

REPORT AND ACCOUNTS
FOR THE FIRST QUARTER ENDED
SEPTEMBER 30, 2020

AL-ABID SILK MILLS LIMITED

REGISTERED OFFICE
A-34/A, S.I.T.E., Manghopir Road, Karachi.

AL-ABID SILK MILLS LIMITED

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AL-ABID SILK MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. S.M. Jawed Azam Mr. Naseem A. Sattar Mr. Azim Ahmed Mr. Qamar Mashkooor Mr. Muhammad Sajid Hafeez Mst. Adia Naseem Mrs. Sadaf Nadeem Syed Raza Abbas Jaffari	Chairman Chief Executive Officer Executive Director Independent Non-Executive Director Independent Non-Executive Director Non-Executive Director Non-Executive Director Nominee Director (N.I.T.)
CHIEF FINANCIAL OFFICER	Mr. Shahbaz Ahmed Khan	
SECRETARY	Mr. Nasim Ahmed	
AUDIT COMMITTEE	Mr. Qamar Mashkooor Mr. Muhammad Sajid Hafeez Mr. S.M. Jawed Azam	Chairman Member Member
HUMAN RESOURCE AND REMUNERATION COMMITTEE	Mr. Muhammad Sajid Hafeez Mr. Naseem A. Sattar Mr. Qamar Mashkooor	Chairman Member Member
AUDITORS	Muniff Ziauddin & Co., Chartered Accountants	
REGISTRARS	Jwaffs Registrar Services (Pvt) Ltd. Room # 407-408, 4th Floor, Al-Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi	
BANKERS	Allied Bank Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited JS Bank Limited Meezan Bank Limited National Bank of Pakistan PAIR Investment Company Limited Standard Chartered Bank (Pakistan) Limited Summit Bank Limited The Bank of Punjab United Bank Limited	
REGISTERED OFFICE	A-34/A, S.I.T.E., Manghopir Road, Karachi.	
MILLS	A-34 / A, A-29 / B, S.I.T.E., Karachi.	
E-MAIL	mail@alabid.com	

AL-ABID SILK MILLS LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Board of Directors present the condensed interim financial statements of the company for the First Quarter ended September 30, 2020.

As you are aware that corona virus pandemic situation affected the overall economy of our country, Government has taken various effective measures for control the situation.

Future outlook:

As we have reported earlier in the Financial Statement of June 30, 2020, that we have settled a number of banks, for which surplus assets of the company have been disposed off. During the period ended on September 30, 2020 Faysal Bank Ltd is also settled and paid their liabilities in full and final. With remaining banks and DFI i.e. National Bank of Pakistan, JS Bank Ltd, The Bank of Punjab and PAIR Investment Company (Pvt) Ltd, our negotiations are going on for restructuring and rehabilitation and we expect that soon we will be reaching on a positive solution.

Shifting of plant and machinery and erection from the vacated premises A-39 & A-51/B to A-34/A & A-29/B is going on. The commissioning will take place & we will get in to production as soon as possible.

We are thankful to our banks, shareholders and staff who are still with us and showing full confidence in the company.

Thanks to all of you.

For and on behalf of the
Board of Directors



(NASEEM A. SATTAR)
Chief Executive Officer

October 28, 2020

العابد سلک ملز لمیٹڈ

حصص داران کیلئے ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز 30 ستمبر 2020ء کو ختم ہونے والی پہلی ماہی کیلئے کمپنی کے مجموعی مالیاتی حسابات پیش کر رہے ہیں۔

جیسا کہ آپ جانتے ہیں کہ کوآرڈینیشن کی وبائی صورتحال نے ہمارے ملک کی معیشت کو مجموعی طور پر متاثر کیا اور حکومت نے اس صورتحال پر قابو پانے کیلئے مختلف موثر اقدامات کئے ہیں۔

مستقبل کا نظریہ:

جیسا کہ ہم نے 30 جون 2020ء کے مالیاتی حسابات میں بیان کیا ہے کہ ہم نے متعدد بینکوں کے ساتھ تصفیہ کیا ہے جس کیلئے کمپنی کے فاضل اثاثوں کو بیچ دیا گیا ہے۔ 30 ستمبر 2020ء کو ختم ہونے والی مدت کے دوران فیصل بینک لمیٹڈ کے ساتھ بھی عمل اور حتمی تصفیہ طے پا گیا ہے اور داران کے بقایا جات ادا کر دیئے گئے ہیں۔ بقیہ بینکوں اور DFI یعنی بینک آف پاکستان، بے ایس بینک لمیٹڈ، وی بینک آف پنجاب اور PAIR انویسٹمنٹ کمپنی (پرائیویٹ) لمیٹڈ کے ساتھ تنظیم نو اور بحالی کیلئے ہمارے مذاکرات جاری ہیں اور ہم توقع کرتے ہیں کہ جلد ہی ہم کسی مثبت نتیجے پر پہنچیں گے۔

پلاٹ نمبر A-39 اور A-51/B سے پلاٹ نمبر A-34/A اور A-29/B میں پلانٹ اور مشینری کی منتقلی جاری ہے۔ کوششنگ ہوگی اور ہم بہت جلد پیداوار میں واپس آ جائیں گے۔

ہم اپنے بینکوں، شیئرز ہولڈرز اور اسٹاف کے شکر گزار ہیں جو اب بھی ہمارے ساتھ ہیں اور کمپنی پر پورے اعتماد کا اظہار کر رہے ہیں۔

آپ سب کا بہت بہت شکریہ۔

بورڈ آف ڈائریکٹرز کی جانب سے

کراچی: مورخہ 28 اکتوبر 2020ء

نسیم اے ستار
چیف ایگزیکٹو آفیسر

AL-ABID SILK

CONDENSED INTERIM STATEMENT OF AS AT

	Sept 2020 (Unaudited)	June 2020 (Audited)
Note	----- (Rupees) -----	
EQUITY & LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital	200,000,000	200,000,000
20,000,000 Ordinary Shares of Rs. 10/- each		
Issued, subscribed and paid-up capital	<u>134,095,500</u>	<u>134,095,500</u>
Capital reserves		
Other reserves	372,834,000	372,834,000
Revaluation Surplus on Property Plant & Equipment	5 1,297,288,657	1,297,497,056
Revenue reserves		
Accumulated loss	(3,431,290,280)	(4,131,831,283)
Total equity	<u>(1,627,072,123)</u>	<u>(2,327,404,727)</u>
LIABILITIES		
NON- CURRENT LIABILITIES		
Long term loan from banks	-	-
Liabilities against assets subject to finance lease	-	-
Deferred Taxation	-	-
CURRENT LIABILITIES		
Loan from director - unsecured	6 521,018,754	521,018,754
Retirement benefits	6,991,602	6,991,602
Security deposit	1,800,000	16,400,000
Trade and other payables	764,218,310	763,265,695
Unclaimed dividend	108,310	108,310
Advance from I.B.L	366,063,944	366,063,944
Accrued markup	60,622,829	96,809,130
Short term finances	7 1,397,310,685	2,144,455,606
Provision for taxation	390,459	390,459
CONTINGENCIES AND COMMITMENT	8 3,118,524,893	3,915,503,500
	<u>1,491,452,770</u>	<u>1,588,098,774</u>

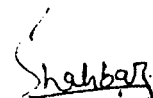
The annexed notes form an integral part of these interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

MILLS LIMITED

FINANCIAL POSITION (UNAUDITED)
SEPTEMBER 30, 2020

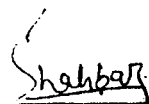
	Sept 2020 (Unaudited)	June 2020 (Audited)
	Note	(Rupees)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	9	1,038,287,401
Long term security deposit		3,290,949
		1,206,193,888
CURRENT ASSETS		
Stores and spares		35,944,003
Stock in trade		8,640,232
Trade debts		1,342,717
Loans and advances		10,392,524
Trade deposits and prepayments		8,144,398
Other receivables		150,495,162
Tax refunds due from government		58,345,227
Cash and bank balances		176,570,157
		449,874,420
		378,613,937
		<u>1,491,452,770</u>
		<u>1,588,098,774</u>



Chief Executive Officer



Director



Chief Financial Officer

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (Unaudited)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Note	July-Sep 2020 Rupees	July-sep-2019 Rupees
Sales and manufacturing		-	-
Cost of sales		20,897,539	26,906,854
Gross loss		<u>(20,897,539)</u>	<u>(26,906,854)</u>
Operating expenses			
Administrative expenses		<u>18,842,260</u> (39,739,799)	<u>6,733,966</u> (33,640,820)
Other income	10	740,078,053	4,635,838
Profit/(Loss) from operations		<u>700,338,254</u>	<u>(29,004,982)</u>
Finance cost	11	5,650	1,429
Profit / (Loss) before taxation		<u>700,332,604</u>	<u>(29,006,411)</u>
Taxation-net		-	-
Profit / (Loss) after taxation		<u>700,332,604</u>	<u>(29,006,411)</u>
Earning / (Loss) per share - basic and diluted	12	<u>52.23</u>	<u>(2.16)</u>

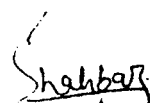
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Chief Executive Officer



Director



Chief Financial Officer

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (Unaudited)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	July-Sep 2020 Rupees	July-Sep-2019 Rupees
Profit/(Loss) after taxation	700,332,604	(29,006,411)
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	<u>700,332,604</u>	<u>(29,006,411)</u>

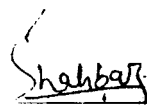
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Chief Executive Officer



Director



Chief Financial Officer

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOW (Unaudited) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	July-Sep-2020 Rupees	July-Sep-2019 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	700,332,604	(29,006,411)
Adjustments for:		
Depreciation	18,666,619	25,638,875
Gain/Loss on disposal of property, plant and equipment	(187,881,592)	115,208
Provision for slow moving obsolete stores and spares	1,891,790	1,891,790
Provision for obsolete stock	454,749	454,749
Impairment of trade debts	47,260	47,260
Gain on reversal of financial liability	(551,331,222)	(1,578,423)
CASH FLOW FROM OPERATING ACTIVITIES - BEFORE WORKING CAPITAL CHANGES	(718,152,396)	26,569,459
WORKING CAPITAL CHANGES		
Decrease / (Increase) in current assets:		
Loan and advances	(1,341,905)	3,307
Other receivables	-	28,816,101
Tax refunds due from government	1,905,115	-
	563,210	28,819,408
(Decrease) / Increase in current liabilities:		
Trade and other payable	952,615	(2,346,236)
Security deposit	(14,600,000)	-
Accrued mark-up	(36,186,301)	-
	(49,833,687)	(2,346,236)
Cash used on operations	(67,090,269)	24,036,220
Taxes paid	-	(485,426)
Net cash used on operating activities	(67,090,269)	23,550,794
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of fixed assets	337,121,460	437,500
Net cash generated from investing activities	337,121,460	437,500
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term finance	(195,813,699)	(24,838,775)
Loan from director	-	-
Net cash generated from financing activities	(195,813,699)	(24,838,775)
Net decrease in cash and cash equivalents	74,217,493	(850,481)
Cash and cash equivalents at the beginning of the period	102,352,665	147,205,357
Cash and cash equivalents at the end of the period	176,570,157	146,354,876

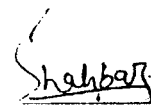
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Chief Executive Officer



Director



Chief Financial Officer

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Issued, subscribed and paid-up capital	Other reserve	Revaluation Surplus on Property Plant & Equipment	Accumulated Loss	Total
Rupees					
Balance as at June 30, 2019 (restated)	134,095,500	372,834,000	1,336,265,569	(6,663,390,274)	(4,820,195,204)
Correction of error	-	-	37,526,998	(37,526,998)	-
Balance as at July 01, 2019 (restated)	134,095,500	372,834,000	1,373,792,567	(6,700,917,272)	(4,820,195,204)
Comprehensive loss for the year					
Profit(Loss) after tax for the three months ended September 30, 2019	-	-	-	(29,006,411)	(29,006,411)
-Transfer from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	(2,305,626)	2,305,626	-
Balance as at September 30, 2019	134,095,500	372,834,000	1,371,486,941	(6,727,618,057)	(4,849,301,615)
Balance as at June 30, 2020	134,095,500	372,834,000	1,297,497,056	(4,131,831,263)	(2,327,404,727)
Comprehensive income for the year					
Profit(Loss) after tax for the three months ended September 30, 2020	-	-	-	700,332,604	700,332,604
-Transfer from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	(208,399)	208,399	-
Balance as at Sept 30, 2020	134,095,500	372,834,000	1,297,288,657	(3,431,290,289)	(1,627,072,123)

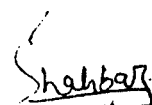
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Chief Executive Officer



Director



Chief Financial Officer

AL-ABID SILK MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND OPERATIONS

Al-Abid Silk Mills Limited (the Company) was incorporated as a private limited company in the year 1968, later on it was converted into public limited company as on December 24, 1987 under Companies Ordinance, 1984. Currently, the shares of the Company are listed on Pakistan Stock Exchange Limited. The registered office is located at A-34/A, S.I.T.E., Manghopir Road, Karachi. The Company is principally engaged in manufacturing and processing of various kinds of fabrics and export of printed and dyed cloth, bed sets and other textile made-ups. The manufacturing facilities of the Company are located at Karachi.

Geographical location and addresses of major business units including mills / plants of the Company are as under:

<u>KARACHI</u>	<u>PURPOSE</u>
A-34/A, S.I.T.E., Manghopir Road, Karachi.	The registered office with manufacturing facilities
A-29/B, S.I.T.E., Manghopir Road, Karachi.	The factory premises with manufacturing facilities

1.1 GOING CONCERN ASSUMPTIONS

The Company has curtailed off the manufacturing activities for quite some time, As a result of constant losses, the accumulated loss of the company has reached to Rs. 3.431 billion and Company's equity is in negative by Rs. 1.627 billion while the reported current liabilities (since partly under litigation) have exceeded to current assets of the company by Rs. 2.668 billion. These conditions indicate the existence of a material uncertainty that may cast significant doubt on Company's its liabilities in the normal course of business. However, the management of the company believes that the company will remain a going concern in the foreseeable future.

The banks and DFI filed civil recovery suits in Honorable High Court and Banking Court for recovery of their lent fund. The Company filed leave to defend in the court against all such legal suits. Furthermore, the company did not accrue the markup of Rs. 31.04 million as matter was under litigation. During the period, the company has settled the liability of Faysal Bank Limited and paid full and final. The management has already requested rest of the banks and DFI collectively and individually, to reschedule their credit facilities for a longer period coupled with fresh additional working capital facility in order to resume the operation of the company, and the discussion with the bank/DFI are continuing.

During the year ended June 30, 2016, International Brand Limited (IBL) submitted proposal to the bank for restructuring and acquire shareholding in the Company. Pending this proposal IBL entered into contract dated June 15th, 2015 for manufacturing of their goods in the Company. For this purpose in pursuit to have the plant in full running condition to manufacture their contract goods as per their specification, IBL incurred initial mobilizing expenses under their supervision for repair and maintenance which was to be adjusted against generation of manufacturing of contract goods only. However, Manufacturing of contract goods was not started by IBL. Further, on February 10th, 2017 IBL has given the notice of termination of this contract and pursuant to their termination notice IBL has vacated the premises without undertaking the manufacturing of any contract goods.

Considering the above, the management of the company is confident to turn it around and to continue as a going concern. Accordingly, these financial statements do not include any adjustment relating to the realization of its assets and liquidation of any liabilities that might be necessary should the company be unable to continue as a going concern.

AL-ABID SILK MILLS LIMITED

2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This interim financial information does not include all the information required for a complete set of financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2020.

The comparative balance sheet presented in this interim financial information as at June 30, 2020 has been extracted from audited financial statements of the company for the year ended June 30, 2020, Whereas the comparative profit and loss account statement of changes in equity and the cash flow statements for the three month period ended September 30, 2019 have been subjected to a review but not audit.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2020.

There are certain new International Financial Reporting Standards (standards), amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2018. These considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in this condensed interim financial information.

4 Critical accounting estimates and judgments

- 4.1 The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.
- 4.2 In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2020

AL-ABID SILK MILLS LIMITED

	Sept 2020 Rupees (Unaudited)	June 2020 Rupees (Audited)
5 Revaluation Surplus on Property Plant & Equipment		
Balance at beginning of the year - net	1,297,497,056	1,373,792,567
Adjustment due to correction of error	-	-
Balance at beginning of the year - net (restated)	1,297,497,056	1,373,792,567
Less: Transferred to unappropriated profit on account of incremental depreciation for the period - net of tax	(208,399)	(76,295,511)
Balance at end of the period - net	1,297,288,657	1,297,497,056

5.1 During the year ended June 30, 2018 the Company has revalued its Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation and Leased Plant, Machinery & equipments. The valuation has been determined by the independent qualified valuer M/s. SIPRA & Company (Pvt) Limited. The assessed value of the fixed assets as determined by the valuer amounts to Rs. 2,232,252,450 as at January 08, 2018, however, the forced sales value of Rs. 1,674,048,087 have been taken into account for the fixed assets for the reason as mentioned in note 1.1. The earlier valuations were carried out by M/s. Anjum Adil and Associates independent qualified valuer on June 30, 2012, August 31, 2010 and August 31, 2007 on the basis of prevailing market rates at that time.

6 LOAN FROM DIRECTOR - UNSECURED

Balance at beginning of the year	521,018,754	521,018,754
Received during the period	-	-
Repaid during the period	-	-
	521,018,754	521,018,754

The above is interest free loan from director(s) of the company, which is payable on demand.

7 SHORT TERM FINANCES

From banks and financial institutions - Secured		2,144,455,606	4,976,112,476
Less: Settlement during the period	7.1	(747,144,821)	(2,826,588,352)
Adjustment against DLT	7.2	-	(5,068,518)
		1,397,310,685	2,144,455,606

7.1 The facilities consist of various types of short term finances from different banks and non-banking financial institutions. The facilities are secured against hypothecation charge on stocks, mortgage on factory property of Plot No. A-28B with building and machinery installed thereon and charge on book debts and receivables of the company. As fully disclosed in note No. 8.1 various banks have filed suit for the recovery of these loans. During the period, the company has settled off the bank as mentioned in note 1.1. The management is amicably pursuing rest of the banks and D.F.I for rescheduling or settlement as disclosed in note 8.1.

7.2 This represents an adjustment against the financial facilities of Bank of Punjab being amount of DLT received by them.

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

Bank guarantee	1,512,000	1,512,000
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The bank guarantees have been issued in favor of Sui Southern Gas Company Limited and others.

S.NO.	WRIT PETITION	FORUM	ISSUE INVOLVED	STATUS
1		Sindh High Court	The Sales Tax department has filed an appeal in the Honorable High Court of Sindh on 23rd August, 2000 against the Order of the learned Appellate Tribunal Customs and Sales Tax for recovery of Additional Tax and Surcharge amounting to Rs. 3.449 million for the year 1992-93. No provision for this amount has been made in these accounts as the management of the Company is of the view that the decision of the Learned Appellate Tribunal Customs and Sales Tax given in favor of the Company will be successfully defended in the Honorable High Court.	Pending
2	Application No. 95 & 96 of 2016	Sindh High Court	The Spl. Sales Tax Reference Application No. 95 & 96 of 2016 filed by the company against order passed by the Sindh Revenue Board Appellate Tribunal order related to period ending June 30, 2014 and June 30, 2015 are pending before Honorable High Court of Sindh at Karachi. Further, The Sindh Revenue Board has also filed Spl. Sales Tax Reference Application No. 119 of 2016 against order passed by the Sindh Revenue Board Appellate Tribunal order related to period ending June 30, 2014 and June 30, 2015 is pending before Honorable High Court of Sindh at Karachi.	Pending
3	Suit No. B-42/2013	Sindh High Court	Al-Abid Silk Mills Limited (company) has filed the suit for damages against the JS Bank Limited and JS Bank Limited has filed suit # B-76/2013 against the company for recovery of outstanding loan amounting to Rs. 335,105,683/-.	Pending

AL-ABID SILK MILLS LIMITED

S.NO.	WRIT PETITION	FORUM	ISSUE INVOLVED	STATUS
4	Suit No. B-95 of 2013	Sindh High Court	Bank of Punjab has filed suit against the Company for recovery of outstanding loan amounting to Rs. 434,399,948/-.	Pending
5	Suit No. B-111 of 2013	Sindh High Court	PAIR Investment Co. Ltd. has filed the suit against the Company for recovery of outstanding loan amounting to Rs. 171,460,949/-.	Pending
6	Suit No. B-26 of 2017	Sindh High Court	National Bank of Pakistan has filed the suit against the Company for recovery of outstanding loan amounting to Rs. 948,140,145/-.	Pending
7	Suit No. 1586/2013	Sindh High Court	The company has filed suit interalia for cancellation of cheques; and damages against Jawaid Arshad Textile.	Pending
8	Suit No. 540/2014	Sindh High Court	Javed Arshad has filed the suit against the company for recovery of Rs. 21.32 million.	Pending
9	Suit No. 1200/2014	Sindh High Court	Ranyal Textile has filed the suit against the company for recovery of Rs. 40.94 million.	Pending
10	Suit No. 1245/2015	Sindh High Court	Shahtaj Textile has filed the suit against the company for recovery of Rs. 112.64 million.	Pending
11	Suit No. 1833/2015	Sindh High Court	Maksons Textile has filed the suit against the company for recovery of Rs. 56.38 million.	Pending

AL-ABID SILK MILLS LIMITED

S.NO.	WRIT PETITION	FORUM	ISSUE INVOLVED	STATUS
12	Suit No. 358/2015	Sindh High Court	BASF has filed the suit against the company for recovery of Rs. 33.68 million.	Pending
13	Suit No. 2442/2016	Sindh High Court	ICI Pakistan has filed the suit against the company for recovery of Rs. 26.57 million.	Pending
14	H.C.A 519/2018	Sindh High Court	The company has filed an High Court Appeal against Shahtaj Textile limited, an ad-interim injunctive order of the Learned Single Judge wherein the company was refrained from creating any third party interest on their properties.	Pending
15	JCM No. 34/2014	Sindh High Court	One of the supplier of the company has filed a winding up petition, on the ground that the company owes a sum of Rs. 40.94 million to Ranyal Textile. Such claim is denied by the company.	Pending
16	JCM No. 25/2015	Sindh High Court	PAIR Investment Company Limited has filed a winding up petition, on the ground that the company owes a sum of Rs. 201.925 million to Pair Investment. Such claim is denied by the company.	Pending
17	Suit No. 604/2018	Sindh High Court	ACME (supplier) has filed suit for recovery of Rs. 48,822,642/-, before the High Court of Sindh at Karachi. An application for rejection of plaint has been filed in the matter on the grounds that the claim of this supplier is time barred. Besides this, issues have yet to be framed in the case therefore it is premature to comment on the outcome. The management is vigorously contesting the case.	Pending
18	JCM No. 10/2015	Sindh High Court	Achroma Textile Chemicals Pakistan (creditor) has filed a winding up petition at High Court of Sindh at Karachi. The winding up petition has been filed on the grounds that Al-Abid owes Achroma Textile Chemical Pakistan (formerly BASF Pakistan) a sum of Rs. 33,683,561/-. Such claim is denied by Al-Abid. The petition is yet to be heard. Therefore, it is premature to comment on the outcome. The management is vigorously contesting the case.	Pending
19	JCM No. 35/2014	Sindh High Court	JS Bank Limited had filed a winding up petition at High Court of Sindh at Karachi, on the grounds that Al-Abid owes to the JS Bank Limited Rs. 370,930,165/-. The management is vigorously contesting the case.	Pending

The amount mentioned on above cases 3-8 except settled Banks, are claimed amounts by the Banks, actual amounts to be determined by the Banking Court.

The outcome of above cases as referred in cases 3-19 except settled banks cannot be predicted and the management is vigorously contesting the case, however major amount has already been provided in financial statements.

There are various ex-workers filed suits pending for payment of their legal dues before the Authority under the Payment of Wages Act, West Division, Karachi. The company believes that there may not be any financial implications.

9.2 Commitments:

There are no commitments as at period end. (June 2020: Nil).

	Sept 2020 Rupees Un-Audited	June 2020 Rupees Audited
9 PROPERTY, PLANT AND EQUIPMENT		
Operating Fixed Assets	1,021,487,401	1,169,393,888
Capital Work in Progress - DDFC Boiler	16,800,000	16,800,000
	<u>1,038,287,401</u>	<u>1,206,193,888</u>
9.1 Operating Fixed Assets		
Opening written down value	1,189,393,888	1,752,025,427
Deletions	(178,043,042)	604,262,042
Surplus / Impairment during the period	28,895,351	36,384,234
Depreciation	(118,868,619)	84,733,731
	<u>1,021,487,401</u>	<u>1,169,393,888</u>
10 OTHER INCOME		
Income from non-financial assets / liabilities		
Gain arising on settlement of loan (secured)	551,331,222	-
Waiver received from Creditors	-	1,578,423
Gain/(Loss) on disposal of property, plant and equipment	187,881,582	(115,208)
Income from financial assets / liabilities	865,239	3,172,823
Profit on PLS deposit account	-	-
	<u>740,078,053</u>	<u>4,635,838</u>

AL-ABID SILK MILLS LIMITED

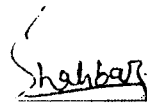
	July-Sept 2020 Rupees Un-Audited	July-Sept 2019 Rupees Un-Audited
11 FINANCE COST		
Bank charges, mark-up and commission	5,650	1,429
12 EARNING / (LOSS) PER SHARE - BASIC AND DILUTED		
12.1 EARNING / (LOSS) PER SHARE - BASIC		
Profit / (Loss) after taxation	Rupees 700,332,604	(29,006,411)
Weighted average number of shares	Number 13,409,550	13,409,550
Earning / (loss) per share - basic	Rupees 52.23	(2.16)
12.2 Diluted earnings per share		
There is no dilution effect on the basic earning / (loss) per share of the company.		
13 RELATED PARTY TRANSACTIONS		
Transaction	Relationship with the company	
Loan received from director - Naseem A. Sattar	Chief Executive Director	
Balance		
Loan received from director - Azim Ahmed	Executive Director	60,105,867
Loan received from director - Naseem A. Sattar	Chief Executive Director	460,912,887
14 KEY MANAGEMENT PERSONNEL - REMUNERATION & BENEFITS		
In view of bad financial condition of the company directors have decided not to claim their whole remuneration for the period ended September 30, 2020 i.e. Mr. Naseem A. Sattar Rs. 2,625,000 and Mr. Azim Ahmed Rs. 1,350,000. (2019: Mr. Naseem A. Sattar Rs. 2,625,000) and (Mr. Azim Ahmed Rs. 1,350,000).		
15 FINANCIAL RISK MANAGEMENT		
The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2020.		
16 DATE OF AUTHORISATION FOR ISSUE		
These interim financial statements were approved and authorized for issue in the Board of Directors' meeting held on October 28, 2020.		



Chief Executive Officer



Director



Chief Financial Officer

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Printed Matter

UNDER POSTAL CERTIFICATE

If undelivered please return to :

AL-ABID SILK MILLS LIMITED

Registrars:

Jwaffs Registrar Services (Pvt) Ltd.

Room # 407-408, 4th Floor,

Al-Ameera Centre, Shahrah-e-Iraq,

Saddar, Karachi.