) Market risk

(i) Currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. This exists due to the Company's exposure resulting from outstanding import and foreign currency payments as under.

| | 2025 Rupees | 2024 Rupees |
|---|---|---|
| Cash and bank balances | 7,476,884 | 4,507,870 |
| Trade debts | 123,721,203 | 43,805,293 |
| | 131,198,087 | 48,313,163 |
| The following exchange rates were applied during the year: | | |
| Average rate (Rs. per USD) | 281.05 | 283.12 |
| Reporting date rate (Rs. per USD) | 283.76 | 278.34 |

As at June 30, 2025, if Pakistani Rupee had weakened / strengthen by 1% against the US dollars with all other variables held constant, pre-tax profit for the year would have been lower / higher by Rs. 1.138 million (2024: Rs. 0.48 million), mainly as a result of foreign exchange losses / gains on translation of US dollar-denominated financial assets and liabilities.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from short and long-term borrowings. These are benchmarked to variable rates which expose the Company to cash flow interest rate risk.

The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

| | 2025<br>Rupees | 2024<br>Rupees |
|---|---|---|
| Fixed rate instruments | | |
| Financial liabilities | - | - |
| Floating rate instruments | | |
| Financial liabilities | | |
| Lease liabilities | 3,936,872 | 7,144,764 |
| Long term financing | 636,491,485 | 708,934,037 |
| Short term borrowings | 1,157,153,690 | 1,015,310,942 |
| Financial assets | | |
| Saving bank accounts | 11,140,235 | - |

Cash flow sensitivity analysis for variable rate instruments.

As at June 30, 2025, if interest rates on the Company's borrowings had been 1% higher / lower with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 17.86 million (2024: Rs. 17.24 million), mainly as a result of interest exposure on variable rate borrowings.

(iii) Other price risk

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

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The utilization of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings, if any. As at June 30, 2025, the maximum exposure to credit risk is equal to the carrying amount of the financial assets as detailed below:

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Long term loans | 22 | 1,449,675 | 1,784,335 |
| Long term deposits | | 5,096,916 | 4,091,616 |
| Trade receivables | 25 | 623,183,002 | 1,302,080,427 |
| Security deposits | 26 | 3,531,466 | 6,367,298 |
| Margins held by banks | 26 | 8,929,678 | 13,452,366 |
| Claims receivable | 26 | 78,441 | 2,169,975 |
| Bank balances | 27 | 43,198,115 | 8,923,214 |
| The aging of trade receivables as at the reporting date is as follows: | | | |
| Past due 1 - 90 days | | 475,906,374 | 1,148,033,555 |
| Past due 91 - 180 days | | 91,374,521 | 88,117,678 |
| Past due 181 - 365 days | | 20,658,141 | 17,499,958 |
| More than 365 days | | 35,243,966 | 48,429,236 |
| | | 623,183,002 | 1,302,080,427 |

Customer credit risk is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. The Company believes that it is not exposed to major concentration of credit risk as its exposure is spread over a large number of counter parties.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company does not hold collateral as security. The letters of credit are considered integral part of foreign trade receivables and considered in the calculation of impairment.

The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and operate in largely independent markets. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings and DISCOs.

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

| | Rating | | Rating Agency | 2025 | 2024 |
|---|---|---|---|---|---|
| | Short term | Long term | | Rupees | Rupees |
| Allied Bank Limited | A-1+ | AAA | PACRA | 82,684 | 56,496 |
| Askari Bank Limited | A-1+ | AA+ | PACRA | 1,839,665 | 1,887,767 |
| Bank Alfalah Limited | A-1+ | AAA | PACRA | 45,818 | 10,776 |
| The Bank of Punjab | A-1+ | AA+ | PACRA | 624,675 | 166,688 |
| Faysal Bank Limited | A-1+ | AA | PACRA / VIS | 11,300,718 | 400,470 |
| Habib Bank Limited | A-1+ | AAA | VIS | 16,619,567 | 5,057,100 |
| MCB Bank Limited | A-1+ | AAA | PACRA | 17,536 | 21,716 |
| National Bank of Pakistan | A-1+ | AAA | PACRA / VIS | 86,424 | 60,126 |
| Habib Metropolitan Bank | A-1+ | AA+ | PACRA | 26,256 | 54,141 |
| The Bank of Khyber | A-1 | A+ | PACRA / VIS | 130,894 | 91,830 |
| Soneri Bank Limited | A-1+ | AA- | PACRA | 4,124 | 71,545 |
| United Bank Limited | A-1+ | AAA | VIS | 5,853,016 | 1,044,559 |
| AL Baraka Bank (Pakistan) Limited | A-1 | AA- | VIS | 6,566,738 | - |
| | | | | 43,198,115 | 8,923,214 |

(c) Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and maintaining debt financing plans. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

| Description | Carrying Amount Rupees | Contractual cash flows Rupees | Within 1 year Rupees | 1-2 Years Rupees | 2-5 Years Rupees | Above 5 Years Rupees |
|---|---|---|---|---|---|---|
| Contractual maturities of financial liabilities as at June 30, 2025: | | | | | | |
| Long term financing | 636,491,485 | 765,406,961 | 231,936,607 | 213,976,701 | 319,493,653 | - |
| Creditors and accrued liabilities | 391,454,475 | 391,454,475 | 391,454,475 | - | - | - |
| Accrued finance cost | 55,041,582 | 55,041,582 | 55,041,582 | - | - | - |
| Lease liabilities | 3,936,872 | 4,950,766 | 4,950,766 | - | - | - |
| Short term borrowings | 1,196,499,836 | 1,353,839,564 | 1,353,839,564 | - | - | - |
| | 2,283,424,250 | 2,570,693,348 | 2,037,222,994 | 213,976,701 | 319,493,653 | - |

| Description | Carrying Amount Rupees | Contractual cash flows Rupees | Within 1 year Rupees | 1-2 Years Rupees | 2-5 Years Rupees | Above 5 Years Rupees |
|---|---|---|---|---|---|---|
| Contractual maturities of financial liabilities as at June 30, 2024: | | | | | | |
| Long term financing | 708,934,037 | 865,679,353 | 193,391,797 | 202,962,085 | 469,325,471 | - |
| Creditors and accrued liabilities | 387,025,983 | 387,025,983 | 387,025,983 | - | - | - |
| Accrued finance cost | 90,446,234 | 90,446,234 | 90,446,234 | - | - | - |
| Lease liabilities | 7,144,764 | 8,589,530 | 5,371,502 | 3,586,056 | - | - |
| Short term borrowings | 1,054,965,902 | 1,241,116,096 | 1,241,116,096 | - | - | - |
| | 2,248,516,920 | 2,592,857,196 | 1,917,351,612 | 206,548,141 | 469,325,471 | - |

(d) Fair value of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. Fair value is determined on the basis of objective evidence at each reporting date. The management assessed that the fair values of financial assets and financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

41.2 Financial instruments by categories

| | At fair value through profit or loss Rupees | At amortized cost Rupees | At fair value through other comprehensive income Rupees | Total Rupees |
|---|---|---|---|---|
| Financial assets as at June 30, 2025 | | | | |
| Long term loans | - | 1,449,675 | - | 1,449,675 |
| Long term deposits | - | 5,096,916 | - | 5,096,916 |
| Trade receivables | - | 623,183,002 | - | 623,183,002 |
| Security deposits | - | 3,531,466 | - | 3,531,466 |
| Margins held by banks | - | 8,929,678 | - | 8,929,678 |
| Claims receivable | - | 78,441 | - | 78,441 |
| Cash and bank balances | - | 43,991,884 | - | 43,991,884 |
| | - | 686,261,062 | - | 686,261,062 |
| Financial assets as at June 30, 2024 | | | | |
| Long term loans | - | 1,784,335 | - | 1,784,335 |
| Long term deposits | - | 4,091,616 | - | 4,091,616 |
| Trade receivables | - | 1,302,080,427 | - | 1,302,080,427 |
| Security deposits | - | 6,367,298 | - | 6,367,298 |
| Margins held by banks | - | 13,452,366 | - | 13,452,366 |
| Claims receivable | - | 2,169,975 | - | 2,169,975 |
| Cash and bank balances | - | 10,079,931 | - | 10,079,931 |
| | - | 1,340,025,948 | - | 1,340,025,948 |

| | 2025 Rupees | 2024 Rupees |
|---|---|---|
| Financial liabilities at amortized cost | | |
| Long term financing | 636,491,485 | 708,934,037 |
| Creditors and accrued liabilities | 391,454,475 | 387,025,983 |
| Accrued finance cost | 55,041,582 | 90,446,234 |
| Lease liabilities | 3,936,872 | 7,144,764 |
| Short term borrowings | 1,196,499,836 | 1,054,965,902 |
| | 2,283,424,250 | 2,248,516,920 |

## 42 SHARIAH SCREENING DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|---|---|
| Loans / advances obtained as per Islamic mode | 9.6 | 333,697,398 | 65,124,486 |
| Shariah compliant bank deposits / bank balances | 27.1 | 17,998,350 | 400,470 |
| Profit earned from shariah compliant bank deposits / bank balances | | - | - |
| Revenue earned from a shariah compliant business segment | 28 | 3,607,041,808 | 4,192,404,621 |
| Gain / loss or dividend earned from shariah compliant investments | | - | - |
| Shariah compliant exchange gain earned | | - | - |
| Mark up paid on Islamic mode of financing | 34 | 25,949,129 | 17,256,435 |
| Profits earned on any conventional loan or advance | 26.2 | 324,201 | 226,136 |
| Interest paid on any conventional loan or advance | | 333,934,376 | 371,143,337 |
| Relationship with shariah compliant financial institute: | | | |
| - Long Term Financing - Diminishing musharakah financing arrangement | 9.6 | First Habib Modaraba<br>Albaraka Bank Pakistan Limited<br>The Bank of Khyber | |
| - Short term Financing - Istisna and murabahah financing arrangement | | | |
| - Cash and Bank Balances - deposits with banks | 27.1 | Faysal Bank Limited<br>Albaraka Bank Pakistan Limited<br>The Bank of Khyber | Faysal Bank Limited |

## 43 CAPITAL RISK MANAGEMENT

While managing capital, the objectives of the Company are to ensure that it continues to meet the going concern assumption, enhances shareholders' wealth and meets stakeholders' expectations. The Company ensures its sustainable growth viz. maintaining optimal capital structure, keeping its finance cost low, exercising the option of issuing right shares or repurchasing shares, if possible, selling surplus property, plant and equipment without affecting the optimal operating level and regulating its dividend payout thus maintaining smooth capital management.

In line with the industry norms, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including current and non current) less cash and cash equivalents. Total capital employed is calculated as equity, as shown in the statement of financial position, plus net debt.

As at the reporting date, the gearing ratio of the Company was worked out as under:

| | 2025 Rupees | 2024 Rupees |
|---|---|---|
| Borrowings | 1,834,144,607 | 1,765,861,012 |
| Cash and bank balances | (43,991,884) | (10,079,931) |
| | 1,790,152,723 | 1,755,781,081 |
| Equity | 3,361,411,217 | 2,946,131,565 |
| Total capital employed | 5,151,563,940 | 4,701,912,646 |
| Gearing ratio | 34.75% | 37.34% |

## 44. PLANT CAPACITY AND PRODUCTION

| | Capacity | | Total Production | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Insulators - tons | 6,500 | 6,500 | 3,224 | 3,300 |

44.1 The total capacity represents the rated capacity of plant. Actual production depends on various factors like product mix and product type demanded.

## 45 PROVIDENT FUND RELATED DISCLOSURES

The Company operated a recognized provident fund for all its permanent workers that was discontinued effective from March 06, 2018 pursuant to a rescheduling agreement between the Company and the Trustees of the fund as detailed in note 9.7. Owing to its working capital needs, the Company has utilized funds of the Provident Fund (the Fund).

## 46 NUMBER OF EMPLOYEES

| | 2025 Number | 2024 Number |
|---|---|---|
| Number of employees as at June 30, | 425 | 463 |
| Average number of employees during the year | 444 | 446 |

## 47 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were approved and authorized by the Board of Directors of the Company for issuance on September 18, 2025.

## 48 GENERAL

Comparative figures are re-arranged / reclassified, wherever necessary, to facilitate comparison. No such reclassifications / rearrangements have been made in these financial statements during the year.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

# PATTERN OF SHARE HOLDING
## AS ON JUNE 30, 2025

| No. of Shareholders | Shareholding From | Shareholding To | Total Shares Held |
|---|---|---|---|
| 211 | 1 | 100 | 4,471 |
| 287 | 101 | 500 | 69,511 |
| 59 | 501 | 1,000 | 48,555 |
| 112 | 1,001 | 5,000 | 274,353 |
| 22 | 5,001 | 10,000 | 177,647 |
| 11 | 10,001 | 15,000 | 137,614 |
| 5 | 15,001 | 20,000 | 92,817 |
| 5 | 20,001 | 25,000 | 106,959 |
| 1 | 25,001 | 30,000 | 28,750 |
| 1 | 35,001 | 40,000 | 40,000 |
| 2 | 45,001 | 50,000 | 96,431 |
| 2 | 55,001 | 60,000 | 120,000 |
| 1 | 60,001 | 65,000 | 64,000 |
| 2 | 65,001 | 70,000 | 135,215 |
| 1 | 70,001 | 75,000 | 70,652 |
| 1 | 85,001 | 90,000 | 89,761 |
| 1 | 110,001 | 115,000 | 114,000 |
| 1 | 125,001 | 130,000 | 125,811 |
| 1 | 130,001 | 135,000 | 132,582 |
| 2 | 140,001 | 145,000 | 285,278 |
| 1 | 170,001 | 175,000 | 174,000 |
| 1 | 175,001 | 180,000 | 177,125 |
| 1 | 190,001 | 195,000 | 190,002 |
| 2 | 235,001 | 240,000 | 477,664 |
| 1 | 275,001 | 280,000 | 276,902 |
| 1 | 360,001 | 365,000 | 364,528 |
| 1 | 395,001 | 400,000 | 399,668 |
| 1 | 435,001 | 440,000 | 436,046 |
| 1 | 530,001 | 535,000 | 532,618 |
| 2 | 590,001 | 595,000 | 1,184,915 |
| 1 | 595,001 | 600,000 | 600,000 |
| 2 | 615,001 | 620,000 | 1,234,730 |
| 1 | 635,001 | 640,000 | 637,654 |
| 1 | 660,001 | 665,000 | 660,492 |
| 1 | 715,001 | 720,000 | 718,923 |
| 2 | 755,001 | 760,000 | 1,513,422 |
| 1 | 760,001 | 765,000 | 763,954 |
| 1 | 790,001 | 795,000 | 791,641 |
| 1 | 1,195,001 | 1,200,000 | 1,200,000 |
| 1 | 1,225,001 | 1,230,000 | 1,227,830 |
| 2 | 1,785,001 | 1,790,000 | 3,574,772 |
| 1 | 1,815,001 | 1,820,000 | 1,819,810 |
| 1 | 1,850,001 | 1,855,000 | 1,853,005 |
| 1 | 1,995,001 | 2,000,000 | 2,000,000 |
| 1 | 2,010,001 | 2,015,000 | 2,010,575 |
| 1 | 2,370,001 | 2,375,000 | 2,375,000 |
| 1 | 2,655,001 | 2,660,000 | 2,658,133 |
| 1 | 2,930,001 | 2,935,000 | 2,932,184 |
| 761 | | | 35,000,000 |

| 2.3 Categories of Shareholders | Shares Held | Percentage |
|---|---|---|
| 2.3.1 Directors, Chief Executive Officer, and their spouse and minor children | 10,378,029 | 29.6515% |
| 2.3.2 Associated Companies, undertakings and related parties. (Parent Company) | 5,250,257 | 15.0007% |
| 2.3.3 NIT and ICP | 1,057 | 0.0030% |
| 2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions. | 20,921 | 0.0598% |
| 2.3.5 Insurance Companies | 12,550 | 0.0359% |
| 2.3.6 Modarabas and Mutual Funds | 8,883 | 0.0254% |
| 2.3.7 Shareholders holding 10% or more | 0 | 0.0000% |
| 2.3.8 General Public | | |
| a. Local | 19,089,731 | 54.5421% |
| b. Foreign | 3,065 | 0.0088% |
| 2.3.9 Others (to be specified) | | |
| 1- Joint Stock Companies | 85,066 | 0.2430% |
| 2- Pension Funds | 148,019 | 0.4229% |
| 3- Others | 2,422 | 0.0069% |

# PATTERN OF SHARE HOLDING
## AS ON JUNE 30, 2025

| SR. # | NAME | No. of Shares Held | Percentage |
|---|---|---|---|
| **Associated Companies, Undertakings and Related Parties (Name Wise Detail):** | | | |
| 1 | ASSOCIATED ENGINEERS (PRIVATE) LIMITED (CDC) | 2,010,575 | 5.7445 |
| 2 | ICC (PVT) LIMITED (CDC) | 2,658,133 | 7.5947 |
| 3 | THE IMPERIAL ELECTRIC CO PVT LTD (CDC) | 581,549 | 1.6616 |
| **Mutual Funds (Name Wise Detail)** | | | |
| 1 | CDC - TRUSTEE NBP ISLAMIC STOCK FUND (CDC) | 8,883 | 0.0254 |
| **Directors and their Spouse and Minor Children (Name Wise Detail):** | | | |
| 1 | MR. TARIQ REHMAN - (CDC) | 132,582 | 0.3788 |
| 2 | OSMAN HAMEED CHAUDHARY (CDC) | 1,167 | 0.0033 |
| 3 | MR. SALEM REHMAN (CDC) | 1,200,000 | 3.4286 |
| 4 | MR. PERVAIZ SHAFIQ SIDDIQI (CDC) | 1,930,025 | 5.5144 |
| 5 | MR. JAVAID SHAFIQ SIDDIQI (CDC) | 1,930,025 | 5.5144 |
| 6 | MR. USMAN HAQ (CDC) | 1,819,810 | 5.1995 |
| 7 | MR. AHSAN SUHAIL MANNAN (CDC) | 2,932,184 | 8.3777 |
| 8 | MR. SALMAN JAVAID SIDDIQI (CDC) | 500 | 0.0014 |
| 9 | MR. UMAIR NOORANI (CDC) | 20,500 | 0.0586 |
| 10 | CH. IMRAN ALI | 500 | 0.0014 |
| 11 | SYED MUHAMMAD MOHSIN | 500 | 0.0014 |
| 12 | MRS. AYESHA MUSSADAQUE HAMID | 500 | 0.0014 |
| 13 | MRS. SHAHIMA REHMAN W/O TARIQ REHMAN (CDC) | 399,668 | 1.1419 |
| 14 | MRS. FAUZIA JAVAID SIDDIQI W/O JAVAID S. SIDDIQI (CDC) | 10,068 | 0.0288 |
| Public Sector Companies & Corporations: | | - | - |
| Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds: | | 181,490 | 0.5185 |
| **Shareholders holding five percent or more voting intrest in the listed company (Name Wise Detail)** | | | |
| 1 | ICC (PVT) LIMITED (CDC) | 2,658,133 | 7.5947 |
| 2 | MR. AHSAN SUHAIL MANNAN (CDC) | 2,932,184 | 8.3777 |
| 3 | MR. PERVAIZ SHAFIQ SIDDIQI (CDC) | 1,930,025 | 5.5144 |
| 4 | MR. JAVAID SHAFIQ SIDDIQI (CDC) | 1,930,025 | 5.5144 |
| 5 | AMINA WADALAWALA (CDC) | 2,375,000 | 6.7857 |
| 6 | ASSOCIATED ENGINEERS (PRIVATE) LIMITED (CDC) | 2,010,575 | 5.7445 |
| 7 | MR. MUHAMMAD ZULQARNAIN MAHMOOD KHAN (CDC) | 2,000,000 | 5.7143 |
| 8 | MRS. AYESHA NOORANI (CDC) | 1,853,005 | 5.2943 |
| 9 | MR. USMAN HAQ (CDC) | 1,819,810 | 5.1995 |

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

| S.No | NAME | SALE | PURCHASE |
|---|---|---|---|
| | | Nill | Nill |

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# FORM OF PROXY

I/We . . . . . .

of . . . . . being member of EMCO Industries Limited

and holder Of . . . . . Ordinary shares as per share Register Folio No. . . . . .

and/or CDC Participant I.D.No. . . . . and Sub Account No. . . . . .

hereby appoint . . . . . .

of . . . . . .

or failing him / her . . . . . .

of . . . . . .

as my/our proxy to vote for me/us and my/our behalf at the 70th Annual General Meeting of the Company to be held at ICC House, 2-Chamba House Lane, Golf Road, GOR-1, Lahore on 14th October 2025, at 11:30 A.M., and at any adjournment thereof.

Signed this..... day of .....

.....
Signature on Revenue Stamp
(Signature should agree with the specimen
Signature registered with the Company)

WITNESS 1:

Signature ----------

Name ----------

Address ----------

CNIC #: ----------

Passport #:----------

WITNESS 2:

Signature ----------

Name ----------

Address ----------

CNIC #: ----------

Passport #:----------

Note:

1. Proxies, in order to be effective must be received by the Company Emco Industries Limited at its Registered Office Address; 4th Floor, National Tower, 28-Egerton Road, Lahore, not less than 48 (Forty Eight) hours before the meeting, duly completed in all respects.

2. CDC shareholders and their Proxies are requested to attach an attested photocopy of their National Identity Card or Passport with the proxy form before submission to the Company.

# ایمکو انڈسٹریز لمیٹیڈ۔

## پراکسی(proxy)فارم

میں/ہم۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔ بابت۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

بحیثیت ایمکو انڈسٹریز لمیٹڈ حصص دار اور حامل۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔شیئر (شیئرز) بمطابق شیئر رجسٹرڈ فولیو نمبر۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

اور CDC پارٹیسپنٹ (شرکت) آئی ڈی نمبر۔۔۔۔۔۔۔۔۔۔۔۔۔۔اور سب اکاؤنٹ نمبر۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

محترم/محترمہ۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔کو میری/ہماری اور اپنی طرف سے مورخہ 14 اکتوبر 2025 کو بوقت 11:30 بجے صبح بمقام آئی سی سی ہاؤس، 2۔ چمبہ ہاؤس لین، گولف روڈ، جی او آر-I، لاہور میں منعقد ہونے والے کمپنی کے 70 ویں عام سالانہ اجلاس اور اس سلسلے میں کسی بھی التوا پر ووٹ دینے کے لیے اپنے/ہمارے پراکسی کے طور پر مقرر کرتا/ کرتے ہوں/ہیں۔

آج بروز۔۔۔۔۔۔۔۔۔۔۔۔۔۔تاریخ۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔کو دستخط کئے گئے۔

دستخط ممبر

(دستخط کمپنی کے پاس رجسٹرڈ دستخط نمونہ کے مطابق ہونے چاہئیں)

گواہ نمبر 1:

دستخط:۔۔۔۔۔۔۔۔۔۔۔۔۔۔

نام:۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

پتہ:۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:

گواہ نمبر 2:

دستخط:۔۔۔۔۔۔۔۔۔۔۔۔۔۔

نام:۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

پتہ:۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:

نوٹ:

1- پراکسیز موثر ہونے کے لیے کمپنی ایمکو انڈسٹریز لمیٹڈ کو اس کے رجسٹرڈ ہیڈ آفس بمقام چوتھی منزل، نیشنل ٹاور، 28۔ ایجرٹن روڈ، لاہور میں اجلاس شروع ہونے سے کم از کم 48 گھنٹے پہلے ہر لحاظ سے پوری طرح مکمل موصول ہونا ضروری ہے۔

2- سی ڈی سی شیئرز ہولڈر اور ان کے پراکسیز سے درخواست ہے کہ وہ اپنے قومی شناختی کارڈ یا پاسپورٹ کی ایک فوٹو کاپی کمپنی کو جمع کروانے سے پہلے پراکسی فارم کے ساتھ منسلک کریں۔

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# EMCO INDUSTRIES LIMITED

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