

REPORT AND ACCOUNTS
FOR THE PERIOD ENDED
DECEMBER 31, 2024

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. Naseem A. Sattar Mr. Azim Ahmed Mr. Qamar Mashkoo Mr. Muhammad Sajid Hafeez Mst. Adia Naseem Mrs. Sadaf Nadeem Syed Raza Abbas Jaffari	Chairman and Founder of the Company Chief Executive Officer Independent Non-Executive Director Independent Non-Executive Director Non-Executive Director Non-Executive Director Nominee Director of (N.I.T.)
AUDIT COMMITTEE	Mr. Qamar Mashkoo Mr. Muhammad Sajid Hafeez Mr. Naseem A. Sattar	Chairman Member Member
HUMAN RESOURCE AND REMUNERATION COMMITTEE	Mr. Muhammad Sajid Hafeez Mr. Naseem A. Sattar Mst. Adia Naseem	Chairman Member Member
CHIEF FINANCIAL OFFICER	Mr. Haroon Rasheed	
SECRETARY	Mr. Nasim Ahmed	
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 PAJR 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 SHAREHOLDERS

The Board of Directors is pleased to present the condensed interim financial statements of the Company for the Second Quarter ended December 31, 2024.

ECONOMIC OVERVIEW

Despite challenging economic conditions, the Company remains optimistic about its future prospects. The government's support for exporters, including potential reductions in interest rates and energy costs, is expected to have a positive impact on the industry. These developments are crucial for exporters to remain competitive in the region.

FUTURE OUTLOOK

We are excited to announce that our state-of-the-art coating and flocking line has successfully completed its trial run and is now ready for bulk production. Our management team is working diligently to commence commercial production at the earliest.

ACKNOWLEDGMENT

We extend our sincere gratitude to our valued shareholders and stakeholders for their unwavering support and confidence in the Company.

For and on behalf of the Board of Directors



Director



Azim Ahmed
Chief Executive Officer

February 26, 2025

AL-ABID SILK MILLS LIMITED

حصص داران کیلئے ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز 31 دسمبر 2024ء کو ختم ہونے والی دوسری سہ ماہی کیلئے کمپنی کے مجموعی مالیاتی حسابات پیش کر رہے ہیں۔

معاشی جائزہ:

مشکل معاشی حالات کے باوجود، کمپنی اپنے مستقبل کے امکانات کے حوالے سے پرامید ہے۔ حکومت کی جانب سے برآمد کنندگان کے لیے دی جانے والی سہولتیں، بشمول مکمل شرح سود میں کمی اور توانائی کے اخراجات میں تخفیف، صنعت پر مثبت اثر ڈالنے کی توقع ہے۔ یہ اقدامات برآمد کنندگان کے لیے علاقائی مسابقت برقرار رکھنے میں نہایت اہم ثابت ہوں گے۔

مستقبل کا نظریہ:

ہم یہ اعلان کرتے ہوئے خوشی محسوس کر رہے ہیں کہ ہماری جدید ترین کوئنگ اور فلائنگ لائن کا آزمائشی مرحلہ کامیابی سے مکمل ہو چکا ہے اور اب یہ بڑے پیمانے پر پیداوار کے لیے تیار ہے۔ ہماری انتظامیہ بھرپور محنت کر رہی ہے تاکہ تجارتی پیداوار جلد از جلد شروع کی جاسکے۔

اظہار تشکر:

ہم اپنے معزز شیئر ہولڈرز اور دیگر اسٹیک ہولڈرز کے مسلسل تعاون اور کمپنی پر اعتماد کے لیے ان کے خلوص دل سے شکر گزار ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



عظیم احمد

چیف ایگزیکٹو آفیسر



ڈائریکٹر

مورخہ: 26 فروری 2025ء

AL-ABID SILK MILLS LIMITED

Independent Auditor's Review Report to the members of

Report on review of the Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Al-Abid Silk Mills Limited as at **December 31, 2024** and the related condensed interim statement of financial position, condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of changes in equity, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "Condensed Interim Financial Statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis of Adverse Conclusion

- (i) As explained on note 2, the accumulated loss of the company has reached at Rs. 2.273 billion (June 2024: 2.274 billion), and as of that date Company's current liabilities exceeded its current assets by Rs. 1.869 billion. Furthermore, during the year no production and sales were made by the company. These events indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. These financial statements have been prepared on a going concern basis however; the business revival plan as disclosed in the financial statements has not yet been implemented.
- (ii) We have not received direct bank confirmations from the banks and financial institutions for short term loans amounting to Rs. 238.264 Million and for bank balances of Rs. 81.519 Million as mentioned in the financial statements. The Company has not recorded mark-up on these finances which amounts to Rs. 98 million on the plea of restructuring negotiation / litigation with the respective banks. Moreover, we were not arranged direct confirmations from trade & other creditors amounting to Rs. 768.247 Million.

AL-ABID SILK MILLS LIMITED

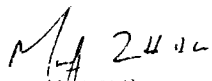
Adverse Conclusion

Our review indicates that, because of the matters as described in the preceding paragraphs, these condensed interim financial statements do not present fairly, in all the material respects, the financial position of the company as at December 31, 2024, and of its financial performance and its cash flows for the six months period then ended in accordance with the approved accounting standards as applicable in Pakistan relating to interim financial reporting.

Other Matter

The figures of the condensed interim statement of profit or loss and condensed interim statements of comprehensive income for the quarters ended December 31, 2024 and 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2024.

The engagement partner on the audit resulting in this independent auditor's review report is Sohail Saleem.



**Chartered Accountants
Karachi**

Date: 26-02-2025

UDIN: RR202410130Vh9TcazfB

AL-ABID SILK

STATEMENT OF FINANCIAL AS AT

		Audited	
		December 31, 2024	June 30, 2024
Note		(Rupees)	
EQUITY & LIABILITIES			
SHARE CAPITAL AND RESERVES			
	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
Capital reserves			
	Other reserves	372,834,000	372,834,000
	Revaluation Surplus on Property, Plant & Equipment	1,825,874,810	1,905,752,279
5			
Revenue reserves			
	Accumulated loss	(2,273,298,668)	(2,274,169,982)
	Total equity	59,505,642	138,511,797
LIABILITIES			
NON- CURRENT LIABILITIES			
	Long Term Finances	207,764,000	224,764,000
6			
	Staff retirement benefits	8,569,711	8,569,711
		216,333,711	233,333,711
CURRENT LIABILITIES			
	Loan from directors - unsecured	561,018,754	561,018,754
7			
	Trade and other payables	768,247,383	784,982,603
	Unclaimed dividend	108,310	108,310
	Advance from I.B.L	-	-
8			
	Current maturity of long term finances	30,500,000	23,500,000
6			
	Accrued markup	43,322,484	43,322,484
9			
	Short term finances	744,239,039	744,239,039
10			
	Provision for taxation	589,001	439,792
		2,148,024,971	2,157,610,982
CONTINGENCIES AND COMMITMENTS			
11			
		2,423,864,324	2,529,456,490

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


Chief Executive Officer


Director


Chief Financial Officer

MILLS LIMITED

POSITION (UN-AUDITED)
DECEMBER 31, 2024

December 31, 2024 Audited
Note ----- (Rupees) ----- June 30, 2024

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	12	2,120,716,826	2,200,474,320
Investment property		19,500,000	19,500,000
Long term security deposit		4,815,457	4,815,457

CURRENT ASSETS

Stores and spares		10,733,690	15,417,690
Loans and advances		1,068,940	1,195,630
Trade deposits and prepayments		218,100	218,100
Other receivables	13	124,185,870	124,324,885
Tax refunds due from government		61,106,387	60,076,908
Cash and bank balances		81,519,054	103,433,500
		278,832,041	304,666,713
		<u>2,423,864,324</u>	<u>2,529,456,490</u>


Chief Executive Officer


Director


Chief Financial Officer

AL-ABID SILK MILLS LIMITED

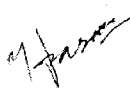
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) For the period ended December 31, 2024

	Note	Six months ended		Quarter ended	
		Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
		(Rupees)	(Rupees)	(Rupees)	(Rupees)
Sales and manufacturing		-	-	-	-
Cost of sales		(51,121,217)	(58,207,517)	(25,505,335)	(28,412,620)
Gross loss		(51,121,217)	(58,207,517)	(25,505,335)	(28,412,620)
Operating expenses					
Administrative expenses		(45,306,347)	(18,756,078)	(29,961,330)	(1,147,478)
Other Income	14	17,570,618	14,708,069	8,266,603	12,725,979
Loss from operations		(78,856,946)	(62,255,526)	(47,200,062)	(14,539,163)
Finance cost		-	(4,000)	-	-
Loss before taxation and levy		(78,856,946)	(62,259,526)	(47,200,062)	(14,539,163)
Levy		(149,209)	(104,477)	(80,018)	104,477
Loss before taxation		(79,006,155)	(62,364,003)	(47,280,080)	(14,434,686)
Taxation		-	-	-	-
		(79,006,155)	(62,364,003)	(47,280,080)	(14,434,686)
Loss per share - basic and diluted	15	(5.89)	(4.65)	(3.53)	(1.08)

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 COMPREHENSIVE INCOME (UN-AUDITED) For the period ended December 31, 2024

	Six months ended		Quarter ended	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
	(Rupees)		(Rupees)	
Loss after taxation	(79,006,155)	(62,364,003)	(47,280,080)	(14,434,686)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Revaluation of property, plant and equipments	-	-	-	-
Remeasurements of defined benefit liability	-	-	-	-
Items that are or may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive loss for the period	-	-	-	-
Total comprehensive loss for the period	<u>(79,006,155)</u>	<u>(62,364,003)</u>	<u>(47,280,080)</u>	<u>(14,434,686)</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 CASH FLOWS (UN-AUDITED) For the period ended December 31, 2024

	December 31, 2024	December 31, 2023
	----- (Rupees) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before levy and taxation	(78,856,946)	(62,259,526)
Adjustments for:		
Depreciation	51,291,408	58,410,797
Loss on disposal of plant and equipment	13,302,150	2,175,104
Addition to Fixed Assets	-	(7,907,693)
Security Deposit to KE	-	(1,343,850)
	64,593,558	51,334,358
WORKING CAPITAL CHANGES		
Decrease / (Increase) in current assets:		
Loan and advances	126,690	(358,036)
Store and Spares	4,684,000	-
Security Deposit from Tenant	-	(960,000)
Tax refunds due from government	-	(3,978,737)
	4,810,690	(5,296,773)
(Decrease) / Increase in current liabilities:		
Trade and other payable	(16,735,220)	2,364,957
Cash generated from / (used on) operations	(26,187,918)	(13,856,984)
Taxes paid	(890,462)	-
Net cash used in operating activities	(27,078,380)	(13,856,984)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceed from rental income	-	738,750
Proceeds from disposal of fixed assets	15,163,934	61,935,375
Net cash generated from investing activities	15,163,934	62,674,125
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term finance	(10,000,000)	(11,150,000)
Net cash used in financing activities	(10,000,000)	(11,150,000)
Net increase / (decrease) in cash and cash equivalents	(21,914,446)	37,667,141
Cash and cash equivalents at the beginning of the year	103,433,500	30,098,615
Cash and cash equivalents at the end of the Quarter	81,519,054	67,765,756

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 CHANGES IN EQUITY (UN-AUDITED) For the period ended December 31, 2024

	Share Capital	Capital Reserve		Revenue Reserve	Total
	Issued, subscribed and paid-up capital	Other reserve	Revaluation Surplus on Property Plant & Equipment	Accumulated Loss	
Rupees					
Balance as at July 01, 2023	134,095,500	372,834,000	2,048,543,523	(2,533,346,372)	22,126,651
Comprehensive income for the year					
Loss after tax for the period ended December 31, 2023	-	-	-	(62,364,003)	(62,364,003)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period ended December 31, 2023	-	-	-	(62,364,003)	(62,364,003)
-Transfer on account of incremental depreciation	-	-	(43,679,755)	43,679,755	-
Transfer on account of disposal of Fixed Assets			(43,791,345)	43,791,345	
Balance as at December 31, 2023	134,095,500	372,834,000	1,961,072,423	(2,508,239,275)	(40,237,352)
Balance as at July 01, 2024	134,095,500	372,834,000	1,905,752,279	(2,274,169,982)	138,511,797
Comprehensive income for the Quarter					
Loss after tax for the period ended December 31, 2024	-	-	-	(79,006,155)	(79,006,155)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period ended December 31, 2024	-	-	-	(79,006,155)	(79,006,155)
-Transfer from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	(37,461,275)	37,461,275	-
Transfer on account of disposal of Fixed Assets	-	-	(42,416,194)	42,416,194	-
Balance as at December 31, 2024	134,095,500	372,834,000	1,825,874,810	(2,273,298,668)	59,505,642

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 period ended December 31, 2024

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:

KARACHI

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

A-29/B, S.I.T.E., Manghopir Road, Karachi.

PURPOSE

The registered office with manufacturing facilities

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. 2,273 billion and total equity stood at Rs. 59,505 million, while the reported current liabilities (since partly under litigation) have exceeded to current assets of the company by Rs. 1,869 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 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. 98.00 million as matter was under litigation. Settlement with JS Bank was reached according to Supreme Court Order/Direction, in this regard the company deposited the settlement amount to Nazir Sindh High Court Karachi against recovery suit No.B-76/2013. During the year ended June 30, 2024, the High Court of Sindh passed an order for compromise decree and withdrawal of suits filed by the borrower and the lender. Accordingly consent decree granted by the High Court of Sindh on 07.05.2024 and payment released from Nazir Sindh High court to JS Bank Ltd on 29.05.2024 and the matter was closed. The matter of The Bank of Punjab has already been settled and the payment has been going on. Management of the Company has already requested the remaining bank and DFI collectively and individually to reschedule their credit facilities for a longer period.

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.

Since IBL has terminated the 'contract manufacturing agreement' without doing any manufacturing of contract goods according to the 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. 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 has started to sublet its surplus land and building to logistic companies for their warehousing and distribution needs. This has started generating additional revenue for the Company.

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 interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which 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 (the Act) and provisions of and directives issued under the Act.

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

- 3.2 These condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2024.

- 3.3 New standards, amendments to approved accounting standards and new interpretations

- 3.3.1 Amendments to approved accounting standards which are effective during the year ending June 30, 2025

There are certain amendments to approved accounting standards which are mandatory for accounting periods beginning on or after July 1, 2024 but are considered not to be relevant or have any significant effect on the Company's financial reporting and therefore, have not been disclosed in these condensed interim financial statements.

- 3.3.2 New standards and amendments to approved accounting standards that are effective for the Company's accounting periods beginning on or after July 1, 2025

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2025. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

- 3.3.3 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the financial statements for the year ended June 30, 2024.

AL-ABID SILK MILLS LIMITED

3.4 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.

3.5 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 stated.

4 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim 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 continuously evaluated and are based on the historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are same as those applied to financial statements as at and for the year ended June 30, 2024.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2024.

	December 31, 2024	June 30, 2024
	(Rupees)	(Rupees)
5 Revaluation Surplus on Property Plant & Equipment		
Balance at beginning of the year	1,905,752,279	2,048,543,523
Add: Surplus arising during the year	-	500,000
Less: Transferred to unappropriated profit on account of incremental depreciation for the period.	(17,461,275)	(85,483,244)
Less: Transferred to unappropriated profit on account of disposal for the period.	(42,418,194)	(56,808,000)
Surplus/Deficit on revaluation arisen during the year	-	-
Balance at end of the period - net	1,825,874,810	1,905,752,279
5.1 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 value Ms. Sadruddin Associates (Pvt) Ltd on November 30, 2021. The assessed values of the fixed assets as determined by the valuer amounts to Rs. 2,730,756,791, however, the forced sales value is Rs. 2,321,169,747 have been taken to account for the fixed assets.		
5.2 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:		
	December 31, 2024	June 30, 2024
	Cost Deletion Accumulated depreciation Book value	Cost Addition Deletion Accumulated depreciation Book value
Leasehold land	29,376,942 - - 29,376,942	29,376,942 - - 29,376,942
Building on leasehold land	285,159,111 - 345,361,725 46,544,392	295,170,773 6,578,234 (11,718,888) 342,447,485 42,681,558
Plant, Machinery & equipments	1,158,478,750 (56,888,941) 1,246,122,333 261,485,576 1,688,789,882 11,889,941 (162,588,275) 1,321,506,464 216,972,281	
Furniture & Fixture	42,571,147 - 36,915,141 5,652,006	42,571,147 - 36,621,668 5,949,479
Office equipment	433,716 - 1,917,524 616,182	433,716 - 1,885,983 648,623
Electric, gas & Other installations	71,081,709 - 62,338,194 8,743,515	71,081,709 - 61,878,215 9,203,494
	1,971,172,775 (56,888,941) 1,638,679,421 286,423,513	2,126,224,169 21,158,267 (176,211,161) 1,666,339,052 304,833,323
6 LONG TERM FINANCES		
From Bank - Secured	248,264,000	267,914,000
Less: Payment during the period	(10,000,000)	(18,650,000)
Less: Current maturity	238,264,000	248,264,000
	(39,500,000)	(23,590,000)
	207,764,000	224,754,000
6.1 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.		
7 LOAN FROM DIRECTORS - UNSECURED		
Balance at beginning of the year	561,018,754	561,018,754
Received during the Period	-	-
Repaid during the Period	-	-
	561,018,754	561,018,754
The above is interest free loan from director(s) of the company, which is payable on demand.		
8 ADVANCE FROM IBL - UNSECURED		
8.1 This represented an amount of Rs. 366 million in respect 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 was written off during the year ended June 30, 2023.		
9 ACCRUED MARKUP		
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	7,907,529	24,807,574
Less: Settled during the year	-	(6,455,206)
Less: Transferred to Long term finances	-	(10,845,137)
	43,322,484	43,322,484
10 SHORT TERM FINANCES		
From banks and financial institutions - Secured	10.1 744,239,039	1,301,787,787
Less: Transferred to Long term finances	10.2 -	(267,068,863)
Less: Settled	10.3 -	(300,479,885)
	744,239,039	744,239,039
10.1 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 bank 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.		
10.2 As explained further in note 10.1 that the company has entered into the settlement agreement with the bank of Punjab.		
10.3 This represents settlement with JS bank limited during the previous year.		

AL-ABID SILK MILLS LIMITED

Audited
December 31, 2024 June 30, 2024
(Rupees)

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

Bank guarantee

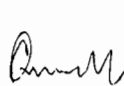
The bank guarantees have been issued in favor of SSQC, Excise, Sales tax and others.

15,797,800 15,797,800

S.NO.	SUIT 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. 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) filed the suit for damages against the JS Bank Limited and JS Bank Limited filed suit # B-76/2013 against the company for recovery of outstanding loan amounting to Rs. 335,105,083/- Settlement with JS Bank Ltd was reached according to Supreme Court of Pakistan Direction, the company deposited the settlement amount to Nazir Sindh High Court in the Suit. Compromise decree was granted by the High Court of Sindh and both suits stand disposed off on 07.05.2024. According to the consent decree payment was released from Nazir Sindh Court to JS Bank Ltd. on 29.05.2024.	Settled
4	Suit No. B-95 of 2013	Sindh High Court	Bank of Punjab 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 compromise decree has been passed in the instant suit. Installment payments as per schedule has been started by the Company against the settlement of this loan.	Settled
5	Suit No. B-111 of 2013	Sindh High Court	PAIR Investment Co. 116, has filed the suit against the Company for recovery of outstanding loan amounting to Rs. 171,450,949/-	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 inter alia for cancellation of cheques and damages against Jawad Arshad Textile.	Pending
8	Suit No. 540/2014	Sindh High Court	Jawad Arshad has filed the suit against the company for recovery of Rs. 21.32 million.	Pending
9	Suit No. 1200/2014	Sindh High Court	Ranjal Textile has filed the suit against the company for recovery of Rs. 40.94 million.	Pending
10	Suit No. 1245/2015	Sindh High Court	Shahza 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 Shahza Textile limited, an ad-interim injunctive order of the Learned Single Judge wherein the company was restrained 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 Ranjal 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	Actroma 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 Actroma 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			During the year 2022, the Additional Commissioner of Inland Revenue, Range A, Audit-1, Corporate Tax Office, Karachi (ADCIR) passed an order dated January 27, 2022 up to 12/15A 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 IX, 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. The said appeal withdrawn by the company as per order dated 15.04.2024.	Pending
20		Sindh revenue board	During the year, the deputy commissioner SBR passed an order No. 5874 of 2023 on 20.11.2023 for the tax year 2021, whereby the SSWWF demand of Rs. 12,108,810 has been created and penalty of Rs. 605,440 has also been imposed. The company has been assisted before the Commissioner SBR (Appeals III), Karachi who has granted the stay of recovery of disputed SSWWF vide order sheet dated 13.12.2023. The appeal is pending decision till date.	Pending

The amount mentioned on above cases 3 to 6 and 16 are claimed amounts by the Banks and OFI, actual amounts to be determined by the Banking Court.
The outcome of above cases as referred in cases 7-15, 17-18, 19 & 20 cannot be predicted and the management is vigorously contesting the cases.


Chief Executive Officer


Director


Chief Financial Officer

AL-ABID SILK MILLS LIMITED

		December 31, 2024	June 30, 2024
		(Rupees)	(Rupees)
12	PROPERTY, PLANT AND EQUIPMENT		
	Operating Fixed Assets	2,113,216,826	2,192,974,320
	Capital Work in Progress - DDFC Boiler	7,500,000	7,500,000
		<u>2,120,716,826</u>	<u>2,200,474,320</u>
	Opening written down value	2,192,974,320	2,379,755,876
	Additions		21,159,267
	Deletions	(28,456,098)	(81,616,724)
	Depreciation	(51,291,408)	(116,324,089)
		<u>2,113,216,826</u>	<u>2,192,974,320</u>
13	OTHER RECEVABLES		
	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 Tenant	471,241	810,256
		<u>124,185,870</u>	<u>124,524,885</u>
13.1	This represents the amount of DLTl received by certain banks on the company's behalf in the accounts held by these 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 was obtained. The company has filed the suit # 862/2020 against the bank for the recovery of Rs. 13,871,000/-		

		December 31, 2024	December 31, 2023
	Note	(Rupees)	(Rupees)
14	OTHER INCOME		
	Income from non-financial assets		
	Sale of scrap	3,857,500	8,358,197
	Income from property	8,078,226	1,120,000
	Income from financial assets / liabilities		
	Profit on PLS deposit account	5,633,892	5,229,872
		17,570,618	14,708,069

15 LOSS PER SHARE - BASIC AND DILUTED

15.1 LOSS PER SHARE - BASIC

Loss after taxation	Rupees	(79,006,155)	(62,354,003)
Weighted average number of shares	Number	13,409,550	13,409,550
Loss per share-Basic	Rupees	(5.89)	(4.65)

15.2 EARNINGS PER SHARE - DILUTED

There is no dilution effect on the basic earnings per shares of the Company (June 30, 2024 : Nil).

16 RELATED PARTY TRANSACTIONS

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:

	December 31, 2024	June 30, 2024
	(Rupees)	
Balances		
Nature	Relationship with the company	
Loan received from Director - Mr Azim Ahmed	Chief Executive Officer	60,105,867
Loan received from Director - Mr Naseem A. Sattar	Chairman	500,312,887
		<u>560,418,754</u>

17 **KEY MANAGEMENT PERSONNEL - REMUNERATION & BENEFITS**

In view for bad financial condition of the company directors have decided not to claim their whole remuneration for the period ended December 31, 2024.

DATE OF AUTHORISATION FOR ISSUE

These financial statements were approved and authorized for issue in the Board of Directors' meeting held on February 26, 2025.

19 GENERAL

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