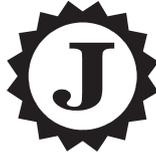




Jubilee Spinning & Weaving Mills Ltd.



Jubilee Spinning & Weaving Mills Limited

Condensed Interim Financial Statements
Half Yearly December 31, 2023 (Un-Audited)



Jubilee Spinning & Weaving Mills Ltd.

Company Information

Board of Directors

Mr. Shaukat Shafi	(Chairman)
Mr. Shams Rafi	(Chief Executive)
Mr. Salman Rafi	
Mr. Tariq Shafi	
Mr. Muhammad Akbar Khan	
Mr. Adnan Amjad	
Mrs. Sana Salman	

Audit Committee

Mr. Adnan Amjad	(Chairman)
Mr. Shaukat Shafi	(Member)
Mrs. Sana Salman	(Member)

Company Secretary

Mr. Muhammad Zeeshan Saleem

Auditors

Riaz Ahmed & Company
Chartered Accountants

Legal Advisor

Arain Law Associates

Bankers

Habib Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Habib Metropolitan Bank Limited
Faysal Bank Limited
Allied Bank Limited

Registered Office

503-E. Johar Town
Lahore, Pakistan

Mills

B-28, Manghopir Road, S.I.T.E.



Directors' Report To The Shareholders

Dear Shareholders,

The Directors of your Company are pleased to present the results for the Half Year ended December 31, 2023 along with the Auditors' Review Report.

Net Profit/(Loss)

During the period, the company made a net loss after tax of Rs. (1,771,773) after charging costs, expenses and provisions for the year, as compared to previous period's net loss after tax of Rs. (1,392,721).

Financial Results

The financial results of the company are summarized below:

Period Ended On	Rupees	Rupees
	Dec. 31, 2023	Dec. 31, 2022
Revenue	4,014,049	3,649,986
Cost of Revenue	(3,996,240)	(2,435,589)
Gross Profit	17,809	1,214,397
Gross Profit%	0.44%	33.3%
Administration and Other Operating Costs	(28,699,774)	(24,532,827)
Other Income	34,586,257	28,267,378
Finance Charges	(21,351)	(7,486)
Provision for Tax	(7,654,714)	(6,364,183)
Profit/(Loss) after Tax	(1,771,773)	(1,392,721)
Basic Profit/(Loss) Per Share	(0.05)	(0.04)

Compared to the same period of the previous year, the loss after taxation has increased by 6%. The increase in revenue was less than the increase in cost of revenue due to addition of incremental depreciation on the newly installed Solar Energy System (SES). The Management is confident that the remaining quarters of this financial year will show a further increase in revenue from the SES, resulting in improved net profit/loss.



Observations raised by the auditors during this review are addressed below:

Quote

- (a) Trade debts, loans and advances and other receivables as at 31 December 2023 include Rupees 19.298 million, Rupees 22.574 million and Rupees 14.755 million respectively receivable from an associated company outstanding since long. Furthermore, one of the financial institutions, on default by the associated company in preceding years, realized the Company's investments in equity securities pledged against lending to associated company. The Company treated the market price of such securities at the date of realization by the financial institution as disposal value amounting to Rupees 40.963 million and accounted for it as other receivables. The Company is uncertain about the party from whom it is to be recovered. In addition, trade debts, loans and advances and other receivables as at 31 December 2023 include aggregate balance of Rupees 10.566 million receivable from other than related parties outstanding for more than one year. The management has not provided us with its assessment of expected credit losses in respect of trade debts, loans and advances and other receivables nor did account for any allowance for expected credit losses in the financial statements in respect of such balances;

Unquote

The recovery suit filed against the said company is pending for decision. Our legal counsel M/ Haider Waheed has confirmed that no financial loss due to this case is expected. Management believes a favorable outcome and the suit filed for the amount will be recovered in full. Receivable from other than related parties include 5.33 million from government institutions in respect of sales tax and custom rebate.

Quote

- (b) As at December 31 2023, Trade and other payable includes insurance payable amounting to Rupees 3.796 million, creditors amounting to Rupees 9.335 million, advance from customers amounting to Rupees 10.371 million and other liabilities amounting to Rupees 1.780 million outstanding since long. Due to insufficient nature of the Company's record in respect of such amounts, we remained unable to obtain sufficient appropriate audit evidence to confirm the existence and valuation of such liabilities;

Unquote

These are the liabilities the company owes as on December 31, 2023. As an audit procedure confirmation regarding balance dispatched to the parties, however despite repeated requests we are unable to receive confirmation till today. In case any change occurs in response to confirmation that will be incorporated/adjusted in subsequent period.



Quote

(c) During the prior years, the Company's petition in Honorable Lahore High Court praying restraining Sui Southern Gas Company Limited (SSGCL) from recovering the amount of general sales tax (GST) arrears and disconnecting the gas connection was dismissed for being not maintainable. Accordingly, SSGCL raised bill for outstanding arrears amounting to Rupees 17.868 million and encashed the bank guarantee of Rupees 2 million and forfeited gas security deposit of Rupees 10.823 million against its demand and disconnected the gas connection. The Company has not accounted for the demand of SSGCL and treated the balance of encashed bank guarantee and forfeited gas security deposit aggregately amounting to Rupees 12.823 million as receivable from SSGCL accounted for as other receivable. During the preceding year, Federal Board of Revenue (FBR) has opined in favor of the Company that it was qualified for zero rating gas facility. Accordingly, the Company approached SSGCL for recovery of sales tax recovered. SSGCL is of the view that the same has been deposited with FBR and may be claimed by the Company as refund. Since the time for application of refund is time barred and other legal formalities involved for release of refund, we could not satisfy ourselves with respect of recovery of this balance.

Unquote

On the direction of the Lahore High Court, FBR get it verified and agreed that during the period (2009 – 2014), the company had a status of zero-rating. The company approached FBR to refund of the sales tax adjusted by the SSGCL and is expected to receive soon.

Quote

(d) Revenue amounting Rupees 4.014 million accounted for in the condensed interim financial statements represents billing to tenants in respect of use of Company's power house equipment / electric connection, transmission lines and solar power equipment thereof. The Company has disposed of its power house equipment in October 2016 and placed alternate power generators. Previously, these alternate power generators, generating the aforesaid revenue were neither recognized in the books of account of the Company nor any rent was charged in the financial statements. During the prior years, the Company recorded purchase of two generators replacing the previously unrecorded generators. However, the arrangement of such replacement could not be substantiated due to the lack of information as to the disposal of the previously unrecorded generators where suit have been filed by ex-director for the repossession of these generators more fully disclosed in Note 8.5 to the condensed interim financial statements. Moreover, in the absence of legal opinion to this effect, we remained unable to satisfy ourselves as to whether the aforesaid arrangement with the tenants is in compliance with all the applicable regulatory provisions including income tax, sales tax and electricity duty on such revenue;



Unquote

The generators purchased in previous years were incorporated in books and charged depreciation thereon. In the current scenario the company has taken electricity connection from K-Electric and in-house installed solar energy system to accommodate its tenants. Further we did not have any evidence that such generators belong to one of the ex-directors.

Quote

- (e) We noted an outstanding under litigation demand of Rupees 6.239 million on account of Gas Infrastructure Development Cess (GIDC) by SSGCL. Furthermore, the last bill of gas connection before disconnection as reported in paragraph (c) above reflected outstanding demand of GIDC along with GST on GIDC amounting to Rupees 68.400 million. However, the Company has neither accounted for this liability nor disclosed the contingent liability, if any, in respect of such demand. In the absence of underlying information for non-recording of this demand and the Company's actions there against, we remained unable to satisfy ourselves in respect of recognition of expenses and respective liability in the condensed interim financial statements;

Unquote

The company did not account for amount of GIDC charged by SSGC in these financial statements. The company has filed a suit for the stay against the recovery of the GIDC. The Honorable High Court of Sind at Karachi through suit no. 1208 of 2020 restrained defendant to take any coercive action against the company in this matter.

Quote

- (f) Certain litigations have been filed by / against the Company as disclosed in Note 8 to the condensed interim financial statements. Management of the Company has not provided us with their assessment of the potential outcome of these litigations. Accordingly, we remained unable to ascertain whether a provision against such litigations should be made or disclosures thereof is sufficient in the condensed interim financial statements;

Unquote

No current litigation is expected to have any effect on the company's financial statements in any manner. Therefore, no provision or disclosure has been included in these financial statements. Note 8 to the Financial Statements present a detailed view on this matter.



Quote

- (g) The latest audited / unaudited financial statements of Cresox (Private) Limited, an associated company accounted for under equity method of accounting (Note 6.1), were not available with the Company. In the absence of latest audited financial statements, we remained unable to satisfy ourselves whether any share of profit and other comprehensive income / loss of the associate be accounted for in the condensed interim financial statements. Furthermore, we could not verify the existence and valuation of unquoted investments at fair value through other comprehensive income due to lack of supporting documents and valuation from independent valuer;

Unquote

Current year's audited/draft financial statements of Cresox (Pvt.) Limited were not available to incorporate share of profit or loss in our books. This fact has already been disclosed in Note 6.1.1 to the financial statement. The investment in Cresox (Pvt.) Limited has been completely written off in previous years due to losses. Therefore, any accumulation in losses in Cresox (Pvt.) Limited does not have any negative impact on the profitability of the company.

Quote

- (h) For the period ended 31 December 2023 and as of that date its accumulated loss was Rupees 246.758 million and its current liabilities exceeds its current assets by Rupees 85.135 million. This situation may be further deteriorated if the possible effects of matter discussed in paragraphs (a) to (g) above are accounted for in the condensed interim financial statements. Effective from March 2014, the Company has closed its textile operations and disposed of all of its operating fixed assets except for leasehold land and building on leasehold land in preceding years. The Company tried to alter its memorandum of association to add the business of renting of properties by passing special resolution multiple times in the past but respective petitions filed with Securities and Exchange Commission of Pakistan (SECP) remained unsuccessful due to irregularities. During the prior years, the Company again has initiated the process of alteration of its memorandum of association to add the business of renting of properties and to change of name of the Company through a special resolution passed in extra ordinary general meeting of shareholders of the Company held on 29 May 2020. However, confirmation of alteration by the SECP is still pending due to unresolved observations. These events indicate a material uncertainty which may cast significant doubt on the 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. The condensed interim financial statements and notes thereto do not disclose these facts. The management of the Company also did not provide us its assessment of going concern assumption used in preparation of the condensed interim financial statements and the future financial projections indicating the economic viability of the Company. These facts indicate that going concern assumption used in preparation of the condensed interim financial statements is inappropriate.



Unquote

The company has disclosed in Note 1.3 the closure of its core operation in 2014. Subsequently the company disposed of all plant and machinery after obtaining shareholder's approval in an EOGM dated April 04, 2015. The management has rented out its premises to third parties, adopted renting as a core business activity and applied to SECP to alter the object clause III of its memorandum of association. The company also applied for the change of name of the company to commensurate the business with its name under sub-section (i) of section 26 of the Companies Act 2017. Form 26 regarding change of principal line in the memorandum has completed while the change of company name is in process. Reviewing current ratio of this year with the previous, it reveals that, current liabilities exceed current assets by Rs. 33.795 million. This is mainly because of reclassification of short-term investment and transferring of gratuity from long term to short term liabilities in previous years. In addition to this in last year and during the year under review company obtained a loan from its tenants and from directors to avail electricity connection and installation of solar energy system that became a part of its fixed assets. These stated facts indicate that the company's financial position is stable and it will continue to operate as a going concern.

In closing, we would like to thank all our stakeholders for their continued support.

For and on behalf of the Board of Directors.

Shams Rafi
Chief Executive Officer

Salman Rafi
Executive Director

Karachi
February 28, 2024



حصص یافتگان کے لئے ڈائریکٹران کی رپورٹ

معزز حصص یافتگان!

آپ کی کمپنی کے ڈائریکٹران آڈیٹرز کا جائزہ برائے ششماہی مدت ختمہ 31 دسمبر 2023 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

خالص (خسارہ)/ منافع

مدت کے دوران کمپنی کو تمام لاگتوں، اخراجات اور اختصاص نکالنے کے بعد (1,771,773) کا خسارہ بعد از ٹیکس ہوا جبکہ گزشتہ سال کا خسارہ بعد از ٹیکس (1,392,721) روپے ہوا تھا۔

مالیاتی نتائج

کمپنی کے مالیاتی نتائج اختصار کے ساتھ درج ذیل ہیں:

روپے	روپے	
31 دسمبر 2022	31 دسمبر 2023	
3,649,986	4,014,049	آمدن
(2,435,589)	(3,996,240)	لاگت آمدن
1,214,397	17,809	خام منافع/ (خسارہ)
33.3%	0.44%	خام منافع/ (خسارہ)
(24,532,827)	(28,699,774)	انتظامی اور دیگر کاروباری لاگتیں
28,267,378	34,586,257	دیگر آمدن
(7,486)	(21,351)	مالیاتی لاگتیں
(6,364,183)	(7,654,714)	ٹیکس کے لئے اختصاص
(1,392,721)	(1,771,773)	منافع/ (خسارہ) بعد از ٹیکس
(0.04)	(0.05)	بنیادی منافع/ (خسارہ) فی حصص

پچھلے سال کی اسی مدت کے مقابلے میں ٹیکس کے بعد ہونے والے نقصان میں 6 فیصد اضافہ ہوا ہے۔ نئے نصب سولر انرجی سسٹم (SES) پر اضافی فرسودگی کے اضافے کی وجہ سے محصول میں اضافہ محصول کی لاگت میں اضافے سے کم تھا۔ انتظامیہ کو یقین ہے کہ اس مالی سال کی بقیہ سہ ماہیوں میں SES سے آمدنی میں مزید اضافہ ہوگا، جس کے نتیجے میں خالص منافع/ نقصان میں بہتری آئے گی۔

جائزہ کے دوران آڈیٹرز کے اٹھائے گئے اعتراضات کا درج ذیل ازالہ کیا گیا:



حوالہ

31 دسمبر 2023 تک تجارتی قرضوں، قرضوں اور ایڈوانسز اور دیگر قابل وصول میں بالترتیب 19.298 ملین روپے، 22.574 ملین روپے اور 14.755 ملین روپے ایک منسلک کمپنی سے قابل وصول شامل ہیں۔ مزید برآں، مالیاتی اداروں میں سے ایک، گزشتہ سالوں میں متعلقہ کمپنی کی طرف سے ڈیفالٹ پر، ایکویٹی سکیورٹیز میں کمپنی کی سرمایہ کاری کا احساس ہوا جو متعلقہ کمپنی کو قرض دینے کے خلاف وعدہ کیا گیا تھا۔ کمپنی نے مالیاتی ادارے کی جانب سے وصولی کی تاریخ پر اس طرح کی سکیورٹیز کی مارکیٹ قیمت کو 40.963 ملین روپے کی ڈسپوزل ویلیو کے طور پر سمجھا اور اسے دیگر وصولیوں کے طور پر شمار کیا۔ کمپنی اس پارٹی کے بارے میں غیر یقینی ہے جس سے اسے وصول کیا جانا ہے۔ مزید برآں، تجارتی قرضوں، قرضوں اور ایڈوانسز اور 31 دسمبر 2023 تک دیگر وصولیوں میں 10.566 ملین روپے کا مجموعی بیلنس شامل ہے جو ایک سال سے زائد عرصے سے بقایا متعلقہ فریقوں کے علاوہ دیگر سے وصول کیا جاسکتا ہے۔ انتظامیہ نے ہمیں تجارتی قرضوں، قرضوں اور ایڈوانسز اور دیگر وصولیوں کے سلسلے میں متوقع کریڈٹ نقصانات کا تخمینہ فراہم نہیں کیا ہے اور نہ ہی اس طرح کے بیلنس کے سلسلے میں مالیاتی بیانات میں متوقع کریڈٹ نقصانات کے لیے کسی الاؤنس کا حساب دیا ہے۔

ازالہ

مذکورہ کمپنی کے خلاف دائر ریکوری کا مقدمہ فیصلہ کے لیے زیر التوا ہے۔ ہمارے قانونی وکیل ایم/حیدر وحید نے تصدیق کی ہے کہ اس کیس کی وجہ سے کوئی مالی نقصان متوقع نہیں ہے۔ انتظامیہ کا خیال ہے کہ ایک سازگار نتیجہ اور رقم کے لیے دائر مقدمہ مکمل طور پر وصول کیا جائے گا۔ متعلقہ فریقوں کے علاوہ دیگر سے قابل وصول سیکورٹیز اور کسٹم ریپیٹ کے سلسلے میں سرکاری اداروں سے 5.33 ملین شامل ہیں۔

حوالہ

دسمبر 2023 تک، تجارت اور دیگر قابل ادائیگی میں 3.796 ملین روپے کی قابل ادائیگی انشورنس، 9.335 ملین روپے کے قرض دہندگان، 10.371 ملین روپے کے صارفین کی طرف سے پیشگی اور 1.780 ملین روپے کی دیگر واجبات شامل ہیں جو طویل عرصے سے بقایا ہیں۔ ایسی قوم کے سلسلے میں کمپنی کے ریکارڈ کی ناکافی نوعیت کی وجہ سے، ہم ایسی واجبات کے وجود اور تشخیص کی تصدیق کے لیے مناسب آڈٹ ثبوت حاصل کرنے سے قاصر رہے۔



ازالہ

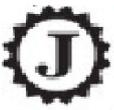
یہ وہ واجبات ہیں جو کمپنی پر 31 دسمبر 2023 تک واجب الادا ہیں۔ آڈٹ کے طریقہ کار کی تصدیق کے طور پر فریقین کو بیلنس بھیج دیا گیا، تاہم بار بار کی درخواستوں کے باوجود ہم آج تک تصدیق حاصل کرنے سے قاصر ہیں۔ تصدیق کے جواب میں کوئی تبدیلی واقع ہونے کی صورت میں جسے بعد کی مدت میں شامل/ایڈجسٹ کیا جائے گا۔

حوالہ

پچھلے سالوں کے دوران، معزز لاہور ہائی کورٹ میں کمپنی کی درخواست سوئی سدرن گیس کمپنی لمیٹڈ (SSGCL) کو جنرل سیلز ٹیکس (جی ایس ٹی) کے بقایا جات کی وصولی سے روکنے اور گیس کنکشن منقطع کرنے کی استدعا کی گئی تھی، اس وجہ سے قابل برداشت نہ ہونے کی وجہ سے خارج کر دی گئی تھی۔ اس کے مطابق، ایس ایس جی سی ایل نے 17.868 ملین روپے کے بقایا جات کا بل جمع کیا اور 2 ملین روپے کی بینک گارنٹی اور 10.823 ملین روپے کی گیس سیکورٹی ڈپازٹ ضبط کر لی اور گیس کنکشن منقطع کر دیا۔ کمپنی نے ایس ایس جی سی ایل کے مطالبے کا حساب نہیں لیا اور ان کیسٹڈ بینک گارنٹی اور گیس سیکورٹی ڈپازٹ کے بیلنس کو مجموعی طور پر 12.823 ملین روپے جو کہ ایس ایس جی سی ایل سے وصول کیا جاسکتا ہے کو دیگر قابل وصول قرار دیا ہے۔ پچھلے سال کے دوران، فیڈرل بورڈ آف ریونیو (ایف بی آر) نے کمپنی کے حق میں رائے دی ہے کہ وہ زیوریننگ گیس کی سہولت کے لیے اہل تھی۔ اس کے مطابق، کمپنی نے SSGCL سے سیلز ٹیکس کی وصولی کے لیے رابطہ کیا۔ ایس ایس جی سی ایل کا خیال ہے کہ اسے ایف بی آر کے پاس جمع کرایا گیا ہے اور کمپنی کی طرف سے ریفرنڈ کے طور پر دعویٰ کیا جاسکتا ہے۔ چونکہ رقم کی واپسی کی درخواست میں وقت کی پابندی ہے اور رقم کی واپسی کے اجراء کے لیے دیگر قانونی تقاضے شامل ہیں، اس لیے ہم اس بیلنس کی وصولی کے حوالے سے خود کو مطمئن نہیں کر سکے۔

ازالہ

لاہور ہائی کورٹ کی ہدایت پر، ایف بی آر نے اس کی تصدیق کی اور اس بات پر اتفاق کیا کہ (2009-2014) کے عرصے کے دوران کمپنی کو زیوریننگ کا درجہ حاصل تھا۔ کمپنی نے ایس ایس جی سی ایل کی طرف سے ایڈجسٹ کردہ سیلز ٹیکس کی واپسی کے لیے ایف بی آر سے رابطہ کیا اور امید ہے کہ اسے جلد موصول ہو جائے گا۔



حوالہ

کنڈینسڈ عبوری مالیاتی بیانات میں 4.014 ملین روپے کی آمدنی کمپنی کے پاور ہاؤس کے آلات/بجلی کے کنکشن، ٹرانسمیشن لائنوں اور اس کے سٹریٹس تو انائی کے آلات کے استعمال کے سلسلے میں کرایہ داروں کو بلنگ کی نمائندگی کرتی ہے۔ کمپنی نے اکتوبر 2016 میں اپنے پاور ہاؤس کے آلات کو ٹھکانے لگا دیا ہے اور متبادل پاور جنریٹر لگا دیے ہیں۔ اس سے پہلے، مذکورہ بالا آمدنی پیدا کرنے والے متبادل پاور جنریٹر کو نہ تو کمپنی کے حساب کتاب میں تسلیم کیا گیا تھا اور نہ ہی مالیاتی گوشواروں میں کوئی کرایہ وصول کیا گیا تھا۔ پچھلے سالوں کے دوران، کمپنی نے پہلے غیر ریکارڈ شدہ جنریٹرز کی جگہ دو جنریٹرز کی خریداری ریکارڈ کی تھی۔ تاہم، اس طرح کے متبادل کے انتظامات کو پہلے سے غیر ریکارڈ شدہ جنریٹرز کو ٹھکانے لگانے کے بارے میں معلومات کی کمی کی وجہ سے ثابت نہیں کیا جاسکا جہاں سابق ڈائریکٹر کی طرف سے ان جنریٹرز کو دوبارہ قبضے میں لینے کے لیے مقدمہ دائر کیا گیا ہے جس کا نوٹ 8.5 میں مکمل طور پر انکشاف کیا گیا ہے۔ عبوری مالیاتی بیانات مزید برآں، اس سلسلے میں قانونی رائے کی عدم موجودگی میں، ہم خود کو مطمئن کرنے سے قاصر رہے کہ آیا کرایہ داروں کے ساتھ مذکورہ بالا انتظام تمام قابل اطلاق ریگولیٹری دفعات بشمول انکم ٹیکس، سیلز ٹیکس اور اس طرح کے محصول پر بجلی کی ڈیوٹی کے مطابق ہے۔

ازالہ

پچھلے سالوں میں خریدے گئے جنریٹرز کو کتابوں میں شامل کیا گیا اور اس پر فرسودگی کا الزام لگایا گیا۔ موجودہ صورت حال میں کمپنی نے Electric -K سے بجلی کا کنکشن لیا ہے اور اپنے کرایہ داروں کی رہائش کے لیے اندرون خانہ سٹریٹس تو انائی کا نظام نصب کیا ہے۔ مزید یہ کہ ہمارے پاس اس بات کا کوئی ثبوت نہیں تھا کہ ایسے جنریٹرز سابق ڈائریکٹرز میں سے کسی ایک کے ہیں۔

حوالہ

ہم نے SSGCL کی جانب سے گیس انفراسٹرکچر ڈیولپمنٹ سیس (GIDC) کی مد میں 6.239 ملین روپے کی قانونی چارہ جوئی کی ڈیمانڈ کو نوٹ کیا۔ مزید برآں، منقطع ہونے سے پہلے گیس کنکشن کا آخری بل جیسا کہ اوپر پیرا گراف (c) میں بتایا گیا ہے، GIDC کی بقایا مانگ کے ساتھ GIDC پر GST کی 68.400 ملین روپے کی رقم کی عکاسی کرتا ہے۔ تاہم، کمپنی نے نہ تو اس ذمہ داری کا محاسبہ کیا ہے اور نہ ہی اس قسم کی مانگ کے سلسلے میں ہنگامی ذمہ داری، اگر کوئی ہے، ظاہر کیا ہے۔ اس ڈیمانڈ کو ریکارڈ نہ کرنے اور اس کے خلاف کمپنی کے اقدامات کے بارے میں بنیادی معلومات کی عدم موجودگی میں، ہم کنڈینسڈ عبوری مالیاتی گوشواروں میں اخراجات اور متعلقہ ذمہ داریوں کو تسلیم کرنے کے سلسلے میں خود کو مطمئن کرنے سے قاصر رہے؛

ازالہ

کمپنی نے ان مالی بیانات میں SSGC کی طرف سے وصول کی گئی GIDC کی رقم کا حساب نہیں دیا۔ کمپنی نے جی آئی ڈی سی کی ریکوری کے خلاف سٹے کا دعویٰ دائر کیا ہے۔ کراچی میں سندھ ہائی کورٹ نے مقدمہ نمبر 2020 کے 1208 نے مدعا علیہ کو اس معاملے میں کمپنی کے خلاف کوئی زبردستی کارروائی کرنے سے روک دیا۔



حوالہ

کمپنی کی طرف سے/ کے خلاف کچھ قانونی چارہ جوئی دائر کی گئی ہے جیسا کہ نوٹ 8 میں کنڈینسڈ عبوری مالیاتی بیانات میں انکشاف کیا گیا ہے۔ کمپنی کی انتظامیہ نے ہمیں ان قانونی چارہ جوئی کے ممکنہ نتائج کا اندازہ فراہم نہیں کیا ہے۔ اس کے مطابق، ہم یہ معلوم کرنے سے قاصر رہے کہ آیا ایسی قانونی چارہ جوئی کے خلاف کوئی پروویشن بنایا جانا چاہیے یا اس کے انکشافات کنڈینسڈ عبوری مالیاتی بیانات میں کافی ہیں؛

ازالہ

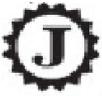
کسی بھی موجودہ قانونی چارہ جوئی کا کمپنی کے مالیاتی بیانات پر کسی بھی طرح سے اثر انداز ہونے کی توقع نہیں ہے۔ لہذا، ان مالیاتی گوشواروں میں کوئی پروویشن یا انکشاف شامل نہیں کیا گیا ہے۔ مالیاتی گوشواروں کا نوٹ 8 اس معاملے پر تفصیلی نظر یہ پیش کرتا ہے۔

حوالہ

کریسوکس (پرائیویٹ) لمیٹڈ کے تازہ ترین آڈٹ شدہ/ غیر آڈٹ شدہ مالیاتی بیانات، ایک منسلک کمپنی جو اکاؤنٹنگ کے ایکویٹی طریقہ کے تحت (نوٹ 6.1) کے لیے اکاؤنٹنگ کمپنی کے پاس دستیاب نہیں تھے۔ تازہ ترین آڈٹ شدہ مالیاتی گوشواروں کی عدم موجودگی میں، ہم خود کو مطمئن کرنے سے قاصر رہے کہ آیا کنڈینسڈ عبوری مالیاتی گوشواروں میں ایسوسی ایٹ کے منافع اور دیگر جامع آمدنی/ نقصان کا کوئی حصہ شمار کیا جائے۔ مزید برآں، ہم معاون دستاویزات کی کمی اور آزاد قدر کنندہ سے تشخیص کی وجہ سے دیگر جامع آمدنی کے ذریعے منصفانہ قیمت پر بے قیمت سرمایہ کاری کے وجود اور تشخیص کی تصدیق نہیں کر سکے۔

ازالہ

کریسوکس (پرائیویٹ) لمیٹڈ کے موجودہ سال کے آڈٹ شدہ/ مسودہ مالیاتی بیانات ہماری کتابوں میں منافع یا نقصان کا حصہ شامل کرنے کے لیے دستیاب نہیں تھے۔ اس حقیقت کو پہلے ہی نوٹ 6.1.1 میں مالی بیان میں ظاہر کیا جا چکا ہے۔ کریسوکس (پرائیویٹ) لمیٹڈ میں سرمایہ کاری گزشتہ سالوں میں نقصانات کی وجہ سے مکمل طور پر ختم کر دی گئی ہے۔ لہذا، کریسوکس (پرائیویٹ) لمیٹڈ میں خسارے میں کسی بھی قسم کے جمع ہونے سے کمپنی کے منافع پر کوئی منفی اثر نہیں پڑتا ہے۔

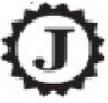


حوالہ

31 دسمبر 2023 کو ختم ہونے والی مدت کے لیے اور اس تاریخ تک اس کا جمع شدہ نقصان 246.758 ملین روپے تھا اور اس کی موجودہ واجبات اس کے موجودہ اثاثوں سے 85.135 ملین روپے سے زیادہ ہیں۔ یہ صورت حال مزید بگڑ سکتی ہے اگر اوپر پیرا گراف (a) سے (g) میں زیر بحث مادے کے ممکنہ اثرات کو عبوری مالیاتی بیانات میں شمار کیا جائے۔ مارچ 2014 سے مؤثر، کمپنی نے اپنے ٹیکسٹائل آپریشنز کو بند کر دیا ہے اور پچھلے سالوں میں لیز ہولڈرز مین اور لیز ہولڈرز مین پر عمارت کے علاوہ اپنے تمام آپریٹنگ فیکسڈ اثاثوں کو ختم کر دیا ہے۔ کمپنی نے ماضی میں متعدد بار خصوصی قرارداد پاس کر کے جائیدادوں کے کرایہ پر لینے کے کاروبار کو شامل کرنے کے لیے اپنے میمورنڈم آف ایسوسی ایشن کو تبدیل کرنے کی کوشش کی لیکن سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) میں دائر متعلقہ درخواستیں بے ضابطگیوں کی وجہ سے ناکام رہیں۔ پچھلے سالوں کے دوران، کمپنی نے ایک بار پھر کمپنی کے شیئر ہولڈرز کے غیر معمولی عام اجلاس میں منظور کی گئی ایک خصوصی قرارداد کے ذریعے جائیدادوں کے کرایہ پر لینے کے کاروبار کو شامل کرنے اور کمپنی کا نام تبدیل کرنے کے لیے اپنے میمورنڈم آف ایسوسی ایشن میں ردوبدل کا عمل شروع کیا ہے۔ 29 مئی 2020 کو منعقد ہوا۔ تاہم، غیر حل شدہ مشاہدات کی وجہ سے ایس ای سی پی کی طرف سے تبدیلی کی تصدیق ابھی تک زیر التواء ہے۔ یہ واقعات ایک مادی غیر یقینی صورتحال کی نشاندہی کرتے ہیں جو کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت پر اہم شکوک پیدا کر سکتی ہے اور اس وجہ سے وہ اپنے اثاثوں کا ادراک کرنے اور کاروبار کے معمول کے دوران اپنی ذمہ داریوں کو ادا کرنے سے قاصر ہو سکتی ہے۔ عبوری مالیاتی بیانات اور اس کے نوٹ ان حقائق کو ظاہر نہیں کرتے ہیں۔ کمپنی کی انتظامیہ نے ہمیں کنڈینسڈ عبوری مالیاتی بیانات اور مستقبل کے مالیاتی تخمینوں کی تیاری میں استعمال ہونے والے تشویش کے مفروضے کا اندازہ بھی فراہم نہیں کیا جو کمپنی کی معاشی استحکام کی نشاندہی کرتے ہیں۔ یہ حقائق بتاتے ہیں کہ کنڈینسڈ عبوری مالیاتی گوشواروں کی تیاری میں استعمال ہونے والی تشویش کے مفروضے نامناسب ہیں۔

ازالہ

کمپنی نے نوٹ 1.3 میں 2014 میں اپنے بنیادی آپریشن کی بندش کا انکشاف کیا ہے۔ اس کے بعد کمپنی نے 4 اپریل 2015 کو ای او جی ایم میں شیئر ہولڈرز کی منظوری حاصل کرنے کے بعد تمام پلانٹ اور مشینری کو ضائع کر دیا۔ ایک بنیادی کاروباری سرگرمی کے طور پر کرایہ پر لینا اور ایس ای سی پی کو اس کے میمورنڈم آف ایسوسی ایشن کی آبجیکٹ شق III کو تبدیل کرنے کے لیے درخواست دی۔ کمپنی نے یکمینیز ایکٹ 2017 کے سیکشن 26 کے ذیلی سیکشن (i) کے تحت کاروبار کو اپنے نام کے ساتھ ہم آہنگ کرنے کے لیے کمپنی کے نام کی تبدیلی کے لیے بھی درخواست دی۔ کمپنی کے نام کا عمل جاری ہے۔ پچھلے سال اس سال کے موجودہ تناسب کا جائزہ لینے سے، یہ پتہ چلتا ہے کہ، موجودہ واجبات موجودہ اثاثوں سے Rs. 33.795 ملین یہ بنیادی طور پر قلیل مدتی سرمایہ کاری کی دوبارہ درجہ بندی اور پچھلے سالوں میں طویل مدتی سے قلیل مدتی واجبات میں گریجویٹی کی منتقلی کی وجہ سے ہے۔ اس کے علاوہ گزشتہ سال اور زیر نظر سال کے دوران کمپنی نے اپنے کرایہ داروں اور ڈائریکٹرز سے بجلی کے کنکشن اور سول انرجی سسٹم کی تنصیب کے لیے قرض حاصل کیا جو اس کے مقررہ اثاثوں کا حصہ بن گیا۔ یہ بیان کردہ حقائق بتاتے ہیں کہ کمپنی کی مالی حالت مستحکم ہے اور یہ ایک جاری تشویش کے طور پر کام کرتی رہے گی۔

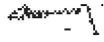


Jubilee Spinning & Weaving Mills Ltd.

آخر میں میں تمام مستفیدان کے مسلسل تعاون پر ان کے مشکور ہیں۔

برائے و منجانب بورڈ آف ڈائریکٹرز


سلمان رفیع
ایگزیکٹو ڈائریکٹر


شمس رفیع
چیف ایگزیکٹو

کراچی

28 فروری 2024



INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Jubilee Spinning & Weaving Mills Limited
Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Jubilee Spinning & Weaving Mills Limited ("the Company") as at 31 December 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the condensed interim financial statements for the six-months period then ended (hereinafter referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of these 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. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-months period ended 31 December 2023 and 31 December 2022 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the six-months period ended 31 December 2023.

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 for Adverse Conclusion

- (a) Trade debts, loans and advances and other receivables as at 31 December 2023 include Rupees 19.298 million, Rupees 22.574 million and Rupees 14.755 million respectively receivable from an associated company outstanding since long. Furthermore, one of the financial institutions, on default by the associated company in preceding years, realized the Company's investments in equity securities pledged against lending to associated company. The Company treated the market price of such securities at the date of realization by the financial institution as disposal value amounting to Rupees 40.963 million and accounted for it as other receivables. The Company is uncertain about the party from whom it is to be recovered. In addition, trade debts, loans and advances and other receivables as at 31 December 2023 include aggregate balance of Rupees 10.566 million receivable from other than related parties outstanding for more than one year. The management has not provided us with its assessment of expected credit losses in respect of trade debts, loans and advances and other receivables nor did account for any allowance for expected credit losses in the financial statements in respect of such balances;
- (b) As at December 31 2023, Trade and other payable includes insurance payable amounting to Rupees 3.796 million, creditors amounting to Rupees 9.335 million, advance from customers amounting to Rupees 10.371 million and other liabilities amounting to Rupees 1.780 million outstanding since long. Due to insufficient nature of the Company's record in respect of such amounts, we remained unable to obtain sufficient appropriate audit evidence to confirm the existence and valuation of such liabilities;
- (c) During the prior years, the Company's petition in Honorable Lahore High Court praying restraining Sui Southern Gas Company Limited (SSGCL) from recovering the amount of general sales tax (GST) arrears and disconnecting the gas connection was dismissed for being not maintainable. Accordingly, SSGCL raised bill for outstanding arrears amounting to Rupees 17.868 million and encashed the bank guarantee of Rupees 2 million and forfeited gas security deposit of Rupees 10.823 million against its demand and disconnected the gas connection. The Company has not accounted for the demand of SSGCL and treated the balance of encashed bank guarantee and forfeited gas security deposit aggregately amounting to Rupees 12.823 million as receivable from SSGCL accounted for as other receivable. During the preceding year, Federal Board of Revenue (FBR) has opined in favor of the Company that it was qualified for zero rating gas facility. Accordingly, the Company approached SSGCL for recovery of sales tax recovered. SSGCL is of the view that the same has been deposited with FBR and may be claimed by the Company as refund. Since the time for application of refund is time barred and other legal formalities involved for release of refund, we could not satisfy ourselves with respect of recovery of this balance.



- (d) Revenue amounting Rupees 4.014 million accounted for in the condensed interim financial statements represents billing to tenants in respect of use of Company's power house equipment / electric connection, transmission lines and solar power equipment thereof. The Company has disposed of its power house equipment in October 2016 and placed alternate power generators. Previously, these alternate power generators, generating the aforesaid revenue were neither recognized in the books of account of the Company nor any rent was charged in the financial statements. During the prior years, the Company recorded purchase of two generators replacing the previously unrecorded generators. However, the arrangement of such replacement could not be substantiated due to the lack of information as to the disposal of the previously unrecorded generators where suit have been filed by ex-director for the repossession of these generators more fully disclosed in Note 8.5 to the condensed interim financial statements. Moreover, in the absence of legal opinion to this effect, we remained unable to satisfy ourselves as to whether the aforesaid arrangement with the tenants is in compliance with all the applicable regulatory provisions including income tax, sales tax and electricity duty on such revenue;
- (e) We noted an outstanding under litigation demand of Rupees 6.239 million on account of Gas Infrastructure Development Cess (GIDC) by SSGCL. Furthermore, the last bill of gas connection before disconnection as reported in paragraph (c) above reflected outstanding demand of GIDC along with GST on GIDC amounting to Rupees 68.400 million. However, the Company has neither accounted for this liability nor disclosed the contingent liability, if any, in respect of such demand. In the absence of underlying information for non-recording of this demand and the Company's actions there against, we remained unable to satisfy ourselves in respect of recognition of expenses and respective liability in the condensed interim financial statements;
- (f) Certain litigations have been filed by / against the Company as disclosed in Note 8 to the condensed interim financial statements. Management of the Company has not provided us with their assessment of the potential outcome of these litigations. Accordingly, we remained unable to ascertain whether a provision against such litigations should be made or disclosures thereof is sufficient in the condensed interim financial statements;
- (g) The latest audited / unaudited financial statements of Cresox (Private) Limited, an associated company accounted for under equity method of accounting (Note 6.1), were not available with the Company. In the absence of latest audited financial statements, we remained unable to satisfy ourselves whether any share of profit and other comprehensive income / loss of the associate be accounted for in the condensed interim financial statements. Furthermore, we could not verify the existence and valuation of unquoted investments at fair value through other comprehensive income due to lack of supporting documents and valuation from independent valuer;



- (h) For the period ended 31 December 2023 and as of that date its accumulated loss was Rupees 246.758 million and its current liabilities exceeds its current assets by Rupees 85.135 million. This situation may be further deteriorated if the possible effects of matter discussed in paragraphs (a) to (g) above are accounted for in the condensed interim financial statements. Effective from March 2014, the Company has closed its textile operations and disposed of all of its operating fixed assets except for leasehold land and building on leasehold land in preceding years. The Company tried to alter its memorandum of association to add the business of renting of properties by passing special resolution multiple times in the past but respective petitions filed with Securities and Exchange Commission of Pakistan (SECP) remained unsuccessful due to irregularities. During the prior years, the Company again has initiated the process of alteration of its memorandum of association to add the business of renting of properties and to change of name of the Company through a special resolution passed in extra ordinary general meeting of shareholders of the Company held on 29 May 2020. However, confirmation of alteration by the SECP is still pending due to unresolved observations. These events indicate a material uncertainty which may cast significant doubt on the 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. The condensed interim financial statements and notes thereto do not disclose these facts. The management of the Company also did not provide us its assessment of going concern assumption used in preparation of the condensed interim financial statements and the future financial projections indicating the economic viability of the Company. These facts indicate that going concern assumption used in preparation of the condensed interim financial statements is inappropriate.

Adverse Conclusion

Based on our review, because of the significance of the matters discussed in the basis for adverse conclusion paragraphs, the condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Junaid Ashraf.

RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

Date: February 28, 2024

UDIN: RR202310045QhgkZVOYW



Jubilee Spinning & Weaving Mills Ltd.

**JUBILEE SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 DECEMBER 2023**

ASSETS		Unaudited	Audited
		31 December 2023	30 June 2023
	Note	Rupees	Rupees
NON-CURRENT ASSETS			
Property, plant and equipment	5	149,985,779	100,216,550
Investment property		728,696,748	728,696,748
Long term investments	6	7,489,527	7,737,719
Long term loans		1,161,390	1,199,390
Long term deposits		11,182,740	11,182,740
		<u>898,516,184</u>	<u>849,033,147</u>
CURRENT ASSETS			
Trade debts	7	24,955,606	26,169,678
Loans and advances		23,084,214	23,073,214
Other receivables		80,281,733	80,271,522
Advance income tax and refundable		14,819,354	10,179,913
Cash and bank balances		2,450,895	5,061,052
		<u>145,591,802</u>	<u>144,755,379</u>
TOTAL ASSETS		<u>1,044,107,986</u>	<u>993,788,526</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		<u>340,000,000</u>	340,000,000
34,000,000 (30 June 2023: 34,000,000) ordinary shares of Rupees 10 each			
Issued, subscribed and paid up share capital		<u>324,912,050</u>	324,912,050
32,491,205 (30 June 2023: 32,491,205) ordinary shares of Rupees 10 each			
Revenue reserves			
General		51,012,000	51,012,000
Accumulated loss		(246,757,879)	(244,986,106)
Capital reserves			
Fair value reserve on 'fair value through other comprehensive income' investments		5,212,783	5,460,975
Revaluation surplus on property, plant and equipment		665,892,407	665,892,407
Total equity		<u>800,271,361</u>	<u>802,291,326</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing		-	-
Deferred income tax liability		11,420,996	11,420,996
Employees' retirement benefits		1,688,928	1,526,243
		<u>13,109,924</u>	<u>12,947,239</u>
CURRENT LIABILITIES			
Trade and other payables		95,674,214	96,152,188
Current portion of long term financing		2,525,212	2,525,212
Short term financing		72,413,456	27,413,456
Provisions		9,928,940	9,928,940
Unclaimed dividend		577,482	577,482
Provision for taxation		49,607,397	41,952,683
		<u>230,726,701</u>	<u>178,549,961</u>
TOTAL LIABILITIES		<u>243,836,625</u>	<u>191,497,200</u>
CONTINGENCIES AND COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		<u>1,044,107,986</u>	<u>993,788,526</u>

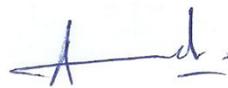
The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



Jubilee Spinning & Weaving Mills Ltd.

JUBILEE SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2023

	Note	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		Rupees	Rupees	Rupees	Rupees
Revenue	9	4,014,049	3,649,986	2,717,495	1,836,530
Cost of revenue	10	(3,996,240)	(2,435,589)	(2,537,654)	(1,198,202)
Gross profit		17,809	1,214,397	179,841	638,328
Administrative and general expenses		(28,699,774)	(24,532,827)	(13,528,361)	(12,428,654)
		(28,681,965)	(23,318,430)	(13,348,520)	(11,790,326)
Other income		34,586,257	28,267,378	17,282,632	14,103,039
Profit from operations		5,904,292	4,948,948	3,934,112	2,312,713
Finance cost		(21,351)	(7,486)	(18,435)	(6,756)
Profit before taxation		5,882,941	4,941,462	3,915,677	2,305,957
Taxation		(7,654,714)	(6,334,183)	(3,827,357)	(3,167,092)
(Loss) / profit after taxation		(1,771,773)	(1,392,721)	88,320	(861,135)
(Loss) / earnings per share	11	(0.05)	(0.04)	-	(0.03)

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



Jubilee Spinning & Weaving Mills Ltd.

JUBILEE SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2023

	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Rupees	Rupees	Rupees	Rupees
(LOSS) / PROFIT AFTER TAXATION	(1,771,773)	(1,392,721)	88,320	(861,135)
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that will not be reclassified to profit or loss:				
- Unrealized (loss) / gain on remeasurement of investment at 'fair value through other comprehensive income'	(248,192)	34,935	(18,446)	17,468
Items that may be reclassified subsequently to profit or loss	-	-	-	-
	(248,192)	34,935	(18,446)	17,468
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(2,019,965)	(1,357,786)	69,874	(843,667)

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

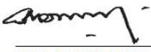


Jubilee Spinning & Weaving Mills Ltd.

JUBILEE SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2023

	CAPITAL						REVENUE		Total	TOTAL EQUITY
	Issued, subscribed and paid-up share capital	Fair value reserve on 'Fair value through other comprehensive income' investments	Surplus on revaluation of property, plant and equipment	Sub Total	General reserve	Accumulated loss	Sub Total	Total		
Balance as at 30 June 2022-Audited	324,912,050	5,299,138	658,775,816	664,074,954	51,012,000	(316,618,062)	(265,606,062)	398,468,892	723,380,942	
Loss for the period	-	-	-	-	-	(1,392,721)	(1,392,721)	(1,392,721)	(1,392,721)	
Other comprehensive income for the period	-	34,935	-	34,935	-	-	-	34,935	34,935	
Total comprehensive loss for the period	-	34,935	-	34,935	-	(1,392,721)	(1,392,721)	(1,357,786)	(1,357,786)	
Balance as at 31 December 2022- Unaudited	324,912,050	5,334,073	658,775,816	664,109,889	51,012,000	(318,010,783)	(266,998,783)	397,111,106	722,023,156	
Profit for the period	-	-	7,116,591	7,116,591	-	73,006,647	73,006,647	80,123,238	80,123,238	
Other comprehensive income for the period	-	126,902	-	126,902	-	18,030	18,030	144,932	144,932	
Total comprehensive income for the period	-	126,902	7,116,591	7,243,493	-	73,024,677	73,024,677	80,268,170	80,268,170	
Balance as at 30 June 2023-Audited	324,912,050	5,460,975	665,892,407	671,353,382	51,012,000	(244,986,106)	(193,974,106)	477,379,276	802,291,326	
(Loss) for the period	-	-	-	-	-	(1,771,773)	(1,771,773)	(1,771,773)	(1,771,773)	
Other comprehensive loss for the period	-	(248,192)	-	(248,192)	-	-	-	(248,192)	(248,192)	
Total comprehensive income for the period	-	(248,192)	-	(248,192)	-	(1,771,773)	(1,771,773)	(2,019,965)	(2,019,965)	
Balance as at 31 December 2023- Unaudited	324,912,050	5,212,783	665,892,407	671,105,190	51,012,000	(246,757,879)	(195,745,879)	475,359,311	800,271,361	

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER



Jubilee Spinning & Weaving Mills Ltd.

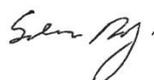
JUBILEE SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2023

	SIX-MONTHS PERIOD ENDED	
Note	31 December 2023	31 December 2022
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	5,882,941	4,941,462
Adjustments for non-cash charges and other items:		
Depreciation	2,650,331	1,489,147
Provision for gratuity	162,685	30,090
Rental income	(33,826,980)	(27,689,595)
Finance cost	21,351	7,486
	(30,992,613)	(26,162,872)
Net cash used in operating activities before working capital changes	(25,109,672)	(21,221,410)
Working capital changes		
(Increase) / decrease in current assets		
Trade debts	1,214,072	(414,424)
Loans and advances	(11,000)	(20,661)
Other receivables	(10,211)	(1,966,980)
	1,192,861	(2,402,065)
(Decrease) / increase in current liabilities		
Trade and other payables	(127,974)	2,143,250
Cash used in operations	(24,044,785)	(21,480,225)
Finance cost paid	(21,351)	(7,486)
Income tax paid	(4,639,441)	(1,014,547)
Gratuity paid	(350,000)	(489,000)
Net cash used in operating activities	(29,055,577)	(22,991,258)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(52,419,560)	-
Rental income received	33,826,980	27,689,595
Recovery of long term loans	38,000	(71,500)
Net cash (used in) / generated from investing activities	(18,554,580)	27,618,095
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term financing receive from directors	45,000,000	(4,000,000)
Net (decrease) / increase in cash and cash equivalents	(2,610,157)	626,837
Cash and cash equivalents at the beginning of the period	5,061,052	1,701,125
Cash and cash equivalents at the end of the period	2,450,895	2,327,962

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



JUBILEE SPINNING & WEAVING MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2023

1. THE COMPANY AND ITS OPERATIONS

1.1 Jubilee Spinning & Weaving Mills Limited ("the Company") was incorporated in Pakistan as a public limited company on 12 December 1973 under the Companies Act, 1913 (Now Companies Act, 2017). The Company obtained certificate of commencement of business in January 1974. Shares of the Company are listed on Pakistan Stock Exchange Limited. The principal objective of the Company is to engage in the business of manufacturing and selling of yarn, buying, selling and otherwise dealing in yarn and raw cotton. The Company also operates electric power generation facilities which generate electricity for use within the production site.

1.2 Geographical location and addresses of all business units are as follows:

Sr. No.	Manufacturing unit and office	Address
---------	-------------------------------	---------

1. Manufacturing unit Plot No. B-28, Manghopir Road, S.I.T.E, Karachi.

2. Registered office 503-E, Johar Town, Lahore.

1.3 Due to intermittent availability of raw materials owing to shortage of working capital and continuous losses, the Company has closed its core operations since 2014. The Company has rented out its premises to earn rental income and service revenue from use of power generation equipment by the tenants.

1.4 During the year 2020, The Company passed a special resolution in its extra ordinary general meeting held on 29 May 2020 to specifically add the business of renting out the buildings and / or open area of the Company's premises to institutions, corporations, companies, other entities and individuals and to change its name to "Jubilee Services Limited" to its Memorandum of Association (MOA). Subsequently, the Company has filed the petition with the Securities and Exchange Commission of Pakistan (SECP) seeking approval to the amended MOA, the approval to which is pending till the reporting date due to some observations which need to be resolved.

1.5 The Company is presently quoted in the Defaulters' Segment of Pakistan Stock Exchange on account of non-compliances of clauses 5.11.1(b)&(i) of PSX Regulations i.e. suspension of commercial production / business operations in principal line of business and adverse conclusion and opinion of the Independent Auditors in their review and annual report respectively.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

2.1.1 These condensed interim financial statements of the Company for the six-months period ended 31 December 2023 has 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:



Jubilee Spinning & Weaving Mills Ltd

- International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB);
- 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.

2.1.2 These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2023.

2.1.3 These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

2.1.4 The comparatives in the condensed interim statement of financial position presented in the condensed interim financial statements as at 31 December 2023 have been extracted from the annual audited financial statements for the year ended 30 June 2023, whereas the comparative in condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from unaudited condensed interim financial statements for the six-months period ended 31 December 2022.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.



Jubilee Spinning & Weaving Mills Ltd.

5. PROPERTY, PLANT AND EQUIPMENT	Note	Unaudited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
Operating fixed assets	5.1	149,985,779	100,216,550
5.1 Operating fixed assets			
Net book value at the beginning of the period / year		100,216,550	101,051,944
Add: Purchases during the period / year		52,419,560	-
Add: Surplus on revaluation during the period / year		-	7,116,591
		152,636,110	108,168,535
Less: Transferred to investment property		-	(60,606)
Less: Disposal during the period / year			
Cost		-	(7,921,629)
Accumulated depreciation		-	2,817,695
Disposal - net		-	(5,103,934)
Less: Depreciation charged during the period / year		(2,650,331)	(2,787,445)
Net book value at the end of the period / year		149,985,779	100,216,550

5.2 Depreciation charge for the six-months and three-months period ended 31 December 2023 has been allocated as follows:

	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Rupees	Rupees	Rupees	Rupees
Cost of revenue	2,620,677	1,444,591	1,310,338	722,295
Administrative expenses	29,654	44,556	14,827	22,278
	2,650,331	1,489,147	1,325,165	744,573

6. LONG-TERM INVESTMENTS		Unaudited 31 December 2023	Audited 30 June 2023
Equity instruments			
Investment in associates - 'under equity method of accounting'	6.1	-	-
Investment in equity securities - at 'fair value through other comprehensive income'	6.2	7,489,527	7,737,719
		7,489,527	7,737,719
6.1 Investment in associates - 'under equity method of accounting'			
Associated companies (with significant influence)			
Cresox (Private) Limited	6.1.1	-	-

6.1.1 The Company holds 24.93% (30 June 2023: 24.93%) holding in Cresox (Private) Limited (CSPL), an associated company with significant influence being accounted for under equity method of accounting in these condensed interim financial statements. The investment in Cresox (Private) Limited has been fully impaired in preceding years due to share of loss accounted for under equity method of accounting.

Latest financial statements of CSPL are not available. Therefore, summarized financial position of CSPL have not been presented in these financial statements.



6.2	Investment in equity securities - at 'fair value through other comprehensive income'	Note	Un-audited 31 December 2023		Audited 30 June 2023	
			Cost	Fair market value	Cost	Fair market value
			Rupees		Rupees	
Associated companies (without significant influence)						
	Texmac Services (Private) Limited - unquoted 52,000 (30 June 2023: 52,000) fully paid ordinary shares of Rupees 10 each. Equity held 26% (30 June 2023: 26%)	6.2.1	116,360	116,360	116,360	116,360
	Others					
	Premier Insurance Limited - quoted 18,682 (30 June 2023: 18,682) fully paid ordinary shares of Rupees 10 each. Equity held 0.04% (30 June 2023: 0.04%)	6.2.2	291,989	131,708	291,989	93,410
	Crescent Industrial Chemical Limited - unquoted 184,000 (30 June 2023: 184,000) fully paid ordinary shares of Rupees 10 each. Equity held 17.57% (30 June 2023: 17.57%)		-	-	-	-
	Crescent Jute Products Limited - quoted 1,709,683 (30 June 2023: 1,709,683) fully paid ordinary shares of Rupees 10 each. Equity held 7.19% (30 June 2023: 7.19%)	6.2.3	1,640,220	5,812,922	1,640,220	5,812,922
	Shakarganj Limited - quoted 39,138 (30 June 2023: 39,138) fully paid ordinary shares of Rupees 10 each. Equity held 0.03% (30 June 2022: 0.03%)		228,175	1,428,537	228,175	1,715,027
	Crescent Spinning Mills Limited - unquoted 290,000 (30 June 2023: 290,000) fully paid ordinary shares of Rupees 10 each	6.2.4	-	-	-	-
			2,276,744	7,489,527	2,276,744	7,737,719

6.2.1 Texmac Services (Private) Limited is an associate under provisions of the Companies Act, 2017. However, the Company has no power to participate in financial and operating decisions of Texmac Services (Private) Limited. No fair value per ordinary share was determined by the independent valuer and it is being carried at cost.

6.2.2 Investment in Crescent Industrial Chemical Limited has been fully provided in prior years.

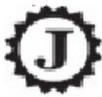
6.2.3 Crescent Jute Products Limited has been suspended by Pakistan Stock Exchange and has been placed in defaulter counter since December 2017. The last observable fair value was Rupees 3.40 per share.

6.2.4 Investment in Crescent Spinning Mills Limited has been fully provided in prior years.

7. TRADE DEBTS

Unsecured:

Related party	19,297,988	19,297,988
Others	8,529,178	9,743,250
	27,827,166	29,041,238
Less: Allowance for expected credit losses		
Opening balance for the period / year	2,871,560	2,871,560
Recognized during the period / year	-	-
Closing balance for the period / year	2,871,560	2,871,560
	24,955,606	26,169,678



Jubilee Spinning & Weaving Mills Ltd.

8. CONTINGENCIES AND COMMITMENTS	Note	Unaudited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
a) Contingencies			
8.1 Bank Guarantee from:			
Standard Chartered Bank (Pakistan) Limited	8.1.1	793,800	793,800
Habib Metropolitan Bank Limited	8.1.2	4,812,878	4,812,878
		5,606,678	5,606,678

- 8.1.1** This represents a guarantee issued by Standard Chartered Bank (Pakistan) Limited to the Honorable High Court, Sindh on account of cotton soft waste (carded and combed) fully paid.
- 8.1.2** This represents guarantees issued by Habib Metropolitan Bank Limited amounting to Rupees 4.363 million and Rupees 0.45 million in favor of K- Electric and SSGCL respectively on account utility connections.
- 8.2** During the year 2019, the Company filed a suit in Honorable High Court of Sindh against Sui Southern Gas Company Limited (SSGCL) and Federation of Pakistan against demand raised by SSGCL of Rupees 18.664 million on account of late payment surcharge for the previous period vide special bill dated 20 September 2019 being without any justification and reason. However proceedings of the case are in process till the reporting date.
- 8.3** During the year 2015, the Company had filed a suit to Honorable High Court of Sindh against National Electric Power Regulatory Authority (NEPRA) and Oil and Gas Regulatory Authority (OGRA), Sui Southern Gas Company Limited and Private Power and Infrastructure Board (PPIB) through Federation of Pakistan against rate per MMBTU imposed on the Company and for clarification of categories known as Captive Power (CP), Independent Power Producer (IPP) as accordingly to the consumption category of the Company falls under IPP / Industrial Consumer and not as CP category. However, the Honorable High Court on 27 November 2019 in its judgment decreed in favor of the Company and SSGCL consequently being directed to adjust / refund any excess amounts as may have received by billing the Company. However, the implementation of the said judgment is still pending as the Company has not received any court order for the execution of the above judgment.
- 8.4** During the previous years, the Company has filed suits to the Honorable Civil Court against its three ex-employees for cancellation of cheques aggregate amounting to Rupees 2.812 million and for permanent injunction. The Company filed statement with the Court of 2nd Senior Civil Judge to withdraw suits against two ex-employees as the matters has been settled between them, and Court dismissed the two cases under order XXIII Rule 1 C.P.C on the basis of settlement. However, one suit is still pending for cancellation of cheques aggregately amounting to Rupees 1.837 million and for permanent injunction and the same is pending for hearing of order. Further, during the prior years one of the Company's ex-employee filed an application to Honorable High Court of Sindh against the Company for the compensation / payment of wages. However, both of Companies' suits are pending for adjudication.
- 8.5** During the previous years, the Company filed suit against Cresox (Private) Limited and Mr. Tariq Shafi seeking payment of Rupees 56.776 million pertaining to trade and other receivables and restraining Mr. Tariq Shafi from interfering in the affairs of the Company. Mr. Tariq Shafi filed a counter suit against the Company seeking outstanding dues, repossession of generators and masne profits alleging the three generators owned by him has been leased to the Company which has defaulted the payment of rent and refused to transfer possession. The Honorable Court has dismissed the suit filed by Mr. Tariq Shafi and restrained Mr. Tariq Shafi from taking any coercive action against the Company in respect of generators. The Company's suit is pending for adjudication.

b) Commitments

There were no capital or other commitments outstanding as at 31 December 2023 (30 June 2023: Nil)

9. REVENUE

This represents service income earned from tenants against use of Company's solar power equipment and transmission lines.



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	Note	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
10. COST OF REVENUE		Rupees	Rupees	Rupees	Rupees
Repair and maintenance		366,500	219,270	222,230	75,000
Salaries		925,791	689,568	596,050	359,827
Other factory overheads		83,272	82,160	42,192	41,080
Depreciation	5.2	2,620,677	1,444,591	1,898,381	722,295
		3,996,240	2,435,589	2,758,853	1,198,202

11. (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings / (loss) per share of the Company which is based on:

(Loss) / earnings attributable to ordinary shares	(Rupees)	(1,771,773)	(1,392,721)	88,320	(861,135)
Weighted average number of ordinary shares	(Numbers)	32,491,205	32,491,205	32,491,205	32,491,205
(Loss) / earnings per share	(Rupees)	(0.05)	(0.04)	-	(0.03)

12. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTOR AND EXECUTIVE

Chief Executive Officer

Managerial remuneration	3,000,000	3,000,000	1,500,000	1,500,000
House rent allowance	1,350,000	1,350,000	675,000	675,000
Travelling	222,828	1,445,688	177,928	851,688
Utilities	2,226,094	300,000	1,143,840	150,000
Rentals paid for vehicle	-	-	-	-
	6,798,922	6,095,688	3,496,768	3,176,688
Number of executive	1	1	1	1

Director

Managerial remuneration	3,000,000	3,000,000	1,500,000	1,500,000
House rent allowance	1,350,000	1,350,000	675,000	675,000
Travelling	194,327	332,267	-	157,676
Utilities	846,524	300,000	824,497	150,000
Rentals paid for vehicle	981,000	808,080	-	424,050
	6,371,851	5,790,347	2,999,497	2,906,726
Number of director	1	1	1	1

Executive

Managerial remuneration	797,640	720,222	398,820	360,111
House rent allowance	396,870	358,158	198,435	179,079
Utilities	1,950	-	975	-
	1,196,460	1,078,380	598,230	539,190
Number of Executive	1	1	1	1

12.1 The chief executive officer is provided with free maintenance of the car.

12.2 No remuneration was paid to non-executive directors of the Company except for meeting fee.



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13. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary companies, associated undertakings, other related companies and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim financial information are as follows:

	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Rupees	Rupees	Rupees	Rupees
i. Transactions during the period				
Staff retirement funds				
Expense charged for retirement benefit plans	162,685	30,090	81,343	15,045
Payment to retirement benefit plans	350,000	489,000	100,000	339,000
Directors				
Loan from directors	45,000,000	4,000,000	-	-
			Unaudited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
ii. Receivable / (payable) balances				
Associated companies				
Trade debts			19,297,988	19,297,988
Loans and advances			22,574,022	22,574,022
Other receivable			14,754,675	14,754,675
Other payable			(3,795,572)	(3,795,572)
Directors				
Loan to director			100,408	100,408
Loan from directors			(72,413,456)	(27,413,456)
Other related party				
Employees' retirement benefits - Staff gratuity scheme - unfunded			(10,808,253)	(10,995,568)

13.1 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place:

Name of related party	Basis of relationship	Percentage of shareholding (%)
Texmac Services (Private) Limited	Shareholding	26
Cresox (Private) Limited	Common directorship and shareholding	24.93

14. FINANCIAL RISK MANAGEMENT

There have been no significant changes in the risk management policies since the year end.

These condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended 30 June 2023.



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15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements have been approved and authorized for issue in the meeting of the Board of Directors of the Company held on February 28, 2024.

16 GENERAL

- No significant reclassification or rearrangement of the corresponding figures has been made during the period in these condensed interim financial statements.
- Figures have been rounded off to the nearest Rupee unless otherwise stated.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER