

REPORT AND ACCOUNTS  
FOR THE FIRST QUARTER ENDED  
SEPTEMBER 30, 2023

**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

<b>BOARD OF DIRECTORS</b>	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 Independent Non-Executive Director Independent Non-Executive Director Non-Executive Director Non-Executive Director Nominee Director of (N.I.T.)
<b>AUDIT COMMITTEE</b>	Mr. Qamar Mashkooor Mr. Muhammad Sajid Hafeez Mr. Naseem A. Sattar	Chairman Member Member
<b>HUMAN RESOURCE AND REMUNERATION COMMITTEE</b>	Mr. Muhammad Sajid Hafeez Mr. Naseem A. Sattar Mst. Adia Naseem	Chairman Member Member
<b>CHIEF FINANCIAL OFFICER</b>	Mr. Haroon Rasheed	
<b>SECRETARY</b>	Mr. Nasim Ahmed	
<b>AUDITORS</b>	Muniff Ziauddin & Co., Chartered Accountants	
<b>REGISTRARS</b>	Jwaffs Registrar Services (Pvt) Ltd. Room # 407-408, 4th Floor, Al-Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi	
<b>BANKERS</b>	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	
<b>REGISTERED OFFICE</b>	A-34/A, S.I.T.E., Manghopir Road, Karachi.	
<b>MILLS</b>	A-34 / A, A-29 / B, S.I.T.E., Karachi.	
<b>E-MAIL</b>	mail@alabid.com	

# AL-ABID SILK MILLS LIMITED

## DIRECTORS' REPORT TO SHAREHOLDERS

The Board of Directors present the condensed interim financial statement of the Company for the First Quarter ended September 30, 2023.

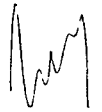
The caretaker Government is giving their full attention to revive the economy of the Country. All sectors including the textile industry, a major foreign exchange earner, will also be moving in the right direction.

### **Future outlook:**

As reported in June 2023 financial statement, production will soon be underway.

We are thankful to all stakeholders and hope their support will continue.

For and on behalf of the Board of Directors



**Azim Ahmed**  
Chief Executive Officer

October 30, 2023

## AL-ABID SILK MILLS LIMITED

### حصص داران کیلئے ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز 30 ستمبر 2023ء کو ختم ہونے والی پہلی سہ ماہی کیلئے کمپنی کے مجموعی مالیاتی حسابات پیش کر رہے ہیں۔

عبوری حکومت ملک کی معیشت کو بحال کرنے پر اپنی کوششیں مرکوز کر رہی ہے۔ ٹیکسٹائل کی صنعت سمیت تمام شعبے جو کہ زرمبادلہ کمانے میں اہم کردار ادا کرتے ہیں، بھی درست سمت میں گامزن ہیں۔

مستقبل کی پیش بینی:

جون 2023 میں رپورٹ کردہ مالیاتی گوشواروں کے مطابق، پیداوار جلد شروع ہو جائے گی۔

ہم تمام اسٹیک ہولڈرز کے شکر گزار ہیں اور امید کرتے ہیں کہ ان کا تعاون جاری رہے گا۔

مورخہ: 30 اکتوبر 2023ء

بورڈ آف ڈائریکٹرز کی جانب سے




عظیم احمد  
چیف ایگزیکٹو آفیسر

# AL-ABID SILK

## CONDENSED INTERIM STATEMENT OF AS AT

	Note	Sept-2023	June 2023
(Rupees)			
<b>EQUITY &amp; LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital			
20,000,000 ordinary shares of Rs. 10/- each		200,000,000	200,000,000
Issued, subscribed and paid-up capital		134,095,500	134,095,500
<b>Capital reserves</b>			
Other reserves		372,834,000	372,834,000
Revaluation Surplus on Property, Plant & Equipment	5	2,026,118,319	2,048,543,523
<b>Revenue reserves</b>			
Accumulated loss		(2,558,641,531)	(2,533,346,372)
<b>Total equity</b>		<b>(25,593,712)</b>	<b>22,126,651</b>
<b>LIABILITIES</b>			
<b>NON- CURRENT LIABILITIES</b>			
Deferred tax		-	-
Long Term Finances	6	243,264,000	-
Staff retirement benefits		8,613,055	8,613,055
		<b>251,877,055</b>	<b>8,613,055</b>
<b>CURRENT LIABILITIES</b>			
Loan from directors - unsecured	7	561,018,754	561,018,754
Trade and other payables		768,169,208	765,176,397
Unclaimed dividend		108,310	108,310
Advance from I.B.L	8	-	-
Current maturity of long term finances	6	17,000,000	-
Accrued markup	9	49,777,692	60,622,829
Short term finances	10	1,044,718,924	1,301,787,787
Provision for taxation		694,227	694,227
		<b>2,441,487,115</b>	<b>2,689,408,304</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	<b>11</b>		
		<b>2,667,770,459</b>	<b>2,720,148,010</b>

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

  
\_\_\_\_\_  
Chief Executive Officer


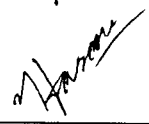
  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

# MILLS LIMITED

## FINANCIAL POSITION (UN-AUDITED) SEPTEMBER 30, 2023

		Sept-2023	June 2023
	Note	(Rupees)	(Rupees)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	12	2,305,643,548	2,387,255,876
Long term security deposit		3,311,307	3,311,307
<b>CURRENT ASSETS</b>			
Stores and spares		24,909,000	24,909,000
Loans and advances		1,529,126	1,153,310
Trade deposits and prepayments		2,060,688	2,060,688
Other receivables	13	213,374,629	213,214,629
Tax refunds due from government		57,159,634	58,144,585
Cash and bank balances		59,782,527	30,098,615
		358,815,604	329,580,827
		<u>2,667,770,459</u>	<u>2,720,148,010</u>

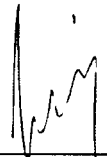
  
\_\_\_\_\_  
Chief Executive Officer  
\_\_\_\_\_  
Director  
\_\_\_\_\_  
Chief Financial Officer

# AL-ABID SILK MILLS LIMITED

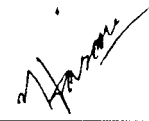
## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) For the First Quarter ended September 30,2023

	Note	July-Sep 2023 Rupees	July-Sep 2022 Rupees
Sales and manufacturing		-	-
Cost of sales		(29,794,897)	(36,796,679)
<b>Gross loss</b>		<u>(29,794,897)</u>	<u>(36,796,679)</u>
<b>Operating expenses</b>			
Administrative expenses		(19,903,556)	(5,994,248)
Other Income	14	1,982,090	872,965
<b>(loss) from operations</b>		<u>(47,716,363)</u>	<u>(41,917,962)</u>
Finance cost		(4,000)	(763)
<b>(Loss) before taxation</b>		<u>(47,720,363)</u>	<u>(41,918,725)</u>
Taxation-net		-	-
<b>(Loss) after taxation</b>		<u><u>(47,720,363)</u></u>	<u><u>(41,918,725)</u></u>
<b>(Loss) per share - basic and diluted</b>	15	<u><u>(3.56)</u></u>	<u><u>(3.13)</u></u>

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

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

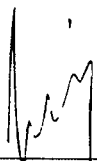


# AL-ABID SILK MILLS LIMITED

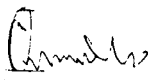
## CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED) For the First Quarter ended September 30, 2023

	July-Sep 2023 Rupees	July-Sep 2022 Rupees
(Loss) after taxation	(47,720,363)	(41,918,725)
<b>Other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Revaluation of property, plant and equipments	-	-
Remeasurements of defined benefit liability	-	-
<i>Items that are or may be reclassified subsequently to profit or loss</i>	-	-
Other comprehensive income for the year	-	-
Total comprehensive Loss for the year	(47,720,363)	(41,918,725)

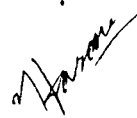
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Chief Executive Officer



Director




Chief Financial Officer

# AL-ABID SILK MILLS LIMITED

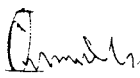
## CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) For the First Quarter ended September 30,2023

	July-Sep 2023 Rupees	July-Sep 2022 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) before taxation	(47,720,363)	(41,918,725)
<b>Adjustments for:</b>		
Depreciation	29,896,537	36,925,132
Loss on disposal of plant and equipment	10,600,089	-
Impairment of trade debts	-	47,260
	40,496,626	36,972,392
<b>WORKING CAPITAL CHANGES</b>		
<b>Decrease / (Increase) in current assets:</b>		
Loan and advances	(375,816)	(8,046)
Receivable from Warehousing Services	(160,000)	-
Tax refunds due from government	984,951	(130,945)
	449,135	(138,991)
<b>(Decrease) / Increase in current liabilities:</b>		
Trade and other payable	2,992,811	(59,194)
Accrued mark-up	-	-
	2,992,811	(59,194)
Cash used on operations	(3,781,791)	(5,144,518)
Taxes paid	-	-
Net cash used in operating activities	(3,781,791)	(5,144,518)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of fixed assets	41,115,703	-
Net cash generated from investing activities	41,115,703	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term finance	(7,650,000)	-
Loan from Director	-	-
Net cash used in financing activities	(7,650,000)	-
<b>Net decrease in cash and cash equivalents</b>	29,683,912	(5,144,518)
<b>Cash and cash equivalents at the beginning of the Year</b>	30,098,615	71,633,160
<b>Cash and cash equivalents at the end of the Period</b>	59,782,527	66,488,642

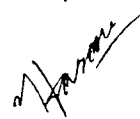
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Chief Executive Officer



Director




Chief Financial Officer

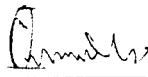
# AL-ABID SILK MILLS LIMITED

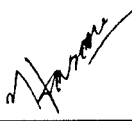
## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) For the First Quarter ended September 30, 2023

	Share Capital	Capital Reserve		Revenue Reserve	Total
	Issued, subscribed and	Other reserve	Revaluation Surplus on	Accumulated Loss	
	Rupees				
Balance as at July 01, 2022	134,095,500	372,834,000	2,239,643,487	(2,812,486,378)	(66,913,391)
<b>Comprehensive income for the year</b>					
(Loss after tax for the Quarter ended September	-	-	-	(41,918,725)	(41,918,725)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the Period ended September 30, 2022	-	-	-	(41,918,725)	(41,918,725)
-Transfer on account of incremental depreciation	-	-	(27,589,820)	27,589,820	-
<b>Balance as at September 30, 2022</b>	<b>134,095,500</b>	<b>372,834,000</b>	<b>2,212,053,667</b>	<b>(2,826,815,283)</b>	<b>(107,832,116)</b>
Balance as at June 30, 2023	134,095,500	372,834,000	2,048,543,523	(2,533,346,372)	22,126,651
<b>Comprehensive income for the year</b>					
Profit after tax for the Year ended June 30, 2023	-	-	-	(47,720,363)	(47,720,363)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the Year ended June 30, 2023	-	-	-	(47,720,363)	(47,720,363)
-Transfer from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	(22,425,204)	22,425,204	-
Transfer on account of disposal of Fixed Assets	-	-	-	-	-
<b>Balance as at September 30, 2023</b>	<b>134,095,500</b>	<b>372,834,000</b>	<b>2,026,118,319</b>	<b>(2,558,641,531)</b>	<b>(25,593,712)</b>

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

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

# AL-ABID SILK MILLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

### 1. LEGAL STATUS AND OPERATIONS

- 1.1 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 repealed Companies Ordinance, 1984 (repealed by the enactment of Companies act, 2017). 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

### 2. 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. 2.558 billion and total equity to negative to Rs. 25.593 million, while the reported current liabilities (since partly under litigation) have exceeded to current assets of the company by Rs. 2.082 billion. These conditions indicate the existence of a material uncertainty that may cast significant doubt on Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge 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 bank 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. 63.82 million as matter was under litigation. Settlement with JS Bank has been reached according to Supreme Court Order/Direction, in this regard the company has deposited the settlement amount to Nazir Sindh High Court Karachi against recovery suit No.B-76/2013. The matter of The Bank of Punjab has already been settled and the payment has been started. Management of the Company has already requested rest of bank and DFI collectively and individually to reschedule their credit

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.

IBL have terminated their 'contract manufacturing agreement' without doing any manufacturing of contract goods according to their agreement, the management of the Company has written off their advances incurred by them for mobilizing expenses of the plant under their supervision for repair and maintenance.

According to the business revival plan of the Company, the management is going to resume its production activities with its state of the art machinery in the subsequent period. The plant is in good condition requiring minimal Capital expenditure for maintenance. In this regard management is already working on rehabilitation of the required machinery. Due to the demand and supply situation, the company has an advantage to run the plant at full capacity and generate significant revenues.

Besides production, the Company intends to offer its surplus land and building to logistic companies for their warehousing and distribution needs. This will generate additional revenue for the Company. Infact, subsequent to the year end, a portion of property has been sublet for warehousing and distribution.

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.

### 3. Basis of Preparation

#### 3.1 Statement of compliance

These condensed 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;

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

# AL-ABID SILK MILLS LIMITED

## 3.2 Basis of measurement

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

## 3.3 Functional and presentation currency

These condensed financial statements are presented in Pak Rupees (Rs/Rupees), which is the functional currency of the Company. Amounts presented in the financial statements have been rounded off to the nearest of Rs./Rupees, unless otherwise

## 4 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed financial statements in conformity with the approved accounting and reporting 'Standards as applicable in Pakistan for interim reporting requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on the historical experience and other factors, including reasonable expectations of future events. Revisit to accounting estimates are recognised prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of these condensed interim financial statement are same as those applied to financial statement as at the year ended June 30, 2023.

The Company's risk management objectives and policies are consistent with those disclosed in the financial statement as at and for the year ended June 30, 2023.

	September -2023 Rupees	June 2023 Rupees
<b>5 Revaluation Surplus on Property Plant &amp; Equipment</b>		
Balance at beginning of the period / year	2,048,543,523	2,239,643,487
Less: Transferred to unappropriated profit on account of incremental depreciation for the period.	(22,425,204)	(109,073,302)
Less: Transferred to unappropriated profit on account of disposal for the year.	-	(62,026,662)
Surplus/Deficit on revaluation arisen during the year	-	-
<b>Balance at end of the year - net</b>	<b>2,026,118,319</b>	<b>2,048,543,523</b>
<b>5.1</b> The Company has revalued its Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation. The valuation has been determined by the independent qualified valuer Mis. Sadruddin Associates (Pvt) Ltd on November 30, 2021. The assessed values of the fixed assets as determined by the valuer amounts to Rs. 2,730,766,761, however, the forced sales value is Rs. 2,321,168,747 have been taken to account for the fixed assets		
<b>5.2</b> Had there been no revaluation the related figures of Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation would have been as follows:		
	Sep-23	Jun-23
	Cost	Deletion
	Accumulated depreciation	Book value
	Cost	Deletion
	Accumulated depreciation	Book value
Leasehold land	29,376,842	-
Building on leasehold land	289,870,773	251,535,893
Plant, Machinery & equipments	1,688,769,982	(96,456,611)
Furniture & Fixture	42,571,147	36,125,878
Office equipment	4,533,716	3,831,041
Electric, gas & Other Installations	71,061,709	61,111,262
	2,126,224,169	(96,456,611)
	1,717,920,664	311,846,894
	2,438,959,906	(312,735,737)
	1,796,290,792	329,933,377
<b>6 LONG TERM FINANCES</b>		
From Bank - Secured	267,914,000	-
Less: Current maturity	(17,000,000)	-
Less: Payment during the period	(7,650,000)	-
	<b>243,264,000</b>	<b>-</b>
<b>6.1</b> The company has entered into the settlement agreement with the Bank of Punjab whereof the Company will pay quarterly agreed amount in 06 years without any further interest. The facility is secured against mortgage on factory Land and Building of Plot No.A-34/A.		
<b>7 LOAN FROM DIRECTORS - UNSECURED</b>		
Balance at beginning of the year	561,018,754	521,018,754
Received during the Period	-	40,000,000
Repaid during the Period	-	-
	<b>561,018,754</b>	<b>561,018,754</b>
The above is interest free loan from director(s) of the company, which is payable on demand		
<b>8 ADVANCE FROM I.B.L.</b>		
<b>8.1</b> The comprises of initial mobilizing expenses by International Brands Limited as disclosed on note 2 for repair and maintenance to have the plant in full running condition. The same has been written off during the previous year as disclosed in note 2		
<b>9 ACCRUED MARKUP</b>		
Export refinance loan	32,377,419	32,377,419
Liabilities against assets subject to finance lease	3,437,436	3,437,436
Short term loan	24,807,974	24,807,974
Less: Transferred to Long term finances	(10,845,137)	-
	<b>49,777,692</b>	<b>60,822,829</b>
<b>10 SHORT TERM FINANCES</b>		
From banks and financial institutions - Secured	10.1	1,301,787,787
Add: Cost of fund of Bank of Punjab against the settlement	-	36,977,102
Less: Transferred to Long term finances	-	(257,068,863)
Less: Payment during the Period	-	(132,500,000)
	<b>1,044,718,924</b>	<b>1,301,787,787</b>
<b>10.1</b> The facilities consist of various types of short term finances from different banks and non-banking financial institution. The facilities are secured against hypothecation charge on stocks, mortgage on factory property of Plot No. A-29/B with Land, building and machinery installed thereon and charge on book debts and receivables of the company. As fully disclosed in note No. 11 various banks have filed suit for the recovery of these loans. Previously the company has settled off most of the banks. The management is amicably pursuing rest of the banks and D.F.I for rescheduling or settlement as disclosed in note 2 & 11.		

# AL-ABID SILK MILLS LIMITED

## 11 CONTINGENCIES AND COMMITMENTS

### 11.1 Contingencies

Bank guarantee

1,512,000 1,512,000

The bank guarantees have been issued in favor of Excise, Sales tax and others.

### 11.2

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 has 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. During the year, the Sindh High Court passed order in favor of the Company. The Department has filed an appeal before the Supreme Court for challenging the order.	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. 335,105,083/-. Settlement with JS Bank Ltd has been reached according to Supreme Court of Pakistan Direction, the company deposited the settlement amount to Nazir Sindh High Court in the Suit.	Pending
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/- Al-Abid Silk Mills Limited and The Bank of Punjab have resolved their dispute and a comprise decree has been passed in the instant suit. However, installment payment as per schedule has been made by the Company against the settlement of this loan.	Settled
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	Shahaj 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
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 Shahaj 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. 370,930,155/-. Settlement with JS Bank Ltd has been reached according to Supreme Court of Pakistan Direction, the company deposited the settlement amount to Nazir Sindh High Court in the Suit.	Pending
20			During the year 2022, the Additional Commissioner of Inland Revenue, Range A, Audit-I, Corporate Tax Office, Karachi (ADCIR) passed an order dated January 27, 2022 u/s 122(SA) of the Income Tax Ordinance, 2001 for the Tax Year 2020 whereof a demand of Rs. 739,071,338 was raised. The company has filed an Income Tax Appeal before the Commissioner Inland Revenue (Appeals III), Karachi [CIR(A)] on 10-02-2022 against the said order passed by the ADCIR. The case has been concluded on April 20, 2022 by the Commissioner of IR VII Karachi, against which the company has filed second appeal before Appellate Tribunal IR, which is pending and in the opinion of the Company and an independent legal counsel of the Company there is no anticipation of any unfavorable outcome of the said appeal and hence no provision is required to be made in the Financial Statements.	Pending

The amount mentioned on above cases 3, 5, 6, 16 & 19 are claimed amounts by the Banks and DFI, actual amounts to be determined by the Banking Court

The outcome of above cases as referred in cases 7-15, 17, 18 & 20 cannot be predicted and the management is vigorously contesting the cases.

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.

# AL-ABID SILK MILLS LIMITED

	Note	September 23 Rupees	June 23 Rupees
<b>12 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating Fixed Assets		2,298,143,548	2,379,755,876
Capital Work in Progress - DDFC Boiler		7,500,000	7,500,000
		<u>2,305,643,548</u>	<u>2,387,255,876</u>
<b>12.1 Operating Fixed Assets</b>			
Opening written down value		2,379,755,876	2,641,236,109
Additions		-	-
Deletions		(51,715,791)	(116,496,596)
Surplus arisen during the period		-	-
Depreciation		(29,896,537)	(144,983,637)
		<u>2,298,143,548</u>	<u>2,379,755,876</u>
<b>13 OTHER RECEIVABLES</b>			
Duty drawback		92,555,928	92,555,928
Receivable from banks	13.1	26,833,537	26,833,537
Research and development support		4,325,164	4,325,164
Receivable from Warehousing services		160,000	-
Deposited with Nazir Sindh High Court against loan settlement	13.2	89,500,000	89,500,000
		<u>213,374,629</u>	<u>213,214,629</u>
<b>13.1</b>	This represents the amount of DLT received by certain banks on the company's behalf in the accounts held by those banks namely United Bank Limited, Allied Bank Limited, Faysal Bank Limited and National Bank of Pakistan and the same is receivable from the respective banks. One of the banks namely United Bank Limited has refused to pay amount despite of the fact that full and final settlement was amicably reached and clearance certificate as per the honorable Sindh High Court's consent degree was obtained. During the year, the company has filed the suit # 862/2020 against the bank for the recovery of Rs. 13,871,000/-.		
<b>13.2</b>	This represents settlement amount deposited with Nazir Sindh High Court Karachi for Settlement under process with JS Bank Ltd according to Supreme Court's order/direction		
		September 23 Rupees	September 22 Rupees
<b>14 OTHER INCOME</b>			
Income from non-financial assets			
Sale of scrap		-	-
Loss on sale of Assets		-	-
Rental income		160,000	-
Income from financial assets / liabilities			
Profit on PLS deposit account		1,822,090	872,965
		<u>1,982,090</u>	<u>872,965</u>
<b>15 EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED</b>			
<b>15.1 EARNINGS / (LOSS) PER SHARE - BASIC</b>			
(loss) after taxation	Rupees	(47,720,363)	(41,918,725)
Weighted average number of shares	Number	13,409,550	13,409,550
(loss) per share-Basic	Rupees	(3.56)	(3.13)
<b>15.2 EARNINGS / (LOSS) PER SHARE - DILUTED</b>			
There is no dilution effect on the basic earning per shares of the Company (2023: Nil).			
<b>16 RELATED PARTY TRANSACTIONS</b>			
The related parties comprise associated undertakings and key management personnel. The transactions between the Company and the related parties are carried out at arms length. No significant transactions were made with related parties during the period. Significant balances with related parties are as follows:			
		September 2023 Rupees	June 2023 Rupees
<b>Balances</b>			
<b>Nature</b>	<b>Relationship with the company</b>		
Loan received from Director - Azim Ahmed	Chief Executive Officer	60,105,867	60,105,867
Loan received from Director - Naseem A. Sattar	Chairman	500,912,887	500,912,887
<b>17 KEY MANAGEMENT PERSONNEL - REMUNERATION &amp; BENEFITS</b>			
In view for bad financial condition of the company directors have decided not to claim their whole remuneration for the period ended September 30, 2023 i.e. Mr. Naseem A. Sattar Rs. 2,625,000. (September 2022: Mr. Naseem A. Sattar Rs. 2,625,000).			
<b>18 DATE OF AUTHORISATION FOR ISSUE</b>			
These financial statements were approved and authorized for issue in the Board of Directors' meeting held on October 30, 2023.			
<b>19 GENERAL</b>			
Corresponding figures have been reclassified/ re-arranged wherever necessary to facilitate comparison on the presentation on the current period. However, there are no material reclassifications / re-arrangements to report.			

  
Chief Executive Officer

  
Director

  
Chief Financial Officer