



ZEPHYR
TEXTILES LIMITED

Zephyr Textiles Limited

**Accounts for the Nine Months Ended
March 31, 2025**

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Company Information

BOARD OF DIRECTORS:

Mr. Mussaid Hanif	CEO
Mr. Arbab Muhammad Khan	
Mr. Sheikh Muhammad Iqbal	
Ms. Tehniyat Mussaid	Chairperson
Ms. Sabah Burhan	
Ms. Sarah Naviwala	
Ms. Ayesha Naweed	

AUDIT COMMITTEE:

Ms. Ayesha Naweed	Chairperson/Member
Ms. Sarah Naviwala	Member
Ms. Tehniyat Mussaid	Member

HR & REMUNERATION COMMITTEE:

Ms. Ayesha Naweed	Chairperson/Member
Mr. Arbab Muhammad Khan	Member
Ms. Sabah Burhan	Member

CHIEF FINANCIAL OFFICER:

Mr. Naveed Aleem

COMPANY SECRETARY:

Mr. Abdul Jabbar

AUDITORS:

BDO Ebrahim & Co. Chartered Accountants

LEGAL ADVISOR:

Ahmad Law Firm
Advocate High Court
Suit No. 7, Block No. 9, Shabbir Town,
Executive Suits, 2.5 Km Raiwind Road,
Lahore-54000, Pakistan

BANKERS TO THE COMPANY:

Habib Bank Limited	National Bank of Pakistan
United Bank Limited	The Bank of Punjab
Habib Metropolitan Bank Limited	Meezan Bank Limited
Bank Al Habib Limited	Askari Bank Limited

MILLS:

1 km, Balloki Bhai Pheru Road Bhai Pheru. Phone : 0494 - 512007-9, 513103-5 Fax : 0494 - 512011	(Weaving unit & Power plant)
63 km, Gulshan Adda, Jumber Khurd, District Kasur.	(Towel Unit)

REGISTERED & HEAD OFFICE:

3rd Floor, IEP Building,
97 B/D-I, Gulberg III, Lahore
E-mail: info@zephyr.com.pk
Website: www.zephyrtextiles.com
Phone : 042 35782905 - 15
Fax : 042 35753202

Note: Zephyr's Company Information & Financial Statements are also available at the above website.

Directors' Report

Operating financial results

The Directors of Zephyr Textiles Limited take pleasure in presenting un-audited interim financial statements for the nine months ended March 31, 2025.

The Company earned a gross profit of PKR 605.641 million on sales of PKR 6,452,772 million as compared to gross profit of PKR 832.516 million on sales of PKR 5,992.082 million for the corresponding period last year. During the period under review, the Company earned a net profit of PKR 10.472 million as compared to PKR 275.015 million in corresponding period. Gross margin decreases by 27.25% due to high cost of production.

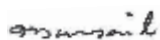
Description	March 31, 2025 Rupees	March 31, 2024 Rupees	Increase/ (Decrease) %
Sales - net	6,452,771,974	5,992,081,861	7.69
Gross Profit	605,640,946	832,516,104	(27.25)
Operating Profit for the period	247,285,074	558,460,612	(55.72)
Financial charges	212,287,569	218,705,742	(2.93)
Profit for the period before taxation	34,997,505	339,754,870	(89.70)
Taxation current	24,525,043	64,739,653	(62.12)
Profit for the period after taxation	10,472,462	275,015,217	(96.19)
Earning Per Share	0.18	4.63	(96.11)

Pakistan's textile industry is going through highly competitive and tough conditions due to different factors like political instability, poor and IMF dependent economy, scarce natural resources like natural gas and hydel electricity and hyper-inflation. All these factors made business environment very challenging and competitive. Gas, electricity and wage rates are very high as compared to regional competitors like Bangladesh, India and Vietnam. Further, unwarranted delays in sales tax refunds and increase in advance tax for exporters have deteriorated cash flows of the industry. No option available for the industry rather to get short term financing to bridge this cash shortfall which increased the finance cost for the period.

Recovery in third quarter of 2024-25, despite a slow global economy, was driven by inflation control and easing of monetary policy. The Govt. has reduced electricity rates for both industry and domestic consumption. Policy rate is also going down gradually. This will improve profitability in future as well. The Company is focused on controlling costs by achieving high production capacity, managing expenses and optimized working capital. Fuel and power consumption has been switched to cost effective sources like rice husk and green energy from solar. The newly knit and garments units aim to support Company's continuous growth in value addition sector.

At the end, the directors extend their gratitude to the employees of the company for their teamwork, commitment, integrity and professionalism.

For and on behalf of the Board of Directors



Mussaid Hanif
 Chief Executive
 Lahore
 April 30, 2025

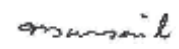


Arbab Muhammad Khan
 Director

**Condensed Interim Statement Of Financial Position (Unaudited)
 as at March 31, 2025**

	Notes	Unaudited March 31, 2025 (Rupees)	Audited June 30, 2024 (Rupees)
EQUITY AND LIABILITIES			
SHARE CAPITAL & RESERVES			
Authorized share capital		625,000,000	625,000,000
Issued, subscribed and paid-up share capital		594,287,290	594,287,290
Unappropriated profit		1,540,287,688	1,493,865,963
Surplus on revaluation of property, plant & equipment		450,806,185	486,755,448
		2,585,381,163	2,574,908,701
NON CURRENT LIABILITIES			
Long term loans		47,177,762	54,489,583
Lease liabilities		-	-
Deferred liabilities		172,058,029	213,791,826
Deferred grant		1,617,919	2,063,301
		220,853,710	270,344,710
CURRENT LIABILITIES			
Creditors, accrued and other liabilities		1,859,122,866	1,412,617,994
Contract liabilities		16,525,449	9,964,970
Mark-up accrued		28,434,685	27,384,882
Short term borrowings		1,537,996,000	1,371,160,751
Unclaimed dividend		829,907	829,907
Current portion of deferred grand		890,764	890,764
Current portion of lease liability		3,888,904	21,388,900
Current portion of long term financing		10,621,680	10,621,680
		3,458,310,255	2,854,859,848
CONTIGENCIES AND COMMITMENTS	5	-	-
		6,264,545,128	5,700,113,259
ASSETS			
NON CURRENT ASSETS			
Property plant and equipment			
Operating fixed assets	6	2,848,719,169	2,674,565,278
Right of use assets		87,067,538	94,484,672
Capital work in progress	7	-	55,238,714
		2,935,786,707	2,824,288,664
Intangible assets		601,921	1,508,050
Long term advances and deposits		25,474,124	25,325,624
		2,961,862,752	2,851,122,338
CURRENT ASSETS			
Stores, spares and loose tools		271,759,110	222,237,433
Stock in trade		1,604,362,808	1,539,271,888
Loans and advances		28,146,103	139,590,974
Trade debts		804,610,470	557,808,008
Trade deposits, prepayments		12,401,887	12,927,175
Tax refunds due from Government		385,398,573	169,817,820
Other receivables		128,061,655	100,734,730
Short term investment		6,729,364	48,802,438
Cash and bank balances		61,212,406	57,800,455
		3,302,682,376	2,848,990,921
		6,264,545,128	5,700,113,259

The annexed notes 1 to 9 form an integral part of these condensed interim financial statements.


 CHIEF EXECUTIVE

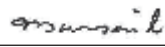

 DIRECTOR


 CHIEF FINANCIAL OFFICER

**Condensed Interim Statement of Comprehensive Income
For the nine months ended March 31, 2025**

	Un-audited For Nine Months Ended March 31,		Un-audited For Quarter Ended March 31,	
	2025	2024	2025	2024
	(Rupees)		(Rupees)	
SALES	6,452,771,974	5,992,081,861	2,513,971,757	2,016,363,436
COST OF SALES	(5,847,131,028)	(5,159,565,757)	(2,277,635,568)	(1,769,709,700)
GROSS PROFIT	605,640,946	832,516,104	236,336,189	246,653,736
Distribution costs	(298,842,304)	(358,693,642)	(127,435,827)	(148,168,811)
Administrative	(103,297,083)	(102,402,458)	(31,295,233)	(34,122,859)
Other operating expenses	(29,048,793)	(70,631,570)	(14,476,211)	(49,192,272)
Other income	72,832,308	257,672,178	27,644,310	81,547,126
	(358,355,872)	(274,055,492)	(145,562,961)	(149,936,816)
OPERATING PROFIT	247,285,074	558,460,612	90,773,228	96,716,920
Finance costs	(212,287,569)	(218,705,742)	(50,964,187)	(71,293,176)
PROFIT BEFORE TAXATION AND LEVY	34,997,505	339,754,870	39,809,041	25,423,744
Levy	(36,434,256)	(33,350,671)	(1,994,533)	145,946
PROFIT/(LOSS) AFTER INCOME TAX	(1,436,751)	306,404,199	37,814,508	25,569,690
Taxation	11,909,213	(31,388,982)	(26,645,402)	(20,603,387)
PROFIT AFTER TAXATION	10,472,462	275,015,217	11,169,106	4,966,303
OTHER COMPREHENSIVE INCOME				
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE INCOME	10,472,462	275,015,217	11,169,106	4,966,303
EARNING PER SHARE-BASIC & DILUTED	0.18	4.63	0.19	0.08

The annexed notes 1 to 9 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

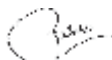
Cash Flow Statement
For the nine months ended March 31, 2025

	For the Nine Months Ended	
	March 31,	
	2025	2024
	(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period before taxation	34,997,505	339,754,870
Adjustments for:		
Depreciation on property, plant and equipment	166,779,374	149,396,647
Amortization	906,129	906,138
(Gain)/Loss on sale of PPE	3,025,860	(143,463,777)
(Gain) on re-measurement of short term investments	(708,878)	(1,024,293)
Dividend Income	(17,097)	(19,226,714)
Capital gain from Investment	(412,087)	(596,220)
Allowance for ECL	10,845,823	21,579,436
Provision for staff gratuity	30,218,149	42,543,063
Financial charges	212,287,569	218,705,742
Net cash flow before working capital changes	422,924,842	268,820,022
(Increase)/Decrease in current assets		
Stores, spares and loose tools	(49,521,677)	36,419,473
Stock in trade	(65,090,920)	(324,147,919)
Trade debts	(251,004,682)	19,584,065
Loans and advances	111,444,871	493,842
Short Term Investments	42,073,074	(91,261,219)
Trade deposits and prepayments	525,288	(26,393,760)
Tax refunds due from the Government	(186,835,111)	249,067,569
Other receivables	(27,326,925)	(93,256,238)
	(425,736,082)	(229,494,187)
Increase/(Decrease) in current liabilities		
Trade and other payables	427,415,025	(80,902,575)
Contract liabilities	6,560,479	42,394,648
Unclaimed Dividend	-	-
	433,975,504	(38,507,927)
Cash flow from operations	466,161,769	340,572,778
Financial charges paid	(213,337,372)	(217,942,230)
Taxes paid	(96,960,611)	(68,983,456)
Gratuity paid	(15,401,537)	(89,398,391)
	(325,699,520)	(376,324,077)
Net cash flow from operating activities	(A) 140,462,249	(35,751,299)
CASH FLOW FROM INVESTING ACTIVITIES		
(Addition) / Deletion to operating fixed assets	(58,789,511)	(264,327,701)
(Addition) / Deletion to capital work in progress	(234,103,816)	13,419,969
Sale proceeds of fixed assets	13,654,000	207,996,961
Dividends received	17,097	19,226,714
Long term advances, deposits and deferred costs	148,500	324,517
Net cash flow from investing activities	(B) (279,073,730)	(23,359,540)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short term financing - Net	166,835,249	59,342,881
Repayment of Long term financing	(7,311,821)	(7,966,266)
Principal paid on lease liabilities	(17,499,996)	(17,500,193)
Dividend paid	-	-
Net cash flow from financing activities	(C) 142,023,432	33,876,422
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(A+B+C) 3,411,951	(25,234,417)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	57,800,455	156,348,976
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	61,212,406	131,114,559

The annexed notes 1 to 9 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Changes in Equity
For the nine months ended March 31, 2025

Description	Share Capital (Rupees)	Revaluation Surplus (Rupees)	Accumulated Profit (Rupees)	Total (Rupees)
Balance as at June 30, 2023	594,287,290	574,060,494	1,361,643,813	2,529,991,597
Total comprehensive income for the period	-	-	306,404,199	306,404,199
Reversal of surplus on disposal of PPE	-	(45,679,686)	-	-
Deferred tax due to rate change and disposal - Net	-	(5,314,449)	-	-
Current year incremental depreciation - net of tax	-	(32,027,074)	32,027,074	-
Balance as at March 31, 2024	594,287,290	491,039,285	1,700,075,086	2,836,395,796
Balance as at June 30, 2024	594,287,290	486,755,448	1,493,865,963	2,574,908,701
Total comprehensive income for the period	-	-	10,472,462	10,472,462
Reversal of surplus on disposal of PPE - Net	-	(3,134,885)	3,134,885	-
Current year incremental depreciation - net of tax	-	(32,814,378)	32,814,378	-
Balance as at March 31, 2025	594,287,290	450,806,185	1,540,287,688	2,585,381,163

The annexed notes 1 to 9 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

**Notes to the Condensed Interim Financial Statements
for the nine months ended March 31, 2025 (Un-Audited)**

- These accounts have been prepared in accordance with the requirements of International Accounting standard No. 34 "Interim Financial Reporting".
- The accounts are being submitted to shareholders as required by Section 237 of the Companies Act, 2017.
- The accounting policies adopted for the preparation of the accounts are the same as those applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2024.
- Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied to the annual financial statements for the year ended June 30, 2024.

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There has been no significant change in contingencies since the last reviewed financial statements.

5.2 Commitments

Commitments against irrevocable letters of credit for import of raw material as at March 31, 2025 amounting to Rs. 50.066 million (June 2024: Rs. 131.146 million)

	Un-Audited March 31, 2025 (Rupees)	Audited June 30, 2024 (Rupees)
6. PROPERTY, PLANT AND EQUIPMENT		
Opening book value	2,674,565,278	2,420,908,614
Additions during the period	348,132,042	555,322,410
Book value of deletions during the period	(14,615,908)	(111,400,387)
Depreciation charged during the period	(159,362,243)	(190,265,359)
Closing Book Value	2,848,719,169	2,674,565,278
6.1 Cost of Additions in Property, Plant and Equipment:		
Land - freehold	-	125,178,059
Building - on freehold land	20,834,702	11,659,827
Plant and machinery	317,242,591	369,782,961
Furniture and fixtures	1,020,589	649,600
Vehicles	5,415,930	40,472,795
Electric installations	2,072,980	2,655,600
Office equipments	1,545,250	4,923,568
	348,132,042	555,322,410
6.2 Cost of Deletions in Property, Plant and Equipment:		
Plant & machinery	17,038,676	114,798,998
Vehicles	3,301,420	3,192,680
	20,340,096	117,991,678
7. CAPITAL WORK IN PROGRESS		
Building - on freehold land	-	200,000
Plant & machinery	-	55,038,714
	-	55,238,714

8. DATE OF AUTHORIZATION

These accounts have been approved by the Board of Directors on April 30, 2025.

9. GENERAL

- Figures have been rounded off to the nearest rupee.
- Comparative figures have been rearranged/reclassified wherever necessary for the purpose of comparison.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ڈائریکٹرز کی رپورٹ

آپریٹنگ اور مالی نتائج

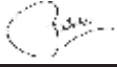
زائیفر ٹیکسٹائلز لمیٹڈ کے ڈائریکٹرز بخوشی 31 مارچ 2025 کو ختم ہونے والی نو ماہ کی غیر آڈٹ شدہ عبوری مالیاتی بیانات پیش کر رہے ہیں۔ کمپنی نے 6,452.772 ملین روپے کی فروخت پر 605.641 ملین روپے کا مجموعی منافع حاصل کیا ہے، جب کہ گزشتہ سال کے اسی عرصے میں 5,992.082 ملین روپے کی فروخت پر 832.516 ملین روپے کا مجموعی منافع حاصل کیا تھا۔ جائزہ مدت کے دوران، کمپنی نے 10.472 ملین روپے کا خالص منافع حاصل کیا ہے، جبکہ گزشتہ سال کے اسی عرصے میں یہ رقم 275.015 ملین روپے تھی۔ پیداواری لاگت زیادہ ہونے کی وجہ سے گراس مارجن 27.25% کم ہوا ہے۔

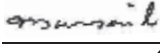
تفصیلات	31 مارچ 2025ء روپے	31 مارچ 2024ء روپے	اضافہ فیصد
سیل - نٹ	6,452,771,974	5,992,081,861	7.69
مجموعی منافع	605,640,946	832,516,104	(27.25)
اس مدت کے لیے آپریٹنگ منافع	247,285,074	558,460,612	(55.72)
مالی اخراجات	212,287,569	218,705,742	(2.93)
ٹیکسیشن سے پہلے اس مدت کا منافع	34,997,505	339,754,870	(89.70)
موجودہ ٹیکسیشن	24,525,043	64,739,653	(62.12)
ٹیکسیشن سے بعد اس مدت کا منافع	10,472,462	275,015,217	(96.19)
فی حصص کمائی	0.18	4.63	(96.11)

پاکستان کی ٹیکسٹائل انڈسٹری مختلف عوامل کی وجہ سے انتہائی مسابقتی اور مشکل حالات سے گزر رہی ہے جیسے سیاسی عدم استحکام، کمزور اور آئی ایم ایف پر منحصر معیشت، قدرتی وسائل کی کمی جیسے قدرتی گیس اور ہائیڈرو پاور، بجلی اور پٹرولیم۔ یہ تمام عوامل کاروباری ماحول کو بہت چیلنجنگ اور مسابقتی بنارہے ہیں۔ گیس، بجلی اور اجرت کی شرحیں علاقائی حربوں جیسے بنگلہ دیش، بھارت اور ویتنام کے مقابلے میں بہت زیادہ ہیں۔ مزید برآں، سٹریٹجک کی واپسی میں غیر ضروری تاخیر اور برآمد کنندگان کے لیے ایڈوائس ٹیکس میں اضافہ نے انڈسٹری کی کیش فلو کی صورتحال کو خراب کر دیا ہے۔ انڈسٹری کے پاس کوئی آپشن نہیں بچا سوائے اس کے کہ وہ اس کیش شارٹ فال کو پُر کرنے کے لیے مختصر مدت کی فنانسنگ حاصل کرے جس سے اس عرصے کے لیے فنانس کے اخراجات میں اضافہ ہوا ہے۔

2024-25 کے تیسرے کوارٹر میں عالمی معیشت کی سست روی کے باوجود بحالی افراط زر پر قابو پانے اور مانیٹری پالیسی میں نرمی کے باعث ہوئی۔ حکومت نے صنعت اور گھریلو صارفین کے لیے بجلی کی قیمتوں میں کمی کی ہے۔ پالیسی شرح بھی بتدریج کم ہو رہی ہے۔ اس سے مستقبل میں منافع میں بہتری آئے گی۔ کمپنی پیداواری صلاحیت بڑھا کر، اخراجات کو منظم کر کے اور ورکنگ کپینٹل کو بہتر بنا کر لاگت کو قابو میں رکھنے پر مرکوز ہے۔ ایندھن اور بجلی کی کھپت کو کم خرچ ذرائع جیسے چاول کی بھوسی اور شمسی توانائی سے گرین انرجی پر منتقل کر دیا گیا ہے۔ نئی ٹیکسٹائل اور گارمنٹس یونٹس کمپنی کے ویلیو ایڈیشن کے شعبے میں مسلسل ترقی کو سپورٹ کرنے کا مقصد رکھتے ہیں

آخر میں، ڈائریکٹرز کمپنی کے ملازمین کا ان کی ٹیم ورک، عزم، ایمانداری اور پیشہ ورانہ مہارت کے لیے شکریہ ادا کرتے ہیں۔


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