Annual Report for the Year ended 2025

TUSDEC

COMPANY INFORMATION

Board of Directors

Independent Directors

Mr. Mohammed N Daud
Chairman

Mr. Nawabzada Riaz Nosherwani
Director

Mr. Ameer Hasan Rizvi
Director

Mr. Haroon Shaukat Virk
Director

Ms. Samiha Zahid
Director

Non-Executive Directors

Joint Secretary, MoIP
Director

Chief Executive Officer, SMEDA
Director

Representative, Ministry of Finance
Director

Chief Executive Officer, PIDC
Director

Chief Executive Officer, TUSDEC
Director

Finance & Procurement Committee

Mr. Haroon Shaukat Virk
Chairman

Joint Secretary, MoIP
Director

Chief Executive Officer, PIDC
Director

Ms. Samiha Zahid
Director

Mr. Nawabzada Riaz Nosherwani
Director

Mr. Asad Islam
Director/CEO

Audit & Risk Committee

Mr. Nawabzada Riaz Nosherwani
Chairman

Joint Secretary, MoIP
Director

Representative, Ministry of Finance
Director

Mr. Ameer Hasan Rizvi
Director

Ms. Samiha Zahid
Director

Business Development Committee

Mr. Ameer Hasan Rizvi
Chairman

Mr. Asad Islam Mahni
Chief Executive Officer

Mr. Mohammed N Daud
Director

Mr. Rizwan Ahmed Bhatti
Director

Mr. Nawabzada Nosherwani
Director

Mr. Haroon Shaukat Virk
Director

Human Resource Committee

Ms. Samiha Zahid
Chairperson

Joint Secretary, MoIP
Director

Chief Executive Officer, SMEDA
Director

Mr. Ameer Hasan Rizvi
Director

Mr. Nawabzada Riaz Nosherwani
Director

Mohammed N Daud
Director

Asad Islam
Director/CEO TUSDEC

Auditors

Zahid Jamil & Co
Chartered Accountants

Registered/Head Office

State Cement Corporation Building
Lahore

TUSDEC

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DIRECTORS' REPORT TO THE SHAREHOLDERS

The Board of Directors of **Technology Upgradation and Skill Development Company** (Your Company) is pleased to present the Annual Report along with the audited financial statements for the year ended June 30, 2025.

1- TUSDEC OVERVIEW

The establishment of TUSDEC came about as an implementation of Engineering Vision. The company was incorporated in 2005 as a Not-for-profit, guarantee limited company, a subsidiary of PIDC (Pakistan Industrial Development Corporation Pvt. Ltd.). The Objective of the company is to promote and establish Technology Up-gradation Centers and Skill Development Centers by establishing / providing common facility, design, support and maintenance, testing, certification, incubation, applied research, dissemination centers and / or any other institution deemed necessary for up-gradation / assimilation /streamlining / acquiring technology, however the Company shall not itself set-up or otherwise engage in industrial or commercial activities or in any manner function as a trade organization. TUSDEC is established to up-grade and transfer technology in industrial sector(s) relating but not limited to agro processing, chemicals, plastic, glass, metal, ceramics, auto motives, consumer durables and mining for introducing latest machinery therein so that production capability can be brought at par with international standards.

Since its inception, TUSDEC has absolutely fulfilled all of its strategic commitment aligned to the vision of building prosperous Pakistan. Over the years, TUSDEC has implemented numerous projects of Federal and Provincial Government, International Donors and collaborated with local NGOs and CSR (Corporate Social Responsibility) Wings to implement large-scale development initiatives in diverse areas like TDM (Tools Dies and Moulds), Digital Product Design & Engineering, Ceramics, Cement and Garments industrial clusters. Cognizant to the dichotomy of manpower abundance and prevalent economics crises trickling down in the form of raging impoverishment in the country, TUSDEC is emphasizing on vocational skill development of vulnerable communities. The company is also pursuing many TVET (Technical, Vocational Education & Training) initiatives focusing on the capacity building of marginalized women thereby enabling them to mitigate the socioeconomic adversaries.

The countries surfing in the global limelight have adopted knowledge management as an element to build and uphold their competitive advantages. Accomplishment of knowledge directs the achievement of national aspirations and builds on national integrity. TUSDEC has synchronized its visionary streams with the enlightened goals of Government of Pakistan aimed at building a National Skill Base. In collaboration with Federal and Provincial Governments, various international donors and local nonprofit organizations, TUSDEC has been striving to shift the TVET mechanism of Pakistan from a supply driven to a training system that is compelled by the industry's demand for skill in the curricula, training methodologies and foremost the areas of training. From training the managers, machine workers and acute product design engineers to employable skills disbursement for vulnerable groups, TUSDEC has successfully carried through each strand of industrial support. Interpolating the service profile, the company has broadened the ambit of its operations by implementing TVET reform projects of the Delegation of European Union in KP, FATA Sindh and AJK.

Since its very outset, TUSDEC is continued to record its efforts and accomplishment across the country. From the grand-scale interventions of technological upgradation, basic and advanced technical skills dissemination to the vocational training and capacity building of the modest communities, TUSDEC has followed through a myriad of project amounting to PkR 10 billion plus. Each initiative has testified the company's contribution in hauling up the progression of national economy.

Public Sector Development programme (PSDP) is the most important fiscal policy tool to achieve socio economic targets as envisaged in the Vision 2025 by channelizing scarce public resources to projects having complementary and crowding in impact on economic activities. Ultimate goal of the spending under PSDP is to further strengthen physical and social infrastructure to put our country on sustainable and high growth trajectory.

A detailed report on the achievements of your Company during the year is given as under:

Financial Performance:

Particulars	2024-25 (Rs.)	2023-24 (Rs.)
Income	108,909,909	144,121,668
Expenditures before depreciation and amortization	76,338,676	125,801,988
Surplus/(Deficit) before depreciation and amortization	**32,571,233**	**18,319,680**
Depreciation and amortization	107,333,218	108,742,496
Levy / final taxation	495,868	1,278,944
Net deficit after depreciation, amortization and levy / final taxation	**(75,257,853)**	**(91,701,760)**

2 – Technology Upgradation Centers (TUCs)

i) **Gujranwala Tools Dies and Moulds Centre (GTDMC) (Operational)**

Gujranwala Tools, Dies and Moulds Centre (GTDMC) is modern engineering centre which provide training, consultancy, design, machining, and manufacturing services to the local industry. Gujranwala Tools Dies and Moulds Centre (GTDMC) has completed 15th year of operations.

A brief table of operational results for the year 2024-25 & 2023-24 are as under:

Type of Job	2024-25	2023-24
No of Industrial Jobs (Heat Treatment, Mold and Die Making & 3D Scanning, machining and surface Treatment etc.,)	46 Jobs	79 Jobs
No. of participants trained (PSDF, NAVTTC & GIZ etc.)	87 Trainees	302 Trainees

ii) Ceramics Development and Training Centre (CDTC) (Operational)

The fundamental aim of CDTC is to upgrade the ceramics industry specifically the sanitary ware sector with integrated engineering solutions, contemporary machinery, latest technology, Laboratory for testing facilities of ceramics raw materials and process control. Ceramics Development and Training Complex (CDTC) has completed 15th year of its operational activities.

A brief table of operational results for the year 2024-25 & 2023-24 are as under:

Type of Job	2024-25	2023-24
No of Industrial Jobs (Shuttle Kling, CNC Pattern Making & Consultancy)	63	36
Laboratory services (Samples Tested)	43	56
Training of Trainees (PSDF, NAVTTC etc.)	62	55

iii) Cement Research and Development Institute (CR&DI) (Operational)

After up-gradation and revitalization of the CR&DI laboratory and building, the laboratory started functioning under TUSDEC management and control in January 2006. Minor renovation activities were carried out and separate physical lab was established to maintain temperature.

TUSDEC has successfully upgraded CR&DI through its approved PC-1 of "National Strategic Program for Acquisition of Industrial Technology" (NSPAIT). Lab has been fully renovated after civil and interior work. Procurement of partial machinery completed as per allocation, machinery procured and installed and in operations. Latest testing equipment includes NDT tests and concrete testing equipment.

CR&DI is successfully conducting test on American Cement Standards, European Cement Standards, Sri Lanka Cement Standards, Indian Cement Standards, Pakistan's latest Standards for common & Masonry Cements for testing and has also initialized compressive Strength of Concrete & Fire Bricks Crushing Strength & Chemical Analysis of Silica fumes, Fly Ash and Slag, Cylinder testing, Concrete Expansion testing and Testing of Dolomite.

CR&DI credibility has been acknowledged by:

- 34 Consultants
- 92 Construction Firms
- 29 Cement Factories

Cement Research and Training Institute (CR&DI) has completed 19th year of its operational activities.

A brief table of operational results for the year 2024-25 & 2023-24 are as under:

Particulars	2024-25	2023-24
Laboratory services (Samples Tested)	1,866	1,635
Revenue (Rs.)	Rs. 13,688,986	Rs. 12,118,120

iv) Engineering Support Centres (ESCs)

TUSDEC has established 03 Engineering Support Centres including Hyderabad Engineering Support Centre (HESC), Light Engineering Upgradation Centre for SMEs in Baluchistan (LEUC) and Peshawar Light Engineering Centre (PLEC).

Being a non-commercial entity and without any non-development funding from the Government, major efforts and resources are consumed into running these centers which shall be ideally taken care through public private partnership. Currently, the government is also focusing on policy regarding re-structuring of SOEs to minimize the role of government in day-to-day management and operations of SOEs.

The above centres are currently part of the TUSDEC's restructuring strategy to handover the operations and management of the centres to the private sector including relevant chambers, associations and trade bodies etc.,

v) Footwear Cluster Development through CAD/CAM & CNC Machining (FCDC)

In pursuance of its mandate of upgrading technology and skills of key industrial clusters, TUSDEC developed PC-I on "Footwear Cluster Development through CAD/CAM & CNC Machining" to support footwear sector. The project was approved in 2019 with a total cost of Rs.78.69 million. TUSDEC has completed the implementation phase and the facility is located in existing building of TUSDEC.

FDCD is also part of the TUSDEC's restructuring strategy to handover the operations and management of the centres to the private sector including relevant chambers, associations and trade bodies etc.,

3 – Skills Development Centers (SDCs)

a) **PSDP/PIDC/PSDF Funded Initiatives:**

i) Skilltech International Karachi- (PIDC Funded)

TUSDEC established SkillTech International Karachi in 2009 through funding from PIDC. The centre started its operations in April 2010. SkillTech Karachi has completed 15th year of its operational activities. The centre aims at equipping the youth with international level technical skills to enable them to compete in national and international job markets. The centre provides various short technical courses in specified engineering fields and provides vocational and management trainings. The centre has also prepared students for various exams of City & Guilds UK in Pakistan.

The above centre is currently part of the TUSDEC's restructuring strategy.

4 – Approved Initiatives

a) <u>Government funded (PSDP):</u>

i) Industrial Designing & Automation Centers (IDAC) **Rs.1089.87 Mn**

In the modern era of Industry 4.0 revolution, Pakistan is still lagging behind in this arena due to social-economic challenges. The country is facing slow growth rates of output and exports due to small levels of investment, technical inefficiencies and low R&D resulting in lower productivity and uncompetitive industries. Major reason of low economic growth is decline in manufacturing sector of Pakistan being the backbone of Pakistan's economy.

Foreseeing the future demand of design and automation technologies of local industries and develop strong manufacturing base of Pakistan, TUSDEC developed PC-I for establishing "Industrial Designing & Automation Centres (IDAC)" in Lahore, Sialkot & Karachi to support local industries. These centres include Rapid Prototyping, designing and automation labs to support local industry through industrial jobs including Reverse Engineering using 3D prototyping, scanning, and designing; automation using embedded systems, PLC kits, SCADA, DCS and offering high end technical trainings.

The objectives of these centers are:

- Provide designing services through 3D Laser Scanner facility
- Provide ready to use prototypes through 3D Prototyping facility
- Automation of industrial processes of key clusters
- To give local industries demonstration effect about latest technologies how automation and 3D prototyping can improve their manufacturing processes and enhance their research and development
- Improve labor and manufacturing process efficiency to compete in the local and international market

Current Status:

Project Physical Progress is 53%. Detail of progress achieved is as under:

- Land procured for IDAC Centre in Lahore, Karachi and Sialkot
- Construction consultant hired and Design work completed for all centres
- Construction contractor selected for Lahore & Sialkot
- NOC from District Council Sialkot received in January 2025 for IDAC Sialkot
- Construction work under progress at site for IDAC Lahore & Sialkot and will be completed in the current FY 2025-26.
- Registry and mutation completed, necessary approval for construction from SBCA for Karachi centre is awaited
- Machinery & equipment for IDAC Lahore and Sialkot procured
- Tendering process for procurement of remaining machinery and equipment for IDAC Karachi under progress through EPADS, technical and financial completed

ii) National Strategic Programme for Acquisition of Industrial Technology (NSPAIT) Rs. 3,206.86 Mn

TUSDEC has developed "National Strategic Programme for Acquisition of Industrial Technology (NSPAIT)" in close coordination with the stakeholders in order to "Acquire, assimilate and improve the technology being used in various industrial sectors across Pakistan tentatively in the following critically important industrial sectors including Textiles (with particular ref. to Technical Textile), Construction (including Cement, Ceramics, and Marble & Granite) and Engineering & Technology (Including Light Engineering, Cutlery and Gems & Jewellery)". TUSDEC selected these sectors based on the fact that Textile being the key sector with 59.43% share in overall exports but Pakistan lacking in technical textile and sportswear products in world export share (World Technical Textile Market: US $ 192 Bn, Pakistan Share: US $ 0.250 Bn) due to unavailability of testing laboratory, R&D, waterless dyeing technology and skilled workforce as per initial research and consultations with textile sector stakeholders/experts. Similarly, construction is a high growth sector and Engineering sector of Pakistan is a potential growth sector presently having only 1% global export share due to low technology base and manufacturing of low-end products while the share of engineering sector in world trade is around 55%.

TUSDEC developed "National Strategic Programme for Acquisition of Industrial Technology (NSPAIT)" in coordination with "PM Task Force on Technology Driven Knowledge Based Economy". The project of NSPAIT was presented in CDWP held on 18th November 2019.

According to the Minutes of CDWP the PC-I was approved to the extent of Feasibility study at a cost of Rs. 89.974 Mn. and it was recommended to initially conduct a 3rd party feasibility so that the need identified in the PC-I could be validated and accordingly updated version of PC-I could be resubmitted.

The NSPAIT PC-I comprised of 10 interventions in Engineering, construction and textile sector was approved with a total cost of PKR 3,207 million.

The project will contribute to the national economy through

Output

- Industrial Jobs Completed 446,029 (Total Parts /pieces 8,711769)
- Industrial Testing Services 27,283
- Direct Employment Generated 102
- Number of Trainees 12,965

Impact

- New Enterprises 409
- Indirect Employment Generated 3,788
- Number of Trainees 12,965
- Value Addition Rs. 6.4 Bn
- Import Substitution Rs. 450 Mn
- Increase in exports Rs. 18.7 Bn

Current Status:

- Project Physical Progress is 35%. Detail of progress achieved is as under:

- Feasibility studies completed and modified PC-I was approved on 29th November 2021. Out of 10 initiatives 8 initiatives are in process.
- Renovation works for three interventions completed at Lahore, Peshawar and Gujranwala.
- Construction Consultants selected for CIP at Wazirabad and Ceramics center at Gujranwala.
- 1st tender Civil Work renovation of Cutlery Institute Wazirabad has been completed.
- 1st Tender IT Equipment, office Equipment and Furniture & fixture for two interventions procured and delivered. (GTDMC / CR&DI)
- 1st Tender process completed for machinery & equipment at CRDI, GTDMC and selected items procured.
- 1st Tender for marketing materials is procured and materials delivered.
- 2nd Tender IT & Office Equipment & Furniture tender procured and items delivered for CIP, Multan, Peshawar, Quetta, and CDTC.
- 2nd Tender for civil work at GTDMC for crane installation has been completed and civil work at CIP and CDTC is completed.
- Machinery tender for remaining interventions is being re-advertised.
- The remaining machinery & equipment, procurement has been processed and LOI have been issued. An agreement for machinery & equipment has been made for CR&DI which is expected to arrive in October 2025.
- A tender for CIP machinery & equipment has been processed.

(iii) Support Centre for Dental and Surgical Implants (SCDS) 720.345 Million Rs.

Pakistani surgical industry specifically related to surgical and dental implants does not hold its footprint anywhere in global market. After conducting several surveys and feasibility study, TUSDEC clearly revealed a strong need for surgical and dental implants to fill supply and demand gap through precision of latest product designing and development facility along with shifting towards industrial intelligence of 4IR through automation.

To address this design and manufacturing of high precision and sensitive products related issues of Pakistan's surgical sector, TUSDEC proposes to establish Support Centre for Dental and Surgical Implants (SCDS).

The project was approved by the DDWP forum at a total cost of Rs. 805.325 Million dated July 9, 2021 and the administrative approval was received on August 13, 2021 for the establishment of the centre in Sialkot.

Current Status:

Project Physical Progress is 35%. Detail of progress achieved is as under:

- 3 Kanal Land procured
- Construction consultant hired. Designing work completed
- Construction contractor hired.
- NOC from District Council Sialkot received in January 2025
- Construction work under progress at site and will be completed within current FY 2025-26
- Few Plant & machinery items procured in June 2024 as per allocation
- Tendering for remaining machinery, equipment & tools under process through EPADS, technical evaluation completed & financial under process

b) <u>Donor Funded:</u>

i) PSDF Funded Skill Development Initiatives:

a) Skills Scholarship Initiative 2023 (MAHIR)
b) Skills for Training Program 2023-24
c) Industrial Training Program 2023-24

To produce skilled workforce; TUSDEC offered practical training programs in collaboration with PSDF in Light Engineering sector at Gujranwala. The trades include; CNC Machine Operator, Injection Moulding Machine Operator, CNC Machinist, 2D and 3D Drafting Using AutoCAD. 227 students got trained at GTDMC under Skills Training Programme 23-24(STP) while 100 participants got trained under ITP 203-24 Mahir program. The project has improved the livelihood prospects of the trainees through certified qualifications and better job prospects at the national and international sphere.

ii) "Kamyab Jawan Prime Minister Youth Skill Development Program"

TUSDEC qualified for NAVTTC **"Kamyab Jawan Prime Minister Youth Skill Development Program" Batch IV**. Training imparted to 100 students at GTDMC, 13 trainees were trained at PLEC in various trades.

iii) **Hiring local service provider for Skill Development of Returnee Migrant & Local Population (GIZ)**

The project aimed at enhancing the income-generating capacity, social integration of returnee migrants and the local population by providing skill development opportunities and promoting self-employment opportunities within the country. Project provided high-quality training in CNC Machinist, CNC Programming & Model/Moulding Making & Casting in the Ceramics trades to Returnee migrants and the local population. 60 trainees trained at GTDMC & CDTC in the mentioned trades. The project has improved the livelihood prospects of the trainees.

5. Other Proposed Initiatives

PSDP Initiatives

i. Dates Processing, Storage & Packaging Plant in Khairpur, Sindh (998.97 million)

The project aims to enhance the quality and value addition of Pakistani dates by introducing modern processing techniques such as washing, sorting, grading, polishing, and packaging. These improvements will extend shelf life, improve presentation, and make dates more competitive in both local and international markets. By leveraging the strong reputation of Pakistani varieties like Dhakki, the project seeks to increase export potential and position Pakistan as a reliable supplier of premium-quality dates.

In addition to boosting exports, the project will directly support the local economy by generating employment opportunities and improving the income of farmers, growers, and traders. Access to advance processing and cold storage facilities will enable efficient production, reduce post-harvest losses, and ultimately strengthen the sector's competitiveness. The introduction of new product lines, such as date paste, syrup, and powder, will further diversify offerings and expand market reach.

Pakistan currently produces around 550,000 tons of dates annually, but most of these are exported in dried form at lower prices due to the lack of adequate processing infrastructure. This constraint not only reduces revenue but also limits Pakistan's ability to meet the demand for high-quality fresh dates in international markets such as India, Canada, the USA, Germany, and the UK. Establishing a modern dates processing plant with advanced technology will address these gaps, enhance product quality, and unlock greater economic and export potential for the country.

- Agriculture contributes 19.2% to GDP and employs 38.5% of the workforce, especially in rural areas.
- Government priorities include boosting productivity, exports, and rural development through modern technology and financial inclusion.
- Proposed facility in Khairpur will:
- Process 2,000 kg/hour of dates.
- Provide 1,500 MT cold storage with fumigation chamber and grading lines.
- Offer machinery for value-added products (de-pitting, paste, syrup).
- Farmers and traders can access affordable processing, storage, and packaging services.
- Project will reduce post-harvest losses, maximize profits, improve productivity, and enhance export competitiveness.

ii. Skill Development Institute for Construction Machinery (SDICM) – (999.57 million)

The Skill Development Institute for Construction Machinery (SDICM) in Lahore will address the industrial sector's needs through:

- Training in heavy machinery operation, repair, and maintenance
- Skill development and certification programs
- Seminars, workshops, and advisory services for industry
- Development of construction-related curricula
- Provision of repair/maintenance services to industries
- Export of skilled workforce to contribute to remittances
- Provide practical, low-cost training as an alternative to traditional classroom learning
- Use audio/video tools and hands-on training for broader trainee accessibility
- Improve the knowledge base of students, engineers, and professionals in construction machinery

SDICM will train unemployed youth, engineers, and professionals through practical demonstrations and theoretical learning. It will serve both public and private construction sectors by enhancing operator skills, maintenance, and repair capacity.
The project will:

- Provide structured learning content and progress tracking
- Improve communication, teamwork, and safety skills
- Align with industry needs and federal safety standards

iii. E-waste, Ferrous & Non-ferrous Recycling Facility in Gujranwala (1387.306 million)

The proposed project will establish a modern facility for e-waste, ferrous, and non-ferrous recycling in Pakistan, focusing on the recovery of valuable metals such as copper, aluminium, steel, and iron. It aims to ensure compliance with international environmental regulations while promoting sustainable practices that conserve resources, cut emissions, and reduce landfill waste.
Recycling plays a critical role in Pakistan's economy by supplying raw materials to construction, automotive, electronics, and manufacturing sectors, thereby reducing import dependence, creating jobs, and contributing to GDP growth. Export of recycled metals to markets such as China, the UAE, and Thailand further generates foreign exchange, while circular economy practices support long-term sustainability.
The facility will feature advanced technologies for automated dismantling and sorting, magnetic and eddy-current separation, and energy-efficient smelting. Integrated pollution control systems and renewable energy solutions, such as solar panels, will minimize environmental impact.

Pakistan already produces significant e-waste and metal scrap from industrial, construction, and automotive sectors, while also importing large volumes of ferrous and non-ferrous scrap from countries including the US, EU, and Japan. This steady local and imported supply of recyclable material ensures the viability and long-term sustainability of the project.

Project Outcomes

- Large volumes of e-waste and metal scrap processed annually.
- 85% material recovery efficiency.
- 22 direct jobs created, along with thousands of indirect employment opportunities.
- 100% compliance with Basel Convention and EPA Pakistan regulations.

iv. Federal Institute of Material Homologation (FIMH) – Gujranwala (998.490 million)

The Federal Institute of Material & Homologation (FIMH) is planned as a modern facility to strengthen Pakistan's industrial sector by ensuring compliance with international quality and safety standards. Initially focusing on surgical instruments and fan, it will later expand to appliances, utensils, leather goods, and sports products.

Covering the industrial hubs of Gujranwala, Gujrat, Sialkot, and Wazirabad with over 25,000 units, FIMH will help industries overcome export challenges caused by non-compliance with certifications like CE, UL, ISO, and FDA. It will provide accredited local testing, homologation, and partial cost reimbursement (up to 75%), reducing the burden on SMEs.

The project aims:

- To deliver 1,140 product tests,
- Train 2,640 professionals,
- And facilitate 150 certifications.

Equipped with advanced instruments and accredited by PSQCA and international bodies, FIMH will enhance competitiveness, lower certification costs, and support Pakistan's export-led growth.

v. Women's Business & Digital skills Development centre at Sukkur, Sindh (394.28 million)

The Women's Business & Digital Skills Development Center (WB&DSDC) in Sukkur is designed to empower women entrepreneurs by equipping them with modern digital, technical, and business skills. The center will provide specialized training in freelancing, digital marketing, e-commerce, web and mobile development, graphics design, SEO, content writing, cyber security, video editing, CCNA, and other high-demand fields.

Alongside training, a state-of-the-art incubation facility will support around 500 women-led businesses with resources, mentorship, and market access opportunities.

The project scope extends to empowering nearly 4,500 women across Sukkur and Sindh by offering training, advisory services, and dedicated platforms for trade and business networking. With access to modern infrastructure including internet-enabled workspaces and collaborative meeting rooms, the center will foster innovation, creativity, and entrepreneurship. This holistic support system is intended to generate jobs, improve livelihoods, and promote women's participation in the digital economy.

vi. Women Digital Skill Development (Pishin, Skardu, Muzaffarabad, Haripur, Dera Ghazi Khan) – (887.84 million)

The Women Digital Skills Development (WDSD) Project aims to empower women by enhancing their digital literacy, technical expertise, and employability in the digital economy. Using a hybrid training model (in-person and online), the project will provide skills in freelancing, e-commerce, digital marketing (including AI), SEO, Amazon VA, Shopify, WordPress, graphic design, content writing, affiliate marketing, and data science.

The initiative seeks to:

- Bridge the gender digital divide by improving women's access to technology, especially in underserved and rural areas.
- Promote women's participation in freelancing, remote work, IT, and STEM fields.
- Support female-led entrepreneurship and strengthen the startup ecosystem.
- Contribute to poverty reduction and financial independence through digital income opportunities.
- Align with national priorities including Pakistan Vision 2025, Digital Pakistan Policy (2018), and SDGs 4 & 5 (Quality Education & Gender Equality).
- Encourage lifelong learning, vocational training, and private-sector involvement in women's digital upskilling.

vii. Mining and Mineral Processing Technology Centre - Nokkundi (Chagai District), Baluchistan (5.94 billion)

Baluchistan, the largest province of Pakistan by area, is endowed with a vast array of mineral resources that remain largely untapped. The region is geologically rich, particularly in metallic minerals such as copper, gold, chromite, iron ore, lead, and zinc. Major deposits of copper and gold are located in the Chagai District, particularly in Reko Diq and Saindak, which are recognized as world-class reserves. Chromite, essential for stainless steel production, is found in areas like Muslim Bagh and Khuzdar, while lead and zinc deposits are commercially mined at Duddar in Lasbela District. Baluchistan also possesses significant iron ore reserves in Dilband and other parts of Chagai.

The Mining and Mineral Processing Technology Centre in Nokundi is not included in the current development plan; however, its inclusion is now warranted due to its strategic relevance, regional impact, and alignment with national priorities. The project addresses critical gaps in Pakistan's mineral value chain, particularly in Baluchistan home to vast but underutilized mineral resources such as copper, gold, chromite, iron ore, and barite.

Currently, a significant proportion of these minerals are exported in raw form due to the absence of local processing facilities and technical capacity. This not only limits value addition but also results in lost employment opportunities and revenue. The proposed centre will provide modern mineral processing, empowering local miners and improving the competitiveness of Pakistan's mining sector.

Furthermore, the project contributes to the socio-economic development of marginalized regions, specifically Chagai District, by creating skilled jobs, enhancing industrial infrastructure, and promoting inclusive growth.

The project will create over 46 direct jobs and more than 300+ indirect employment opportunities in associated sectors such as mining, transportation, and services. This will significantly reduce local unemployment, particularly benefiting youth and semi-skilled workers in Nokundi.

viii. Establishment of R & D Centre in Gujranwala – (1.191 billion)

Gujranwala's industrial clusters face major challenges including outdated technology, poor infrastructure, limited financing, weak regulatory compliance, skill shortages, and fragmented industry structures. These issues restrict productivity, innovation, exports, and competitiveness, while also causing environmental and sustainability concerns. Establishing an Industrial R&D Centre would address these gaps by promoting technology upgradation, product innovation, automation, and quality control. It would generate high-skilled jobs, strengthen workforce training, and enhance industry–academia collaboration. The center would also boost exports through compliance with international standards, attract foreign direct investment, diversify the regional economy, and encourage sustainable industrial practices. In the long term, it would improve living standards, enhance Pakistan's global industrial image, and ensure socio-economic resilience for Gujranwala and beyond.

Establishment of an Industrial R&D Centre in Gujranwala will generate broad socio-economic benefits beyond industry-specific gains.

- It will foster innovation, improve product quality, and enhance export potential.
- The centre will create skilled jobs and strengthen industrial competitiveness.
- It will contribute to regional development, sustainability, and social well-being.

- Long-term impact: a more resilient, diverse, and prosperous Gujranwala, setting a benchmark for industrial growth and innovation in Pakistan.
- Socio-economic conditions of society will improve due to increased productivity of skilled professionals.
- Direct Employment: 11 personnel.
- Indirect Employment: 923 personnel.
- New Enterprises: Around 185 SME-level enterprises expected to emerge from a more skilled and knowledgeable society.

Export Development Fund (EDF) Initiatives:

ix) Industrial Technology benchmarking (ITB) (PKR 99.58 Million)

TUSDEC proposed "Industry Technology Benchmarking (ITB)" of different industrial sectors to develop bankable projects after third party benchmarking studies.

Objective: The primary objective of the project is to make the industry export oriented and import substitution for local market by advancement and upgradation in technologies / processes / products.

Purpose: The main purpose of this project is to identify technology gaps in the identified sectors to increase the quality production capacity to enhance the export potential and import substitutions for local market.

Sectors: Identified sectors are as follows;

- Fan Industry,
- Leather Industry
- Agro-Food Industry
- Textile Industry

x) Investment and Technology Promotion Offices (ITPO) (PKR 95.298 Million)

Based on international best practices and effective implementation of ITPOs in various countries, TUSDEC proposes establishment of Investment and Trade Promotion Office (ITPO) in Pakistan will brings latest technology through integrated economies, information and best practices sharing, delegate programs for exchange of experts, capacity building and sub-regional cooperation.

The ITPO Pakistan will provide the following services

- Professional support to enterprises for partnership and business negotiations

- Guide potential local investors at each stage of the investment cycle, from project identification through appraisal to implementation.
- Offer a full package of up-to-date information on screened and validated investment opportunities, including manufacturing facilities, and technology supply sources
- Provide first-hand knowledge on how to do business in local environments, including legal and economic aspects.

6. OPERATING RESULTS

Your Company has a net Deficit of Rs. 75.26 million for the year 2024-25 as compared to net deficit of Rs. 91.70 million in 2023-24.

The key financial figures have been tabulated as follows:

	Year Ended June 30, 2025	Year Ended June 30, 2024
	Rupees	
(Deficit)/ Surplus) before Tax	(74,761,984)	(90,422,816)
Levy / final taxation	(495,868)	(1,278,944)
Surplus/(Deficit) after Tax	**(75,257,853)***	**(91,701,760)***

EARNING PER SHARE

Basic (Loss)/ earning per share come at Rs (3.15) Year 2024: Rs. (3.84)

*Reason for Deficit

Deficit for the year under review include the major impact of depreciation on fixed assets of the company.

DIVIDEND

Your Company is a non-profit organization and all surplus earned would be employed by your Company to meet its objectives. The Securities and Exchange Commission of Pakistan (SECP) while granting license u/s 42 of the Companies Act, 2017 has also required that no payment would be made to the members; therefore, your Company is not required to declare any dividends.

OUTSTANDING STATUTORY PAYMENTS

There are no outstanding payments due on account of taxes, duties, levies and charges except the current year tax liability and amounts of normal and routine nature.

PROVIDENT FUND

The Company has maintained an employee contributed provident fund and investments out of provident fund was made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

7. MEETINGS OF BOARD OF DIRECTORS

The Federal Government has reconstituted the TUSDEC Board through Notification No. 2(19)/2014-PSD-1 (TUSDEC) dated 18 February 2025. During the year, two meetings of the Board of Directors were held. Attendance by each Director at the board meeting is as under:

S.#.	Name	Eligibility	Attended
	Non-Executive Directors:		
1	Joint Secretary, Ministry of Industries and Production	4	2
2	Representative, Ministry of Finance	4	2
3	Chief Executive Officer, SMEDA	4	2
4	Chief Executive Officer, PIDC	2	1
	Independent Directors:		
5	Mr. Rana Nasir Mehmood	2	1
6	Mr. Nooruddin F. Daud	2	1
7	Dr. Mohammad Aslam	2	1
8	Prof. Dr. Younis Javed	2	-
9	Syed Ameer Hasan Rizvi	2	1
10	Mohammed N. Daud	2	1
11	Nawabzada Riaz Nousherwani	2	1
12	Ms. Samiha Zahid	2	1
13	Haroon Shaukat Virk	2	1
14	Ameer Khawar Khawaja	2	-
	Executive Director:		
15	Chief Executive Officer, TUSDEC	4	2

The Directors who could not attend a Board Meeting were granted leave of absence in accordance with the law.

BOARD MEETING FEE AND REIMBURSEMENT OF ACTUAL EXPENSES

S.#.	Name	Board Meeting Fee (Rs.)	Committee's Meeting Fee (Rs.)	Reimbursement of actual expenditures (Rs.)
	Non-Executive Directors:			
1	Joint Secretary, Ministry of Industries and Production	40,000	40,000	-
2	Representative, Ministry of Finance	40,000	40,000	17,000
3	Chief Executive Officer, SMEDA	40,000	20,000	-
4	Mr. Rana Nasir Mehmood	20,000	-	4,000
5	Mr. Nooruddin F. Daud	20,000	40,000	32,000
6	Dr. Mohammad Aslam	20,000	20,000	-
7	Prof. Dr. Younis Javed	-	-	-
8	Rizwan Ahmed Bhatti CEO, PIDC	20,000	-	-
9	Syed Ameer Hasan Rizvi	20,000	60,000	-
10	Mohammed N. Daud	20,000	40,000	26,000
11	Nawabzada Riaz Nousherwani	20,000	80,000	40,000
12	Ms. Samiha Zahid	20,000	60,000	-
13	Haroon Shaukat Virk	20,000	40,000	30,720
14	Ameer Khawar Khawaja	-	-	-
	Executive Director:			
15	Chief Executive Officer, TUSDEC	40,000	80,000	-

8. PATTERN OF SHAREHOLDING

The pattern of shareholding as of 30 June 2025 is as follows:

Name of Shareholders	Number of Shares
Pakistan Industrial Development Corporation (Pvt.) Ltd. (PIDC) - Parent Company	23,882,998
Rizwan Ahmad Bhatti	1
Rana Nasir Mehmood	1
Total	**23,883,000**

HOLDING COMPANY

Pakistan Industrial Development Corporation (Private) Limited has 99.99% holding of the company.

9. FINANCIAL REPORTING FRAMEWORK:

The Directors of the company confirm that:

- The financial statements, prepared by the management of the Company present fairly its state of affairs, the result of its operations, its cash flows and its changes in equity.
- Proper books of account of the Company have been maintained
- Appropriate accounting policies have been applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgement
- International Accounting Standards, as applicable in Pakistan, and SOEs Act, 2023 have been followed in the preparation of financial statements and any departure therefrom has been adequately disclosed
- No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year to which this balance sheet relates and the date of the Directors' Report
- The system of internal control is sound in design and has been effectively implemented and monitored
- The Board recognizes its responsibility to establish and maintain sound system of internal control, which is regularly reviewed and monitored
- There are reasonable grounds to believe that the SOE will be able to meet its debt obligation as they become due and payable
- The appointment of chairman and other members of Board and the terms of their appointment along with the remuneration policy adopted are in the best interests of the

Public Sector Company as well as in line with the best practices

- The Board has complied with the relevant principles of corporate governance, and has identified the rules that have not been complied with, the period in which such non-compliance continued, and reasons for such non-compliance
- There are no significant doubts about the company's ability to continue as a going concern
- Key operating and financial data of last six years has been summarized

10. AUDITORS

The present auditor's M/s Zahid Jamil & Co, Chartered Accountants has been retired. The Board of Directors recommended the appointment of M/s Zahid Jamil & Co., Chartered Accountants for the year 2025-26.

11. AUDIT & RISK COMMITTEE

The Audit & Risk Committee is comprised of following Non-Executive Directors.

- Nawabzada Riaz Nousherwani – **Chairman Committee**
- Joint Secretary of Ministry of Industries and Production - Member
- Representative of Ministry of Finance - Member
- Syed Ameer Hasan Rizvi
- Mr. Ameer Khawar Khawaja – Member
- Ms. Samiha Zahid - Member

12. Key Financial Data

TUSDEC

SIX YEAR FINANCIAL DATA						(Rupees in Millions)
	2025	2024	2023	2022	2021	2020
Assets						
Non-current assets	1,284.24	1,391.58	1,421.07	1,487.31	163.31	163.31
Current assets	1,468.01	1,100.74	972.22	778.32	954.08	954.08
Equity and liabilities						
Share capital and reserves						
Share capital	238.83	238.83	238.83	238.83	238.83	238.83
Share deposit Money	-	-	-	-	-	-
Reserves	(183.19)	(173.55)	(150.50)	(143.00)	(73.03)	(73.03)
Surplus on revaluation of Assets	904.64	970.25	1,038.90	1,107.81	2.68	2.68
	960.28	1,035.53	1,127.23	1,203.64	168.48	168.48
Non-current liabilities	296.53	336.72	1,206.85	1,011.28	884.17	884.17
Current liabilities	1495.45	1120.07	59.21	50.71	64.74	64.74
Revenue	108.91	144.12	203.68	272.39	109.1	109.1
Operating expenditure	184.17	235.82	280.09	325.37	255.46	255.46
Deficit for the year	(75.26)	(91.70)	(76.41)	(52.98)	(146.36)	(146.36)

13- ACKNOWLEDGEMENT

The Board of Directors places on record its appreciation of the support of the shareholders, Government agencies and other parties.

The Board would like to express their appreciation for the excellent services and the efforts being rendered by the executives and staff members of your Company.

Chief Executive Officer | **Director**

Date: 25-10-2025

Technology Upgradation and Skill Development Company
Ministry of Industries and Production
State Cement Corporation Building, Kot Lakhpat, Lahore 54770, Pakistan
Tel: (+92)-42-35145793-5, 35215890, 35215874, Fax: (+92)-42-35121658, tusdec.org.pk
A company set up under Section 42 of the Companies Ordinance, 1984 having share capital

TECHNOLOGY UPGRADATION AND SKILL DEVELOPMENT COMPANY

FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

INDEPENDENT AUDITOR'S REPORT

To the members of TECHNOLOGY UPGRADATION AND SKILL DEVELOPMENT COMPANY (A Company set up under section 42 of the Repealed Companies Ordinance, 1984)

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **TECHNOLOGY UPGRADATION AND SKILL DEVELOPMENT COMPANY** (the Company), which comprise the statement of financial position as at **June 30, 2025**, and the statement of income and expenditure, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies 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 income and expenditure, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the deficit, its comprehensive deficit, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

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.

Based on the work, we have performed as to report any material misstatement of this other information; we have nothing to report in this regard.

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Website: www.zahidjamilco.com

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 the State-Owned Enterprises (Governance and Operations) Act, 2023 (SOE Act 2023) 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 is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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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.

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 income and expenditure, the statement of other 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 the SOE Act, 2023 are in agreement with the books of account and returns;

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

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Adeel Anwar (ACA).

Other Matter

The financial statements of the Company for the year ended June 30, 2024 were audited by another auditor, M/S CROWE HUSSAIN CHAUDHARY & CO CHARTERED ACCOUNTANTS, whose report, dated December 14, 2024 expressed unmodified opinion on those statements.

Zahid Jamil & Co.

Chartered Accountants
Place: Lahore
Date: October 28, 2025
UDIN: AR202510366j7xBtKeaY

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TECHNOLOGY UPGRADATION AND SKILL DEVELOPMENT COMPANY
(A Company set up under Section 42 of the Repealed Companies Ordinance, 1984)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	NOTE	2025 Rupees	2024 Rupees
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	1,278,689,299	1,386,022,517
Intangible assets	6	-	-
Right-of-use asset	7	-	-
Long term deposits	8	5,554,020	5,554,020
		1,284,243,319	1,391,576,537
Current Assets			
Projects assets	9	1,411,257,351	1,044,986,942
Trade receivables	10	1,114,325	2,392,109
Stores, spares and loose tools	11	9,503,286	10,783,209
Advances, prepayments and other receivables	12	1,965,114	1,911,719
Short term investments	13	5,000,000	10,000,000
Tax refund due from the Government	14	20,524,628	20,673,491
Cash and bank balances	15	18,646,866	9,994,268
		1,468,011,570	1,100,741,738
TOTAL ASSETS		2,752,254,889	2,492,318,275
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital			
135,000,000 (2024: 135,000,000) ordinary shares of Rs. 10 each		1,350,000,000	1,350,000,000
Issued, subscribed and paid-up capital	16	238,830,000	238,830,000
Reserves		(183,192,712)	(173,550,793)
Surplus on revaluation of property, plant and equipment	17	904,635,749	970,251,683
Total Equity		960,273,037	1,035,530,890
Non-Current Liabilities			
Deferred grant			
- Grant related to operating fixed assets	18	258,792,665	298,551,804
- Grant related to projects	18	37,734,030	38,167,673
		296,526,695	336,719,477
Current Liabilities			
Current portion of deferred grant	18.6	1,391,787,325	1,032,988,041
Trade and other payables	19	70,511,485	69,651,667
Project liabilities	20	33,156,347	17,428,200
		1,495,455,157	1,120,067,908
Contingencies and Commitments	21	-	-
TOTAL EQUITY AND LIABILITIES		2,752,254,889	2,492,318,275

The annexed notes from 1 to 35 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

TECHNOLOGY UPGRADATION AND SKILL DEVELOPMENT COMPANY
(A Company set up under Section 42 of the Repealed Companies Ordinance, 1984)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2025

	NOTE	2025 Rupees	2024 Rupees
Income			
Income from services	22	62,910,817	93,951,114
Amortization of grant	23	43,392,782	45,433,901
		106,303,599	139,385,015
Cost of Services			
Operating cost	24	105,548,268	119,401,002
Project expenses	25	3,633,643	6,973,025
		(109,181,911)	(126,374,027)
Gross Profit		(2,878,312)	13,010,988
Administrative expenses	26	(74,489,983)	(108,170,457)
Other income	27	2,606,310	4,736,653
Deficit before Levy and Taxation		(74,761,985)	(90,422,816)
Levy / final taxation	28	(495,868)	(1,278,944)
Deficit before Taxation		(75,257,853)	(91,701,760)
Taxation		-	-
Net Deficit for the Year		(75,257,853)	(91,701,760)

The annexed notes from 1 to 35 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

TECHNOLOGY UPGRADATION AND SKILL DEVELOPMENT COMPANY
(A Company set up under Section 42 of the Repealed Companies Ordinance, 1984)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	NOTE	2025 Rupees	2024 Rupees
Net Deficit for the Year		(75,257,853)	(91,701,760)
Other comprehensive income:			
Items that may be reclassified to income and expenditure in subsequent periods		-	-
Items that will not be reclassified to income and expenditure in subsequent periods		-	-
Total Comprehensive Deficit for the Year		(75,257,853)	(91,701,760)

The annexed notes from 1 to 35 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

TECHNOLOGY UPGRADATION AND SKILL DEVELOPMENT COMPANY
(A Company set up under Section 42 of the Repealed Companies Ordinance, 1984)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Issued, Subscribed and Paid-up Capital	Reserves			Surplus on Revaluation of Property, Plant and Equipment	Total
		Accumulated Deficit	Merger Reserve	Subtotal		
	---------- Rupees ----------					
Balance at June 30, 2023	238,830,000	(655,361,423)	504,865,626	(150,495,797)	1,038,898,447	1,127,232,650
Incremental depreciation charge	-	68,336,214	-	68,336,214	(68,336,214)	-
Surplus realized on disposal of assets	-	310,550		310,550	(310,550)	-
Total comprehensive deficit for the year	-	(91,701,760)	-	(91,701,760)	-	(91,701,760)
Balance at June 30, 2024	238,830,000	(678,416,419)	504,865,626	(173,550,793)	970,251,683	1,035,530,890
Incremental depreciation charge	-	65,615,934	-	65,615,934	(65,615,934)	-
Total comprehensive deficit for the year	-	(75,257,853)	-	(75,257,853)	-	(75,257,853)
Balance at June 30, 2025	238,830,000	(688,058,338)	504,865,626	(183,192,712)	904,635,749	960,273,037

CHIEF EXECUTIVE OFFICER

DIRECTOR

TECHNOLOGY UPGRADATION AND SKILL DEVELOPMENT COMPANY
(A Company set up under Section 42 of the Repealed Companies Ordinance, 1984)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

		NOTE	2025 Rupees	2024 Rupees
A-	**CASH FLOWS FROM OPERATING ACTIVITIES**			
	Deficit before taxation		(75,257,853)	(91,701,760)
	Adjustment for:			
	- Interest income	27	(1,849,603)	(2,053,495)
	- Depreciation of property, plant and equipment	5	107,333,218	106,455,164
	- Income from disposal of property, plant and equipment	27	-	(380,530)
	- Amortization of intangibles	6	-	2,049,633
	- Depreciation of right-of-use asset	7	-	237,699
	- Amortization of deferred grant	23	(43,392,782)	(45,433,901)
			62,090,833	60,874,570
	Operating deficit before working capital changes		(13,167,020)	(30,827,190)
	Effect on cash flows due to changes in working capital:			
	(Increase) / decrease in current assets			
	- Projects assets	9	(366,270,409)	(139,441,556)
	- Trade receivables	10	1,277,784	1,732,938
	- Stores, spares and loose tools	11	1,279,923	563,497
	- Advances, prepayments and other receivables	12	(195,736)	229,219
			(363,908,438)	(136,915,902)
	Increase / (decrease) in current liabilities			
	- Projects liabilities	20	15,728,147	8,313,523
	- Trade and other payables	19	859,818	19,893,184
			16,587,965	28,206,707
	Cash used in operations		(360,487,493)	(139,536,385)
	Taxes paid	14	148,863	1,489,547
	Net cash used in operating activities		(360,338,630)	(138,046,838)
B-	**CASH FLOWS FROM INVESTING ACTIVITIES**			
	Purchase of property, plant and equipment	5	-	(80,502,301)
	Proceeds from disposal of right-of-use asset	7	-	842,301
	Long term deposits	8	-	98,280
	Interest income received		1,991,944	2,038,618
	Proceeds from disposal of property, plant and equipment		-	691,080
	Net cash generated from / (used in) investing activities		1,991,944	(76,832,022)
C-	**CASH FLOWS FROM FINANCING ACTIVITIES**			
	Grant received	18	361,999,284	471,173,953
	Grant received / adjusted during the year	18	-	(262,882,820)
	Lease amount paid		-	(333,148)
	Net cash generated from financing activities		361,999,284	207,957,985
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		3,652,598	(6,920,875)
	Cash and cash equivalents at the beginning of the year		19,994,268	26,915,143
	Cash and cash equivalents at the end of the year	29	23,646,866	19,994,268

The annexed notes from 1 to 35 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

TECHNOLOGY UPGRADATION AND SKILL DEVELOPMENT COMPANY
(A Company set up under Section 42 of the Repealed Companies Ordinance, 1984)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2025

1 CORPORATE AND GENERAL INFORMATION

Technology Upgradation and Skill Development Company (TUSDEC, "the Company") is a Company, limited by guarantee having share capital, incorporated in January 2005 and licensed under Section 42 of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is domiciled in Pakistan and its principal activity is to upgrade technology and skills of key and strategic industrial clusters and connect Pakistan to the global value chain. Pakistan Industrial Development Corporation (Private) Limited (PIDC) holds 99.99% shares of the Company.

Geographical location and addresses of all business units are as follow:

Serial No.	Offices	Addresses
i.	Registered Office	State Cement Corporation Building, Kot Lakhpat, Near Race Club, Lahore.
ii.	Division unit	Morr Emanabad, Near Commander Ceramics, 12-KM Kamoki, Gujranwala.
iii.	Division unit	Sialkot By-Pass Chowk, Sialkot Road, Gujranwala.
iv.	Division unit	1st Floor, Sarhad Chamber of Commerce and Industry, G.T. Road, Peshawar.
v.	Division unit	Owais Ahmad Ghani Research Center, Buitems Takatu Campus, Airport Road, Quetta.
vi.	Division unit	University of Sialkot, 1-KM, Main Daska Road, Sialkot.
vii.	Division unit	Plot # A-49, Small Industrial Estate Extension, Tando Muhammad Khan Road, Hyderabad.
viii.	Division unit	Plot # 134-6, CECOS Industrial Liaison Center, Hayatabad Industrial Estate, Peshawar.
ix.	Division unit	Plot # N-10A, Sector N, Hub Industrial and Trading Estate (HITE), Lasbella, Balochistan.
x.	Division unit	National Institute of Design and Analysis, Estate Cement Guest House Building, Main Stadium Road, Dalmia, Karachi.

2 BASIS OF 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;
- Accounting Standards for Not for Profit Organizations (NPOs) issued by ICAP as notified under the Companies Act, 2017 and
- Provisions of and directives issued under the Companies Act, 2017 and State-Owned Enterprises (Governance and Operations) Act, 2023.

Where provisions of and directives issued under the Companies Act, 2017 and State-Owned Enterprises (Governance and Operations) Act, 2023 differ from the IFRS and accounting standards for NPOs, the provisions of and directives issued under the Companies Act, 2017 and State-Owned Enterprises (Governance and Operations) Act, 2023 have been

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except to the extent of the following:

Property, plant and equipment	Note 5	Stated at revalued amount
Intangible assets	Note 6	Stated at revalued amount
Right-of-use asset	Note 7	Stated at revalued amount

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying Company's accounting policies. Estimates and judgments are continually evaluated and are based on the historical experience, as well as expectations of future events that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

- Useful lives, residual values and depreciation method of property, plant and equipment - Note 3.1 and 5
- Useful lives, residual values and amortization method of intangible assets - Note 3.2 and 6
- Project assets in progress - Note 3.4 and 9.1.1
- Provision for expected credit losses - Note 3.5 and 10
- Estimation of provisions - Note 3.8, 10 and 11
- Estimation of contingent liabilities - Note 4.1 and Note 21
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward 'tax Note 3.14 and Note 28

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.

The basis and associated assumptions underlying the accounting estimates used in the preparation of annual financial statement of the Company for the year have been consistent with previous year.

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 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.

		Effective Date - Annual Periods Beginning on or After
-	IFRS 16 'Leases' - Lease Liability in a Sale and Leaseback [Amendments]	January 1, 2024
-	IAS 1 'Presentation of Financial Statements' - Non-current Liabilities with covenants [Amendments]	January 1, 2024
-	IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' Supplier Finance Arrangements [Amendments]	January 1, 2024
-	IAS 1 'Presentation of Financial Statements' - Classification of Liabilities as Comparative Information'	January 1, 2024

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 Periods Beginning on or After
IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability [Amendments]	January 1, 2025
IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments Disclosures' Classification and Measurement of Financial Instruments [Amendments]	January 1, 2026
IFRS 18 'Presentation and Disclosures in Financial Statements'	January 1, 2027

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

- IFRS 1 - First Time Adoption of International Financial Reporting Standards

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Property, plant and equipment

Owned

Property, plant and equipment are stated at revalued amount, being the fair value at the date of their revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. Revaluation is carried out every 3 to 5 years 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 any identified impairment loss.

Depreciation on property, plant and equipment is charged to statement of income and expenditure by applying straight line method so as to write off the value of the assets over their estimated useful lives at the rates given in Note 5.

Depreciation of an asset begins from the date it is available for use, i.e. the date it is in the location and condition necessary for it to be capable of operating in the manner intended by management, and is charged up to the day preceding its derecognition. Depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

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.

Normal repairs are charged to statement of income and expenditure as and when incurred. Gains or losses on disposal of property, plant and equipment are included in the current year's statement of income and expenditure. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

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. Transfers are made to relevant property, plant and equipment category as and when assets are available for use.

3.2 Intangibles

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 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.

Intangible assets are stated at revalued amount, being the fair value at the date of their revaluation, less any subsequent accumulated amortization and subsequent accumulated impairment losses, 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 any identified impairment loss.

Intangible assets are amortized, when these assets are available for use, using the straight line method, over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortization method is reviewed and adjusted, if appropriate, at each reporting date. The rates determined to amortize the intangible assets are disclosed in Note 6.

3.3 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 amortization and are tested annually for impairment. Assets that are subject to depreciation or amortization 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 statement of income and expenditure. 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. If impairment loss is recognized, the depreciation / amortization 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 is treated as a revaluation increase.

3.4 Project assets

The Company operates under the authority of the Ministry of Industries and Production (MoIP), Government of Pakistan. The Company is implementing various Public Sector Development Program (PSDP) funded projects as indicated in Note 9 of the financial statements. During the development phase, the Company does not have the ownership of these projects. Therefore, the assets and liabilities of these projects have been recognized separately from the Company's assets and liabilities. The fate of these projects shall be decided by the Government after completion. The grants received for such projects are recognized in Note 18 of the financial statements and same shall be adjusted on completion of the relevant project.

3.5 Trade receivables

Trade receivables represent 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.

3.6 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, cash at banks in current, savings and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.7 Balances from contract with customers

Contract assets

A contract asset is the right to consideration in exchange for services provided to the customer. The Company recognizes a contract asset for the earned consideration that is conditional if the Company rendered services to a customer before the customer pays consideration or before payment is due.

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 year end. Bad debts are written off when identified.

Contract liabilities

A contract liability is the obligation to render 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 made or the payment is due if a customer pays consideration before the Company rendered services to the customer.

3.8 Stores spares and loose tools

Useable stores, spares and loose tools are valued principally at First In First Out (FIFO) methods, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon. Provision is made in the financial statements for slow moving stores based on management's best estimate.

3.9 Employment benefits obligations

Defined contribution plan

The Company operates a funded provident fund for all its regular employees. Equal monthly contributions are made to the fund both by the Company and the employees at the rate of 6.67% of the basic salary. Obligation for contributions to defined contribution plan is recognized as an expense in the statement of income and expenditure as and when incurred.

Compensated absences

The Company provides for accumulating compensated absences up to two years, when the employees render services that increase their entitlement to future compensated absences.

3.10 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 method.

3.11 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and of which a reliable estimate can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.12 Government grants

Grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as revenue over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. The Company meets its expenses with other income, if any, to the extent possible while the balance expenses are covered by the amortization of grant. When the grant relates to an asset, it is recognized as deferred income and transferred to the statement of income and expenditure in amounts equal to depreciation over the expected useful life of related asset.

3.13 Income recognition

Income represents the fair value of the consideration received or receivable for services rendered, net of discounts. Income is recognized when it is probable that the economic benefits associated with the transaction will flow to the entity and the amount of Income, and the associated cost incurred, or to be incurred, can be measured reliably.

Income from project implementation (service fee) is recognized over the period for which the activities on projects are going on, based upon percentage of completion method.

Income from investment is recognized on accrual basis. Profit on saving bank accounts is recognized on receipt basis.

Grants related to income are accounted for in accordance with the requirement of IAS-20 "Accounting for Government Grants and Disclosure of Government Assistance" i.e. Grants are recognized on a systematic basis as income over the periods necessary to match them with the related cost which they are intended to compensate.

Grants related to assets are recognized in statement of income and expenditure over the life of the depreciable assets.

3.14 Taxation

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

Current

Current taxation, with provision for current taxation, is based on taxable income at current rates of taxation, after taking into account applicable tax credit, rebates and exemption available, if any, as per Income Tax Ordinance, 2001

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 period.

The charge for current tax is higher of corporate tax (higher of tax based on taxable income and minimum tax) and alternative corporate tax. Super tax applicable on the Company is also as per the applicable rates as per the Income Tax Ordinance, 2001. 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.

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, irrespective of current and prior period, exceeds the amount due in those periods, the excess is recognized as an asset.

The Company offsets current tax assets and current tax liabilities if, and only if, the Company 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.

As per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, when the tax liability, is calculated on taxable profits, exceeds the minimum tax, the portion equivalent to the minimum tax should be recorgnised as a levy in accordance with IFRIC 21 / IAS 37. Further, the Company shall also charge tax expense under levy when tax is calculated under final tax regime.

Deferred

Deferred taxation is accounted for using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary timing differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses and tax credits can be utilized.

3.15 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.

Financial assets

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

Classification

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income and at fair value through statement of income and expenditure. 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.

Initial recognition and measurement

All financial assets are initially measured at fair value plus transaction costs that are directly attributable to its acquisition except for trade receivables. 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 measured at amortized cost are subsequently measured using the effective interest rate method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gain or loss and impairment is recognized in statement of income and expenditure.

Financial assets measured at fair value through statement of income and expenditure are subsequently measured at fair value prevailing at the reporting date. The difference arising is charged to the statement of statement of income and expenditure.

Financial assets measured at fair value through other comprehensive income are subsequently measured at fair value prevailing at the reporting date. The difference arising is charged to other comprehensive income.

Derecognition

Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired. The difference between the carrying amount and the consideration received is recognized in statement of income and expenditure.

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.

Financial liabilities

Initial recognition and measurement

Financial liabilities are initially classified at amortized 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, and project liabilities, etc.

Subsequent measurement

The Company measures its financial liabilities subsequently at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in statement of income and expenditure. Difference between carrying amount and consideration paid is recognized in statement of income and expenditure 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 respective carrying amounts is recognized in statement of income and expenditure. 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 statement of income and expenditure.

Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.16 Related party transactions

Transactions with related parties are based on the transfer pricing policy that all transactions between the Company and the related party of the Company are at arm's length basis, determined using the comparable uncontrolled price method, except in circumstances where it is not in the interest of the Company to do so.

4 SUMMARY OF OTHER ACCOUNTING POLICIES

4.1 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not entirely within the control of the Company.

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

4.2 Leases

The Company assesses whether a contract contains a lease or not at the inception of a contract and reassesses whether a contract is, or contains, a lease further when the terms and conditions of the contract are modified.

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 not 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 as per the threshold set by the Company. 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 less any lease incentives receivable; variable lease payments that depend on an index or a rate; amounts expected to be payable by the Company under residual value guarantees; the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

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 the statement of income and expenditure, 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 implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

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.

4.3 Scrap Sales

Scrap sales are recognized on transfer of control to customer.

4.4 Foreign currency transactions and translations

Transactions denominated in foreign currencies are initially recorded in Pak Rupees by applying the foreign exchange rate ruling on the date of transaction. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rate prevailing at the reporting date. Exchange differences are included in statement of income and

5 PROPERTY, PLANT AND EQUIPMENT

	NOTE	2025 Rupees	2024 Rupees
Operating fixed assets	5.1	1,238,657,739	1,345,990,957
Capital work in progress	5.12	40,031,560	40,031,560
		1,278,689,299	1,386,022,517

5.1 Operating fixed assets

Year Ended June 30, 2025

Particulars	Cost / Revalued Amount				Accumulated Depreciation					Net carrying value as at June 30, 2025
	As at July 01, 2024	Additions	Disposals	As at June 30, 2025	Rate	As at July 01, 2024	Charge for the Year	Disposals	As at June 30, 2025	
	Rupees	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rupees	Rupees
Land	570,754,115	-	-	570,754,115	-	-	-	-	-	570,754,115
Buildings and improvements	398,359,083	-	-	398,359,083	5-10	291,195,721	12,621,321	-	303,817,042	94,542,041
Office equipment	25,828,858	-	-	25,828,858	10	20,304,431	790,995	-	21,095,426	4,733,432
Plant and machinery	1,758,415,427	-	-	1,758,415,427	10	1,108,874,636	89,766,225	-	1,198,640,861	559,774,566
Computer equipment	103,812,073	-	-	103,812,073	33	103,543,385	267,137	-	103,810,522	1,551
Furniture and fixture	26,452,569	-	-	26,452,569	10	20,044,995	913,080	-	20,958,075	5,494,494
Vehicles	82,496,936	-	-	82,496,936	20	76,164,936	2,974,460	-	79,139,396	3,357,540
Library books	250,775	-		250,775	20	250,775	-	-	250,775	-
	2,966,369,836	-	-	2,966,369,836		1,620,378,879	107,333,218	-	1,727,712,097	1,238,657,739

Year Ended June 30, 2024

Particulars	Cost / Revalued Amount				Accumulated Depreciation					Net carrying value as at June 30, 2024
	As at July 01, 2023	Additions	Disposals	As at June 30, 2024	Rate	As at July 01, 2023	Charge for the Year	Disposals	As at June 30, 2024	
	Rupees	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rupees	Rupees
Land	570,754,115	-	-	570,754,115	-	-	-	-	-	570,754,115
Buildings and improvements	398,359,083	-	-	398,359,083	5-10	278,573,933	12,621,788	-	291,195,721	107,163,362
Office equipment	27,067,322	-	(1,238,464)	25,828,858	10	20,557,669	794,629	(1,047,867)	20,304,431	5,524,427
Plant and machinery	1,678,755,427	79,660,000	-	1,758,415,427	10	1,024,353,640	84,520,996	-	1,108,874,636	649,540,791
Computer equipment	107,314,190	-	(3,502,117)	103,812,073	33	102,274,219	4,675,848	(3,406,682)	103,543,385	268,688
Furniture and fixture	26,679,869	-	(227,300)	26,452,569	10	19,334,175	913,602	(202,782)	20,044,995	6,407,574
Vehicles	81,654,635	842,301	-	82,496,936	20	73,236,635	2,928,301	-	76,164,936	6,332,000
Library books	250,775	-		250,775	20	250,775	-	-	250,775	-
	2,890,835,416	80,502,301	(4,967,881)	2,966,369,836		1,518,581,046	106,455,164	(4,657,331)	1,620,378,879	1,345,990,957

5.2 Depreciation expense for the year has been allocated as follows:

	NOTE	2025 Rupees	2024 Rupees
Operating cost	24	89,766,225	84,520,996
Administrative expenses	26	17,566,993	21,934,168
		107,333,218	106,455,164

5.3 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location	Usage of immovable property	Total area (Sq. Yards	Covered area (Sq. Yards)
Sialkot By-Pass Chowk, Sialkot Road, Gujranwala	Land and building	16,335	4,850
12-KM Kamoki, Gujranwala	Land and building	9,680	4,530
Plot No. A-49, SIE Extention, Hyderabad	Land and building	1,000	1,000

5.4 Latest revaluation of property, plant and equipment was carried out by an independent valuer as on June 30, 2021. Had there been no revaluation, the net book values of the revalued assets would have been as follows:

	As on June 30, 2025	As on June 30, 2024	As on June 30, 2023
	Net Book Value	Net Book Value	Forced Sale Value
	Rupees	Rupees	Rupees
Land	46,500,001	46,500,001	46,500,001
Buildings and improvements	67,912,457	76,180,912	85,017,289
Office equipment	2,051,388	2,319,127	2,627,780
Plant and machinery	212,465,754	244,347,079	191,323,250
Computer equipment	1,551	268,688	4,089,270
Furniture and fixture	4,369,373	5,063,616	5,780,855
Vehicles	721,465	1,059,851	1,394,417
	334,021,989	375,739,274	336,732,862

5.5 Property, plant and equipment contain the following assets which are received against grant having net book value as follows (Refer to Note 18):

	2025 Rupees	2024 Rupees
Land	12,000,000	14,000,000
Building	30,887,184	36,035,048
Office equipment	653,136	832,586
Machinery	212,291,411	244,172,811
Furniture and fixtures	2,960,934	3,511,359
	258,792,665	298,551,804

5.6 In the year 2022, three Engineering Support Centres (ESCs) located in Hyderabad, Lasbela, and Peshawar, which were part of a project sponsored by the Ministry of Industries and Production (referred to as "the Ministry"), underwent a merger with the Company. This merger was carried out in accordance with the exit strategy as approved in the PC-1. Following this approval, the Company's Board of Directors, during their meeting on November 20, 2021, sanctioned the following measures:

- The valuation of all fixed assets from the ESCs was recorded in TUSDEC's records at their fair values, as determined by Anderson Consulting (Pvt.) Ltd., an independent valuer. Simultaneously, current assets and liabilities were documented at their carrying values, with effect from July 01, 2021.
- The bank accounts of the ESCs were transitioned to operate under the name of TUSDEC.
- As of July 01, 2021, all employees previously affiliated with the ESCs, namely Hyderabad Engineering Support Centre (HESC), Light Engineering Upgradation Centre, Lasbela (LEUC), and Peshawar Light Engineering Centre (PLEC), officially became employees of TUSDEC.
- The financial and operational policies approved by the TUSDEC's Board of Directors were extended to cover the ESCs.
- The ESCs continued to occupy their existing premises, without any relocation or changes.

5.7 During the year ended June 30, 2018, there was an amalgamation of Gujranwala Tools, Dies and Moulds Centre (GTDMC) and Ceramics Development and Training Complex (CDTC) into Technology Upgradation and Skill Development Company at its meeting held on July 18, 2017.

5.8 There were no disposal of assets during the year whose aggregate net book value exceeded Rs. 5,000,000 and individual net book value exceeded Rs. 500,000.

5.9 All assets are in the name of the Company and in the Company's possession and control.

5.10 Operating fixed assets contain fully depreciated assets having cost of Rs. 1,311,275/- (2024: Rs. 1,311,275/-) which are still in use as at the reporting date.

5.11 The following methods and assumptions were used to estimate the fair values:

The significant inputs used in the fair value measurements categorized within Level 2 of the fair value hierarchy, together with a quantitative sensitivity analysis as at June 30, 2025 are shown below:

Description	Fair value Hierarchy	Valuation Technique
Land	Level 2	Market Value
Building and improvements	Level 2	Depreciated value
Office equipment	Level 2	Depreciated value
Plant and machinery	Level 2	Depreciated value
Computer equipment	Level 2	Depreciated value
Furniture and fixture	Level 2	Depreciated value
Vehicles	Level 2	Depreciated value

		NOTE	2025 Rupees	2024 Rupees
5.12	**Capital work in progress**			
	Opening balance		40,031,560	40,031,560
	Additions during the year		-	-
	Transfers during the year		-	-
	Closing balance		40,031,560	40,031,560

5.12.1 Capital work in progess comprises Electroplating machine delivered by the supplier to the Peshawar Light Engineering Centre. The machine has not yet been commissioned by the supplier, as the final payment being withheld due to the government's ban on supplementary grants.

6 INTANGIBLE ASSETS

		NOTE	2025 Rupees	2024 Rupees
Intangible assets		6.1	-	-
6.1	**Net carrying value**			
	Opening balance		-	2,049,633
	Addition during the year		-	-
			-	2,049,633
	Amortization during the year		-	(2,049,633)
	Closing balance		-	-
6.2	**Gross carrying value**			
	Cost		6,028,335	6,028,335
	Accumulated amortization		(6,028,335)	(6,028,335)
	Net book value		-	-
	Amortization rate		33%	33%

6.3 Latest revaluation of intangible assets was carried out by an independent valuer as on June 30, 2021. Had there been no revaluation, the net book values of the revalued assets would have been as follows:

	As on June 30, 2025	As on June 30, 2024	As on June 30, 2021
	Net Book Value	Net Book Value	Forced Sale Value
	Rupees	Rupees	Rupees
Accounting softwares	-	-	375,000
Modelling softwares	-	-	3,021,251
	-	-	3,396,251

6.4 Intangible assets contain fully amortized assets having cost of Rs. 6,028,335/- (2024: Rs. 6,028,335/-) which are still in use as at the reporting date.

	NOTE	2025 Rupees	2024 Rupees
7 RIGHT-OF-USE ASSET			
Opening balance		-	1,080,000
Add: Additions during the year		-	-
Less: Transferred to property, plant and equipment		-	(842,301)
Less: Depreciation charge for the year		-	(237,699)
Closing balance	7.1	-	-
Lease term (Years)		5	5
Remaining lease term (Years)		-	-

7.1 Gujranwala Tools, Dies and Moulds Centre (GTDMC) leased a Toyota Corolla GLI with the registration number WD-834 on June 21, 2012. The lease agreement had a duration of five years, and the Right-of-Use (ROU) arrangement should have been completed after the five-year term. However, the bank lost the vehicle's registration book, which delayed the settlememt of the remaining lease liability of Rs. 333,148. The Company chose the revaluation model for the leased vehicle. In July 2021, the vehicle was revalued to Rs. 1,800,000. Last year, the payment of balance lease

	NOTE	2025 Rupees	2024 Rupees
8 LONG TERM DEPOSITS			
Sui Northern Gas Pipelines Limited		2,988,324	2,988,324
Rented premises		381,883	381,883
Electricity		1,657,677	1,657,677
Others	8.1	526,136	526,136
		5,554,020	5,554,020

8.1 It includes deposits submitted to the donor agencies against performance security for submission of different bids.

	NOTE	2025 Rupees	2024 Rupees
9 PROJECTS ASSETS			
Projects in progress	9.1	1,308,574,132	1,044,417,884
Other receivables	9.2	102,683,219	569,058
		1,411,257,351	1,044,986,942

9.1 Projects in progress:

	NOTE	2025 Rupees	2024 Rupees
Footwear Cluster Development (FCD)	9.1.1	78,347,524	77,982,928
Industrial Designing and Automation Centers (IDAC)	9.1.2	533,729,983	424,025,803
National Strategic Program for Acquisition of Industrial Technology (NSPAIT)	9.1.3	426,727,578	358,778,671
Support Centre for Dental and Surgical Implants (SCDS)	9.1.4	269,769,047	183,630,482
		1,308,574,132	1,044,417,884

9.1.1 Within Footwear Cluster Development (FCD), individual components of shoes such as molds, soles and shoe lasts are being manufactured. This initiative is essential as manufacturers currently have to import these components due to their unavailability in the local market. The project is completed on 30 June 2023. However, as this is a PSDP-funded project, the Government has not yet decided whether the related assets will be merged into TUSDEC or handled separately. Accordingly, these assets continue to be reflected under project status and have not been transferred to TUSDEC's fixed assets.

9.1.2 The project encompasses the establishment of various facilities, including Simulation/Automation, 3D Scanning, Designing, Prototyping, Training, and Human Resource Development. These facilities will enhance the organization's capabilities in areas such as design and innovation, workforce development and product prototyping.

9.1.3 The purpose of this project is to procure, integrate and enhance technology utilized in diverse industrial sectors across Pakistan; encompassing textiles, construction (including cement, ceramics, marble, and granite), as well as engineering and technology (including light engineering, cutlery, gems, and jewelry).

9.1.4 This project is dedicated to the manufacturing of surgical and dental implants, which are specialized medical devices designed to replace missing biological structures, provide support to damaged structures, or enhance existing ones.

9.1.5 Summary of projects including their estimated timelines , grant details and completion is as follows:

Description	FCD	IDAC	NSPAIT	SCDS
Date of commencement	May 06, 2019	February 14, 2020	December 29, 2021	June 01, 2021
Estimated time of completion	3 Years	3 Years	3 Years	3 Years
Initial grant approved	78,690,000	972,970,000	3,206,890,000	720,345,000
Total amount of grant received	78,690,000	537,146,680	508,547,322	268,180,385
Revised date of completion	Completed	June 30, 2025	N/A	June 30, 2025
Revised grant, if applicable	N/A	1,089,870,000	N/A	N/A
Grant amount still receivable	NIL	552,723,320	2,858,690,000	536,915,000

9.1.6 Project in progress

	FCD Rupees	IDAC Rupees	NSPAIT Rupees	SCDS Rupees
Capital Expenditure				
Balance as at June 30, 2024	50,462,601	345,560,883	158,542,747	137,274,000
Land	-	-	-	140,360
Building/civil work	-	14,697,474	30,016,101	27,957,126
Office equipment	-	-	8,758,832	-
Machinery and equipment	-	95,841,927	(32,601,694)	49,068,791
IT infrastructure	-	(7,069,248)	2,080,134	-
Furniture and fixture	-	-	3,724,080	-
Subtotal as at June 30, 2025	50,462,601	449,031,036	170,520,200	214,440,277
Operational Expenditure				
Balance as at June 30, 2024	27,520,327	78,464,920	200,235,924	46,356,482
Employees cost	386,850	2,959,645	9,733,667	5,377,022
TUSDEC service fee	-	-	33,000,000	1,000,000
Electricity, fuel and power	-	659,604	2,562,673	177,457
Consumables	96,186	50,000	313,791	-
Advertisement	-	754,843	2,810,180	447,162
Other expenses	(118,440)	1,809,935	7,551,143	1,970,647
Subtotal as at June 30, 2025	27,884,923	84,698,947	256,207,378	55,328,770
Balance as at June 30, 2025	78,347,524	533,729,983	426,727,578	269,769,047

	FCD	IDAC	NSPAIT	SCDS
	Rupees	Rupees	Rupees	Rupees
Capital Expenditure				
Balance as at June 30, 2023	50,462,601	344,990,383	92,417,811	137,176,000
Land	-	570,500	-	-
Building/civil work	-	-	26,625,832	98,000
Office equipment	-	-	-	-
Machinery and equipment	-	-	23,550,599	-
IT Infrastructure	-	-	2,808,692	-
Furniture and fixtures	-	-	-	-
Stores, spares and loose tools	-	-	13,139,813	-
Subtotal as at June 30, 2024	50,462,601	345,560,883	158,542,747	137,274,000
Operational Expenditure				
Balance as at June 30, 2023	24,534,199	72,552,050	138,003,498	39,694,440
Employees cost	2,452,762	3,689,877	8,762,388	4,222,625
TUSDEC service fee	-	1,000,000	44,500,000	700,000
Electricity, fuel and power	99,193	177,440	2,098,081	541,818
Consumables	386,758	119,640	345,486	49,890
Advertisement	-	11,700	631,405	118,079
Other expenses	47,415	914,213	5,895,066	1,029,630
Subtotal as at June 30, 2024	27,520,327	78,464,920	200,235,924	46,356,482
Balance as at June 30, 2024	77,982,928	424,025,803	358,778,671	183,630,482

9.2 Other Receivables

National Vocational and Technical Training Commission (NAVTTC)		352,933	371,844
National Strategic Program for Acquisition of Industrial Technology (NSPAIT)	9.2.1	73,266,423	14,399
Support Centre for Dental and Surgical Implants (SCDS)	9.2.1	8,509,230	90,500
Footwear Cluster Development (FCD)		115,952	92,315
Industrial Designing and Automation Centers (IDAC)	9.2.1	20,438,681	-
		102,683,219	569,058

9.2.1 These includes advances to the machinery suppliers.

10 TRADE RECEIVABLES - UNSECURED

Trade receivables - considered good		1,114,325	2,392,109
Trade receivables - considered doubtful		5,811,023	5,093,157
	10.1	6,925,348	7,485,266
Less: Provision for expected credit loss	10.2	(5,811,023)	(5,093,157)
		1,114,325	2,392,109

10.1 This balance includes receivable from PIDC amounting to Rs. 4,289,692/- (2024: 4,289,692/-) in respect of expenses incurred by the Company on its behalf for Skills Development Centre (SDC) Khaki and Batgram and it is past due for more than 5 years.

10.2 Provision for expected credit loss

Opening balance	5,093,157	4,379,702
Provision for the year	717,866	713,455
	5,811,023	5,093,157
Less: Reversal of expected credit loss	-	-
	5,811,023	5,093,157

11 STORES, SPARES AND LOOSE TOOLS

	NOTE	2025 Rupees	2024 Rupees
Stores, spares and loose tools		10,658,036	11,937,959
Less: Provision for slow moving items	11.1	(1,154,750)	(1,154,750)
		9,503,286	10,783,209

11.1 Provision for slow moving items

Opening balance	1,154,750	1,154,750
Provision for the year	-	-
	1,154,750	1,154,750
Less: Obsolete stock written off	-	-
	1,154,750	1,154,750

12 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

Advances to employees against expenses	1,150,252	794,017
Advance to suppliers	14,999	-
Prepaid insurance	716,574	892,072
Other receivables	83,289	225,630
	1,965,114	1,911,719

13 SHORT TERM INVESTMENTS

Faysal Bank Limited	13.1	5,000,000	10,000,000

13.1 This represents Term Deposit Receipts (TDRs) which are on roll-over basis, having maturity period of one to three months and carry mark-up @ 6.5% to 7.75% (2024: 7.3% to 9.05%) per annum, approximately.

14 TAX REFUND DUE FROM THE GOVERNMENT

Advance income tax	14.1	20,989,457	20,673,491
Sales tax receivable		(464,829)	-
		20,524,628	20,673,491

14.1 Advance income tax

Opening balance	20,673,491	21,672,740
Payments made during the year	811,834	279,695
	21,485,325	21,952,435
Provision for taxation	(495,868)	(1,278,944)
	20,989,457	20,673,491

15 CASH AND BANK BALANCES

Cash in hand		443,369	443,369
Cash at banks:			
- Current accounts		13,530,528	5,262,498
- Savings accounts	15.1 and 15.2	4,672,969	4,288,401
		18,646,866	9,994,268

15.1 The deposits in saving accounts carry mark-up ranging from 6.5% to 10.5% (2024: 10.5% to 17.5 %) per

15.2 This includes an amount of Rs. 1.2 million (2024: Rs. 1.2 million) on which the bank has marked lien against guarantee issued on behalf of the Company.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		2025 RUPEES	2024 RUPEES
23,883,000	23,883,000	Ordinary shares of Rs. 10 each fully paid in	238,830,000	238,830,000

16.1 Reconciliation of changes in number of shares is as follows:

	Number of shares	
Opening balance	23,883,000	23,883,000
Number of shares issued / cancelled	-	-
Closing balance	23,883,000	23,883,000

16.2 As at the reporting date, Pakistan Industrial Development Corporation (PIDC), the parent Company, holds 99.99% shares of the Company.

16.3 The Company has not issued / cancelled any shares during the year.

16.4 There are no agreements with shareholders for any specific voting rights, board selection, rights of first refusal and block voting etc.

16.5 All ordinary shares rank equally with regards to the Company's residual assets. Holders of these shares are entitled to one vote per share at general meetings of the Company.

17 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

Description	Land	Buildings and improvements	Office equipment	Plant and machinery	Computer equipment	Furniture and fixture	Vehicles	Leased Vehicle	Intangibles	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at June 30, 2023	524,254,114	34,767,861	3,881,873	463,078,537	950,701	1,564,839	7,023,583	884,640	2,492,299	1,038,898,447
Incremental depreciation charged during the	-	(3,785,411)	(485,976)	(57,884,825)	(855,266)	(196,363)	(2,341,194)	(294,880)	(2,492,299)	(68,336,214)
Surplus realized on disposal of assets	-	-	(190,597)		(95,435)	(24,518)	-	-	-	(310,550)
Transfer from leased to owned assets	-	-	-	-	-	-	589,760	(589,760)	-	-
	-	(3,785,411)	(676,573)	(57,884,825)	(950,701)	(220,881)	(1,751,434)	(884,640)	(2,492,299)	(68,646,764)
Balance as at June 30, 2024	524,254,114	30,982,450	3,205,300	405,193,712	-	1,343,958	5,272,149	-	-	970,251,683
Incremental depreciation charged during the	-	(4,352,866)	(523,256)	(57,884,900)	-	(218,837)	(2,636,075)	-	-	(65,615,934)
Surplus realized on disposal of assets	-	-	-	-	-	-	-	-	-	-
Transfer from leased to owned assets	-	-	-	-	-	-	-	-	-	-
	-	(4,352,866)	(523,256)	(57,884,900)	-	(218,837)	(2,636,075)	-	-	(65,615,934)
Balance as at June 30, 2025	524,254,114	26,629,584	2,682,044	347,308,812	-	1,125,121	2,636,074	-	-	904,635,749

18 DEFERRED GRANT

	NOTE	2025 Rupees	2024 Rupees
Grant related to operating fixed assets	18.1	258,792,665	298,551,804
Grant related to projects		37,734,030	38,167,673
		296,526,695	336,719,477

Description	Grant related to Assets	Grant related to projects								Total
		Engineering Support Centres (ESCs)	Footwear Cluster Development (FCD)	National Strategic Program for Acquisition of Industrial Technology (NSPAIT)	Industrial Designing and Automation Centres (IDAC)	Support Centre for Dental and Surgical Implants (SCDS)	Center for Acquisition of Semiconductor Technology (CAST)	Naphtha Cracking Complex (NCC)	National Vocational and Technical Training Commission (NAVTTC)	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
NOTE	18.1	18.2	18.3	18.4	18.4	18.4			18.5	
Balance as at June 30, 2023	257,352,680	33,894,557	75,696,453	230,435,436	417,454,497	176,837,586	1,995,246	3,601,690	9,582,141	1,206,850,286
Funds received during the year	79,660,000	-	-	180,000,000	120,000,000	88,000,000	-	-	1,664,000	469,324,000
Other income	-	-	1,686,953	139,000	24,000	-	-	-	-	1,849,953
Amortization of grant for the year	(38,460,876)	-	-	-	-	-	-	-	(6,973,025)	(45,433,901)
Grant adjusted against Project assets	-	-	-	-	-	-	(1,995,246)	(3,601,690)		(5,596,936)
Funds returned / transferred	-	-	-	(62,231,906)	(113,644,498)	(81,409,480)	-	-	-	(257,285,884)
	41,199,124	-	1,686,953	117,907,094	6,379,502	6,590,520	(1,995,246)	(3,601,690)	(5,309,025)	162,857,232
Transfer to current portion	-	-	(77,383,406)	(348,342,530)	(423,833,999)	(183,428,106)	-	-	-	(1,032,988,041)
Balance as at June 30, 2024	298,551,804	33,894,557	-	-	-	-	-	-	4,273,116	336,719,477
Funds received during the year	-	-	-	160,347,322	113,356,680	84,750,385	-	-	3,200,000	361,654,387
Other income	-	-	344,897	-	-	-	-	-	-	344,897
Acquisition through merger	-	-	-	-	-	-	-	-	-	-
Amortization of grant for the year	(39,759,139)	-	-	-	-	-	-	-	(3,633,643)	(43,392,782)
Grant adjusted against Project asset	-	-	-	-	-	-	-	-	-	-
Funds returned / Transferred	-	-	-	-	-	-	-	-	-	-
	(39,759,139)	-	344,897	160,347,322	113,356,680	84,750,385	-	-	(433,643)	318,606,502
Transfer to current portion	-	-	(77,728,303)	(508,689,852)	(537,190,679)	(268,178,491)	-	-	-	(1,391,787,325)
Balance as at June 30, 2025	258,792,665	33,894,557	-	-	-	-	-	-	3,839,473	296,526,695

18.1 This represents grants received for assets acquired under Public Sector Development Program (PSDP) funded projects, including the National Institute of Design and Analysis (NIDA) and three Engineering Support Centers in Hyderabad, Lasbela, and Peshawar. These assets were subsequently transferred to TUSDEC after the completion of their respective projects.

18.2 As per the exit strategy sanctioned in PC-1 and the subsequent approval by the Company's Board of Directors during its 63rd meeting, three Engineering Support Centers (ESCs) situated in Hyderabad, Lasbela, and Peshawar were integrated into the Company, effective from July 1, 2021.

18.3 The Footwear Cluster Development Project was completed previous year.

18.4 These are ongoing projects funded by the Public Sector Development Program (PSDP). Their future status and continuation will be determined once these projects reach completion and their outcomes are assessed.

18.5 The National Vocational and Technical Training Commission (NAVTTC) is an ongoing project, sustained by donor funding and overseen by the Ministry of Federal Education and Professional Training. NAVTTC holds the central mandate of advancing, facilitating, regulating, strategizing, overhauling, endorsing curricula, conducting training, and shaping policy direction for the nation's comprehensive Technical & Vocational Education and Training (TVET) system. The project is slated for completion in accordance with the stipulated terms outlined in the agreement.

18.6 Reconciliation of deferred grant, other than grant related to assets, with the project assets is given below:

Description	NOTE	2025						
		ESCs	**FCD**	**NSPAT**	**IDAC**	**SCDS**	**NAVTTC**	**Total**
		Rupees	**Rupees**	**Rupees**	**Rupees**	**Rupees**	**Rupees**	**Rupees**
Opening deferred grant		33,894,557	77,383,406	348,342,530	423,833,999	183,428,106	4,273,116	1,071,155,714
Add:								
Funds received		-	-	160,347,322	113,356,680	84,750,385	3,200,000	361,654,387
Other income		-	344,897	-	-	-	-	344,897
Funds lapsed		-	-	-	-	-	-	-
Amortization of grant	23.2	-	-	-	-	-	(3,633,643)	(3,633,643)
Transfer to current portion		-	(77,728,303)	(508,689,852)	(537,190,679)	(268,178,491)	-	(1,391,787,325)
Closing deferred grant		**33,894,557**	-	-	-	-	**3,839,473**	**37,734,030**
Current portion of deferred grant		-	77,728,303	508,689,852	537,190,679	268,178,491	-	1,391,787,325
Project liabilities and creditors	19 & 20	6,137,003	875,741	1,969,699	19,987,111	10,099,786	508,723	39,578,063
Total liabilities		**40,031,560**	**78,604,044**	**510,659,551**	**557,177,790**	**278,278,277**	**4,348,196**	**1,469,099,418**
Less:								
Receivable	9.2	-	115,952	73,266,423	20,438,681	8,509,230	352,933	102,683,219
Projects in progress	5.12 & 9.1.6	40,031,560	78,347,524	426,727,578	533,729,983	269,769,047	-	1,348,605,692
Advances		-	-	-	-	-	-	-
Cash and bank	15	-	140,568	10,665,550	3,009,126	-	3,995,263	17,810,507
Total assets		**40,031,560**	**78,604,044**	**510,659,551**	**557,177,790**	**278,278,277**	**4,348,196**	**1,469,099,418**

	NOTE	2025 Rupees	2024 Rupees

18.7 The movement of deferred grant are as follows:

	2025		2024	
	Assets	Projects	Assets	Projects
Opening	298,551,804	1,071,155,714	257,352,680	949,497,606
Other income	-	344,897	-	1,849,953
Grant received	-	361,654,387	79,660,000	389,664,000
Grant lapsed	-	-	-	(257,285,884)
Grant utilized / amortized	(39,759,139)	(3,633,643)	(38,460,876)	(12,569,961)
Transfer to current portion	-	(1,391,787,325)	-	(1,032,988,041)
Closing	258,792,665	37,734,030	298,551,804	38,167,673

18.7.1 Detail of grant received during the period are as follows:

Project	Receiving Date	Letter Date	Letter No.	Amount
National Strategic Program for Acquisition of Industrial Technology	12-Sep-24	12-Sep-24	No. 3(84)2020	75,000,000
	16-Dec-24	16-Dec-24	No. 3(84)2020	60,000,000
	14-May-25	14-May-25	No. 3(84)2020	39,000,000
Industrial Designing and Automation Centres (IDAC)	12-Sep-24	12-Sep-24	No. 3(83)2020	45,000,000
	16-Dec-24	16-Dec-24	No. 3(83)2020	100,000,000
	14-May-25	14-May-25	No. 3(83)2020	20,000,000
Support Centre for Dental and Surgical Implants (SCDS)	12-Sep-24	12-Sep-24	No. 3(90)2021	37,500,000
	16-Dec-24	16-Dec-24	No. 3(90)2021	75,000,000
	14-May-25	14-May-25	No. 3(90)2021	15,000,000
National Vocational and Technical Training Commission (NAVTTC)	03-Jan-25	N/A	N/A	3,344,673
	30-Jun-25	N/A	N/A	3,344,673

18.7.2 No sanction letter was issued by NAVTTC as the grant was directly credited to the Company's bank account.

19 TRADE AND OTHER PAYABLE

	Note	2025	2024
Creditors		12,034,478	16,062,927
Accrued liabilities	19.1	40,340,247	34,299,228
Contract liabilities	19.2	1,190,621	3,378,601
Provident fund payable	19.3	12,775,592	11,891,092
Withholding income tax payable		1,793,328	1,744,558
Employees benefits payable		2,377,219	2,275,261
		70,511,485	69,651,667

19.1 The balance of accrued liabilites includes the last installment of Rs. 432,305/- relating to the office floor taken on lease for the NIDA-Peshawar project. The lease was classified as a short-term lease under IFRS-16, and accordingly, no right-of-use asset or lease liability was recognized. The agreement was fully settled during the year. Related rent expenses have been disclosed under administrative expenses (Note 26).

19.2 Amount of revenue recognized from opening balance of contract liablities is Rs. 1,190,621.
Contract liabilities are expected to be satisfied during year ending June 30, 2026.

19.3 The Company has maintained an employee provident fund and investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act 2017 and the rules formulated for this purpose.

20 PROJECT LIABILITIES

These represent accrued expenses and payables in respect of the following projects:

	2025	2024
Industrial Designing and Automation Centres (IDAC)	19,987,111	3,418,935
National Strategic Program for Acquisition of Industrial Technology (NSPAIT)	1,969,699	12,515,829
Support Centre for Dental and Surgical Implants (SCDS)	10,095,241	292,876
Footwear Cluster Development (FCD)	595,573	691,837
National Vocational and Technical Training Commission (NAVTTC)	508,723	508,723
	33,156,347	17,428,200

20.1 These liabilities will be settled upon receipt of the grant allocated for the respective project.

21 CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

The Company has provided bank guarantee in favour of Pakistan State Oil amounting to Rs. 1.2 million (2024: Rs. 1.2 million). This guarantee has been issued against the fuel cards of the Company's vehicles.

21.2 Commitments

There are no material commitments outstanding as at the reporting date (2024: Nil).

	NOTE	2025 Rupees	2024 Rupees
22 INCOME FROM SERVICES			
Income from:			
Trainings	22.1	2,755,588	12,540,984
Projects	22.2	2,164,614	4,108,226
Laboratory test and 3D scanning	22.3	14,704,195	13,511,765
Toll manufacturing	22.4	9,286,420	17,590,139
Project implementation fee	22.5	34,000,000	46,200,000
		62,910,817	93,951,114

22.1 This represents the amount recognized in respect of income generated from various training courses, including CAD/CAM courses and AutoCAD, as well as other administrative fees associated with different donor projects.

22.2 This represents the amount recognized in respect of project's overheads shared.

22.3 This represents the amount being recognised in respect of income from laboratory test fee and 2D/3D scanning.

22.4 This represents the amount being recognized in respect of services provided at Gujranwala Tools, Dies and Moulds Centre (GTDMC) and Ceramics Development and Training Complex (CDTC).

22.5 This represents the amount being recognized as income from the Government of Pakistan, specifically under the Ministry of Industries and Production, in the form of project implementation fees for Public Sector Development Programme (PSDP) projects.

	NOTE	2025 Rupees	2024 Rupees
23 AMORTIZATION OF GRANT			
Amortization of grant related to asset	23.1	39,759,139	38,460,876
Amortization of grant related to income	23.2	3,633,643	6,973,025
		43,392,782	45,433,901
23.1 Amortization of grant related to asset			
Land		2,000,000	2,000,000
Building		5,147,864	5,147,864
Office refurbishment		-	362,270
Office equipment		179,450	248,293
Machinery		31,881,400	26,778,003
IT Infrastructure		-	2,686,730
Furniture and fixtures		550,425	713,550
Vehicles		-	14,166
Software		-	510,000
		39,759,139	38,460,876
23.2 Amortization of grant related to income			
National Vocational and Technical Training Commission (NAVTTC)	25	3,633,643	6,973,025
24 OPERATING COST			
Salaries, wages and other benefits	24.1	8,696,267	22,421,214
Power and gas		5,535,736	10,626,204
Stores and spares consumed		12,400	271,145
Repairs and maintenance		1,401,448	971,576
Insurance		-	182,623
Training expenses		130,392	372,244
Other expenses		5,800	35,000
Depreciation	5.2	89,766,225	84,520,996
		105,548,268	119,401,002

24.1 This includes an amount of Rs. 246,400/- (2024: Rs. 629,211/-) recognized in respect of Provident Fund.

	2025 Rupees	2024 Rupees
25 PROJECT EXPENSES		
National Vocational and Technical Training Commission (NAVTTC)		
Employee cost	1,804,882	4,712,892
Consumables	417,839	438,970
Other expenses	1,410,922	1,821,163
	3,633,643	6,973,025

	NOTE	2025 Rupees	2024 Rupees
26 ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits	26.1	35,368,157	55,082,657
Travelling, vehicle running and maintenance		8,259,282	11,230,634
Printing and stationery		198,704	201,299
Postage and telephone		981,438	1,329,824
Utilities		2,894,488	4,481,642
Rent, rates and taxes		937,803	321,220
Legal and professional charges		334,907	916,379
Fees and subscription		-	77,652
Insurance		812,697	876,577
Repairs and maintenance		495,100	1,229,855
Consumables		837,598	1,735,843
Janitorial services		955,436	2,340,334
Security services		2,836,867	2,936,151
Project expenses		196,380	80,700
Advertisement and business development		714,952	14,500
Finance cost		23,102	42,894
Other expenses		28,213	7,541
Auditor's remuneration		330,000	330,000
Provision for expected credit loss	10.2	717,866	713,455
Depreciation of property, plant and equipment	5.2	17,566,993	21,934,168
Depreciation of right-of-use asset		-	237,699
Amortization of intangibles assets	6.1	-	2,049,633
		74,489,983	108,170,457

26.1 This includes an amount of Rs. 1,966,083/- (2024: Rs. 2,820,215/-) recognized in respect of Provident Fund and Rs. 1,197,990/- (2024: Rs. 1,056,061/-) in respect of compensated absences.

	NOTE	2025	2024
27 OTHER INCOME			
Bank profit on:			
- Savings accounts		1,434,245	1,126,180
- Term deposit receipts		415,358	927,315
Excess liabilities written back		-	1,053,750
Gain on disposal of assets		-	380,530
Miscellaneous	27.1	756,707	1,248,878
		2,606,310	4,736,653

27.1 This represents amounts received from disposal of scrap, tender fee and disposal of miscellaneous items not covered under capital items.

	2025	2024
28 LEVY / FINAL TAXATION		
Levies	495,868	1,278,944

28.1 This represents minimum tax paid under section 153 (3) of the Income Tax Ordinance, 2001 representing levy in terms of requirements of IFRIC 21/IAS 37.

28.2 **Reconcillation of levy and income tax under IAS-12**

	2025	2024
Current tax expense for the year as per applicable tax laws	495,868	1,278,944
Portion of current tax liability as per tax laws, representing income tax under IAS 12	-	-
Portion of levy in terms of requirements of IFRIC 21 / IAS 37	(495,868)	(1,278,944)
Difference	-	-

28.3 No deferred tax asset has been recognized as effective rate calculated is zero as per 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance).

	NOTE	2025	2024
29 CASH AND CASH EQUIVALENTS			
Cash and bank balances	15	18,646,866	9,994,268
Short term investments	13	5,000,000	10,000,000
		23,646,866	19,994,268

30 RELATED PARTY BALANCES AND TRANSACTIONS

The related parties comprise associated undertakings, directors of the Company, key management personnel and post employment benefit plans. Pakistan Industrial Development Corporation (Private) Limited, the parent company, holds 99.9% capital of the Company. Amounts due from and due to related parties are shown under respective notes to the financial statements.

Transactions during the year

During the year, there were no transactions involving the Company and its related parties.

Outstanding Balance as at the year end

Related party	Relationship	Nature of transactions	2025 Rupees	2024 Rupees
Pakistan Industrial Development Corporation (Private) Limited	Holding Company	Expenses incurred by the Company on its behalf for Skills Development Centre (SDC)	4,289,692	4,289,692

31 FINANCIAL RISK MANAGEMENT

31.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, interest rate risk, credit risk and liquidity risk.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

(ii) Interest rate risk

This represents 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 has no significant long-term interest-bearing financial instruments. The Company's interest rate risk arises from short term investments and bank balances only. There are no financial instruments obtained at variable rates so the Company is not exposed to cash flow interest rate risk. Saving accounts and short term investments are carried at fixed rate which expose the Company to fair value interest rate risk.

At the statement of financial position date, the interest rate profile of the Company's interest bearing financial instruments was:

Fixed rate instruments	**2025 Rupees**	**2024 Rupees**
Short term investments	5,000,000	10,000,000
Floating rate instruments		
Saving bank accounts	4,672,969	4,288,401

Cash flow sensitivity analysis for variable rate instruments

As at June 30, 2025, if interest rates on the Company's savings bank accounts had been 1% higher / lower with all other variables held constant, deficit before tax for the year would have been lower / higher by Rs. 46,730/- (2024: Rs. 22,860/-), mainly as a result of interest exposure on variable rate saving bank accounts.

(iii) Price risk

Price risk represents 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 interest rate risk or currency risk), whether those changes are caused by factors specific to individual financial instrument or its issuer or factors affecting all similar financial instrument traded in the market. The Company is not exposed to any market price risk.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2025 Rupees	**2024 Rupees**
Long term deposits	5,554,020	5,554,020
Trade receivables	6,925,348	7,485,266
Advances, prepayments and other receivables	1,965,114	1,911,719
Short term investment	5,000,000	10,000,000
Bank balances	18,203,497	9,550,899
	37,647,979	34,501,904
The aging of trade receivables as at reporting date is as follows:		
Past due 1–30 days	414,008	545,454
Past due 31–60 days	300,206	509,072
Past due 61–120 days	230,400	172,346
Past due 121–365 days	522,710	1,059,101
More than one year	5,481,187	5,199,293
	6,948,511	7,485,266

The Company believes that it is not exposed to major concentration of credit risk as its exposure is spread over a large number of parties and trade receivables are subject to specific credit ceilings based on customer credit history.

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	2025	2024
	Short term	Long term	Agency		
				Rupees	Rupees
Askari Bank Limited	A1+	AA+	PACRA	8,762,131	4,264,807
Bank Alfalah Limited	A1+	AAA+	PACRA	8,033	7,313
MCB Bank Limited	A1+	AAA	PACRA	-	1,972,506
Soneri Bank Limited	A1+	AA-	PACRA	20,706	20,706
Faysal Bank Limited	A1+	AA	PACRA	7,382,282	30,083
National Bank of Pakistan	A1+	AAA	PACRA	2,030,345	3,255,484
				18,203,497	9,550,899

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, the management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to manage liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses different methods which assists it in monitoring cash flow requirements. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations.

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 and 5 years
	Rupees			
Contractual maturities of financial liabilities as at June 30, 2025:				
Trade and other payables	68,718,157	68,718,157	68,718,157	-
Project liabilities	33,156,347	33,156,347	33,156,347	-
	101,874,504	101,874,504	101,874,504	-
Contractual maturities of financial liabilities as at June 30, 2024:				
Trade and other payables	67,907,109	67,907,109	67,907,109	-
Project liabilities	17,428,200	17,428,200	17,428,200	-
	85,335,309	85,335,309	85,335,309	-

(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.

The Company classifies the financial instruments measured in the statement of financial position at fair value in accordance with the following fair value measurement hierarchy:

Level 1	Quoted market prices
Level 2	Valuation techniques using market observable inputs
Level 3	Valuation techniques using non market observable inputs

There are no financial instruments measured at fair value by the Company as at year end.

31.2 Financial instruments by categories

	Cash and cash equivalents	Deposits and Trade Receivables	Total
	Rupees		
Financial assets as at June 30, 2025			
Long term deposits	-	5,554,020	5,554,020
Trade receivables	-	1,114,325	1,114,325
Short term investments	5,000,000	-	5,000,000
Bank balances	18,203,497	-	18,203,497
	23,203,497	6,668,345	29,871,842
Financial assets as at June 30, 2024			
Long term deposits	-	5,554,020	5,554,020
Trade receivables	-	2,392,109	2,392,109
Short term investments	10,000,000	-	10,000,000
Bank balances	9,550,899	-	9,550,899
	19,550,899	7,946,129	27,497,028

	Liabilites	Total
	Rupees	
Financial liabilities at amortized cost		
Trade and other payables	68,718,157	67,907,109
Project liabilities	33,156,347	17,428,200
	101,874,504	85,335,309

31.3 Fair values of financial assets and liabilities

Carrying values of all financial assets and liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

32 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

	2025			2024		
	Chief Executive Officer	Directors	Executives	Chief Executive	Directors	Executives
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Managerial remuneration	-	-	28,338,143	-	-	28,982,510
Contribution to provident fund	-	-	1,770,094	-	-	1,502,728
Board meeting fee	-	340,000	-	-	380,000	-
Committee's meeting fee	-	520,000	-	-	200,000	-
Travelling and medical reimbursemen	-	149,720	1,770,094	-	97,000	1,502,726
Fuel and Mobile Allowance	-	-	7,847,715	-	-	7,824,640
	-	1,009,720	39,726,046	-	677,000	39,812,604
Number of persons	1	13	16	1	8	14

32.1 An executive is defined as an employee, other than the chief executive and executive directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

33 NUMBER OF EMPLOYEES

	2025 Number	2024 Number
Number of employees as at June 30,		
- TUSDEC	49	115
- Projects	7	2
	56	117
The average number of employees during the year were as follows:		
- TUSDEC	82	126
- Projects	5	7
	87	133

34 GENERAL

Figures have been rounded off to the nearest rupees, unless otherwise stated. Corresponding figures are rearranged / reclassified for better presentation. No reclassifications / rearrangements have been made in these financial statements.

35 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were approved and authorized by the Board of Directors of the Company for issuance on 25-10-2025.

CHIEF EXECUTIVE OFFICER **DIRECTOR**