

**3RD QUARTERLY ACCOUNTS  
FOR NINE MONTHS ENDED  
MARCH 31,2024  
(UN AUDITED)**

**PARAMOUNT SPINNING MILLS LIMITED**

**PARAMOUNT SPINNING MILLS LIMITED**  
**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

Mr. Muhammad Akhtar Mirza (Chairman)  
Mr. Sohail Maqsood (Chief Executive)  
Mr. Muhammad Ashraf Khan  
Mr. Abid Sattar  
Mr. Muhammad Arif  
Mrs. Zarqa Asif  
Mr. Muhammad Junaid

**AUDIT COMMITTEE**

Mr. Muhammad Junaid (Chairman)  
Mr. Abid Sattar  
Mr. Muhammad Akhtar Mirza

**HUMAN RESOURCE & REMUNERATION COMMITTEE**

Mr. Muhammad Arif (Chairman)  
Mr. Abid Sattar  
Mr. Muhammad Akhtar Mirza

**CHIEF FINANCIAL OFFICER**

Mr. Nasir Mahmood

**COMPANY SECRETARY**

Mr. Muhammad Ijaz

**AUDITORS**

M/s. Malik Haroon Shahid Safder & Co.  
Chartered Accountants.  
Lahore

**LEGAL ADVISOR**

Akhtar Javed-Advocate

**SHARE REGISTRAR OFFICE**

M/s. Hameed Majeed Associates (Pvt) Ltd.  
Karachi Chamber  
Hasrat Mohani Road Karachi  
Ph. 32424826, 32412754, Fax. 32424835

**REGISTERED OFFICE**

2nd Floor Finlay House I.I. Chundrigar Road, Karachi

**REGIONAL OFFICE**

2nd Floor, Garden Heights, 8-Aibak Block,  
New Garden Town, Lahore

**WEB PRESENCE**

<http://www.gulshan.com.pk/corporate/paramount.html>

# PARAMOUNT SPINNING MILLS LIMITED

## Director's Report to Shareholders

The Directors of your Company are pleased to present unaudited financial statements of the Company for the nine months ended March 31, 2024.

### Financial Results

Operating indicators	Nine Months Ended	Nine Months Ended
	March 31, 2024 (Rupees)	March 31, 2023 (Rupees)
Sales	-	-
Gross profit / (loss)	-	-
Pre Tax profit / (loss)	(2,281,270)	(2,956,477)
Provision for Taxation	-	-
Earnings / (loss) Per Share	(0.13)	(0.17)

### Overview:

A Scheme of arrangement under section 279 to 283 and 285 of the Companies Act 2017 ("Scheme of Arrangement") was filed before Sindh High Court at Karachi vide J.C.M. Petition No. 05/19. The Sindh High Court vide its order dated October 25, 2019, sanctioned the Scheme of Arrangement which is being implemented. The Assets of the company were sold by the Asset sale committee constituted by court comprising of five leading financial institutions, however the pending litigation with the Banks by and against the company is being withdrawn in terms of the Scheme of Arrangement and other ancillary matters shall also be dealt with in accordance with the Scheme of Arrangement.

### Future Outlook:

The Scheme of Arrangement shall be implemented and legal proceedings with the Banks by and against the Company shall be withdrawn in terms of the Scheme of Arrangement. There after the Company would be in a better position to structure the way forward.

### Acknowledgement:

The Board wishes to place on record its appreciation for the employees members of management team for their efforts, commitment and hard work during this tough time.

LAHORE

  
SOHAIL MAQSOOD  
CHIEF EXECUTIVE

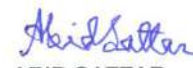
Dated:

**PARAMOUNT SPINNING MILLS LIMITED  
CONDENSED INTERIM BALANCE SHEET  
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2024**

	NOTE	Un-audited 31 MARCH 2024 (Unaudited) Rupees	Audited 30 JUNE 2023 (Audited) Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	5	4,793,358	5,195,532
Loans and advances		100,000	50,000
Other receivables		16,034,722	16,034,466
Cash and bank balances		3,988,503	4,403,586
<b>Total Assets</b>		<b>24,916,583</b>	<b>25,683,584</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorised capital		250,000,000	250,000,000
25,000,000 (30 June 2019: 25,000,000) ordinary shares of Rs.10/- each			
Share Capital		173,523,290	173,523,290
Reserves		475,400,000	475,400,000
Sub-ordinate Loan		175,000,000	175,000,000
(Accumulated loss) / unappropriated profit		(1,429,183,601)	(1,426,902,331)
		<b>(605,260,311)</b>	<b>(602,979,041)</b>
<b>Non Current Liabilities</b>			
Loan from associates and other parties		596,109,890	583,900,891
Post employment benefits payables		2,241,765	2,421,765
Trade and other payables		30,706,403	41,221,133
Unclaimed dividend		1,118,836	1,118,836
		<b>630,176,894</b>	<b>628,662,625</b>
<b>Contingencies and Commitments</b>	6		
<b>Total equity and liabilities</b>		<b>24,916,583</b>	<b>25,683,584</b>

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information.

  
SOHAIL MAQSOOD  
CHIEF EXECUTIVE

  
ABID SATTAR  
DIRECTOR

**PARAMOUNT SPINNING MILLS LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2024**

	Quarter ended		Nine months ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Note	----- Rupees -----			
Sales - net	-	-	-	-
Cost of sales	-	-	-	-
<b>Gross loss</b>	-	-	-	-
Administrative expenses	(713,333)	(1,030,906)	(2,287,550)	(2,961,849)
Other income	2,471	2,896	11,627	5,906
	(710,862)	(1,028,010)	(2,275,923)	(2,955,943)
<b>Profit / (loss) from operations</b>	(710,862)	(1,028,010)	(2,275,923)	(2,955,943)
Finance cost	(1,009)	(70)	(5,347)	(534)
<b>Profit / (loss) before taxation</b>	(711,871)	(1,028,080)	(2,281,270)	(2,956,477)
Taxation	-	-	-	-
<b>Profit / (loss) after taxation</b>	(711,871)	(1,028,080)	(2,281,270)	(2,956,477)
<b>Earnings / (loss) per share</b>				
- basic and diluted	(0.04)	(0.06)	(0.13)	(0.17)

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information.

  
**SOHAIL MAQSOOD**  
**CHIEF EXECUTIVE**

  
**ABID SATTAR**  
**DIRECTOR**

PARAMOUNT SPINNING MILLS LIMITED  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2024

	Quarter Ended		Nine Months Ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- Rupees -----			
Profit / (loss) after taxation	(711,871)	(1,028,080)	(2,281,270)	(2,956,477)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>(711,871)</b>	<b>(1,028,080)</b>	<b>(2,281,270)</b>	<b>(2,956,477)</b>

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information.

  
 SOHAIL MAQSOOD  
 CHIEF EXECUTIVE

  
 ABID SATTAR  
 DIRECTOR

**PARAMOUNT SPINNING MILLS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2024**

	NOTE	Nine months ended	
		March 31,	March 31,
		2024	2023
		-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>7</b>	<b>(12,450,362)</b>	<b>(4,537,879)</b>
Cash generated from operations			
Finance cost paid		(5,347)	(534)
Interest received		11,627	5,906
Staff retirement benefits- gratuity paid		(180,000)	(99,200)
<b>Net cash used in operating activities</b>		<b>(12,624,082)</b>	<b>(4,631,707)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Loan from associates and other parties- net		12,208,999	4,294,999
Net cash generated from financing activities		12,208,999	4,294,999
Net (decrease) / increase in cash and cash equivalents		(415,083)	(336,708)
<b>Cash and cash equivalents - at beginning of the year</b>		<b>4,403,586</b>	<b>4,958,180</b>
<b>Cash and cash equivalents - at end of the year</b>		<b>3,988,503</b>	<b>4,621,472</b>

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information.

  
**SOHAIL MAQSOOD**  
**CHIEF EXECUTIVE**

  
**ABID SATTAR**  
**DIRECTOR**

PARAMOUNT SPINNING MILLS LIMITED  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2024

	General Reserve			sub-ordinated loan	Total	
	Share Capital	Share Premium	General reserve			Accumulated losses
----- Rupees -----						
<b>Balance as at 01 July 2022</b>	173,523,290	15,400,000	460,000,000	(1,420,477,308)	175,000,000	(596,554,018)
Total Comprehensive loss for the nine months ended March 31,2023		-	-	(2,956,477)		(2,956,477)
	-	-	-	(2,956,477)	-	(2,956,477)
Surplus on revaluation of operating fixed assets realised during the period :						
- on account of incremental depreciation for the period	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>173,523,290</b>	<b>15,400,000</b>	<b>460,000,000</b>	<b>(1,423,433,785)</b>	<b>175,000,000</b>	<b>(599,510,495)</b>
<b>Balance as at 01 July 2023</b>	173,523,290	15,400,000	460,000,000	(1,426,902,331)	175,000,000	(602,979,041)
Total Comprehensive loss for the nine months ended March 31,2024		-	-	(2,281,270)		(2,281,270)
	-	-	-	(2,281,270)	-	(2,281,270)
Surplus on revaluation of operating fixed assets realised during the period :						
- on account of incremental depreciation for the period	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>173,523,290</b>	<b>15,400,000</b>	<b>460,000,000</b>	<b>(1,429,183,601)</b>	<b>175,000,000</b>	<b>(605,260,311)</b>

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information.

  
SOHAIL MAQSOOD  
CHIEF EXECUTIVE

  
ABID SATTAR  
DIRECTOR



**PARAMOUNT SPINNING MILLS LIMITED**  
**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED MARCH 31, 2024 (UN-AUDITED)**

**1 THE COMPANY AND ITS OPERATIONS**

**1.1** Paramount Spinning Mills Limited (the Company) was incorporated as a public limited Company on August 22, 1981 and its shares are listed on Karachi and Lahore Stock Exchanges (now Pakistan Stock Exchange Limited). The registered office is located at Finlay House, I.I. Chundrigar Road, Karachi.

**1.2 Scheme of arrangement with secured creditors**

The Company along with its restructuring agent - United Bank Limited and majority of the lending financial institutions had signed a "Scheme of Arrangement" dated March 13, 2019 under sections 279 to 283 read with section 285 of the Companies Act, 2017 ("the Act"). The Scheme of Arrangement was sanctioned by the Hon'ble High Court of Sindh at Karachi vide order dated October 25, 2019, passed in J. C. M. Petition No. 5 of 2019. The Scheme of Arrangement, after its sanctioning by the Court became binding on the Company, along with all the shareholders, creditors, stakeholders and any other regulatory / statutory bodies of/ or with respects to the Company. Asset sale committee, pursuant to the terms of scheme of arrangement has sold all charged assets and proceeds thereof have been distributed among the secured creditors and lenders for the balances due to them. The pending litigation with Banks filed by and against the Company is being withdrawn in accordance with terms of the scheme of arrangement.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 237 of the Companies Act, 2017. It has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2023.

**2.2 Basis of measurement**

Due to the Scheme as described in note 1.2 to these financial statements, the directors have determined that the going concern basis of preparation of financial statements is no longer appropriate. Accordingly, these financial statements have been prepared on liquidation/break-up value basis, following the intention of the parties to settle the liabilities through proceeds of disposal of assets of the company as contemplated in the scheme.

**3 ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of this condensed interim financial information are same as those applied in the preparation of preceding audited annual financial statements of the Company for the year ended June 30, 2023.

**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable

under the circumstances. However, actual results may differ from these estimates. Estimation and judgements made by the management in the preparation of this condensed interim financial information were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2023.

## 5. PROPERTY, PLANT AND EQUIPMENT

		<b>Un-audited</b> <b>March 31,</b> <b>2024</b>	Audited June 30, 2023
	<b>Note</b>	----- (Rupees) -----	
Operating fixed assets	5.1	4,793,358	5,195,532
		<u>4,793,358</u>	<u>5,195,532</u>

### 5.1 Operating fixed assets

Book value at beginning of the period / year	5,195,532	5,835,209
Depreciation charge for the period / year	(402,174)	(639,677)
Book value at end of the period / year	<u>4,793,358</u>	<u>5,195,532</u>

## 6. CONTINGENCIES AND COMMITMENTS

### 6.1 Contingencies

There is no change in the matter detailed in note 16.1 to 16.12 to the Company's published annual financial statements for the year ended June 30, 2023.

### 6.2 Commitments

There is no change in the matter as detail in note 16.13 to the Company's published annual financial statements for the year ended June 30, 2023.

		<b>(Un-audited)</b> <b>Nine months ended</b>	
		<b>March 31,</b> <b>2024</b>	March 31, 2023
	<b>Note</b>	-----Rupees-----	
<b>7. CASH GENERATED FROM OPERATIONS</b>			
(Loss) / profit before taxation		(2,281,270)	(2,956,477)
<b>Adjustments for non-cash charges and other items</b>			
Depreciation of operating fixed assets		402,174	483,567
Finance cost		5,347	534
Interest income		(11,627)	(5,906)
Working capital changes	7.1	(10,564,986)	(2,059,597)
		<u>(12,450,362)</u>	<u>(4,537,879)</u>

### 7.1 Movement in working capital

(Increase) / decrease in current assets:

Loans and advances	(50,000)	(70,000)
Other receivables	(256)	7,863
	<u>(50,256)</u>	<u>(62,137)</u>
Increase / (decrease) in trade and other payables	(10,514,730)	(1,997,460)
	<u>(10,564,986)</u>	<u>(2,059,597)</u>

## 8. RELATED PARTY TRANSACTIONS

8.1 The related parties comprises associated companies, directors and key management personnel. Transaction with related parties are carried out on arm's length basis. Aggregate transactions with associated companies during the period were as follows.

Name of party	Relationship	Transaction	Amount
Mr. Tanveer Ahmad	Shareholder	Loan received	(12,209,000)

## 9. GENERAL

9.1 Figures have been rounded off to the nearest rupee except stated otherwise.

9.2 This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on 28/9/2024.

  
SOHAIL MAQSOOD  
CHIEF EXECUTIVE

  
ABID SATTAR  
DIRECTOR