

REPORT AND ACCOUNTS  
FOR THE FIRST QUARTER ENDED  
SEPTEMBER 30, 2021

**AL-ABID SILK MILLS LIMITED**

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

# AL-ABID SILK MILLS LIMITED

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# AL-ABID SILK MILLS LIMITED

## COMPANY INFORMATION

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

# AL-ABID SILK MILLS LIMITED

## DIRECTORS' REPORT TO THE SHAREHOLDERS

The Board of Directors presents condensed interim financial statement of the company for the first quarter ended September 30, 2021.

Our Government has worked hard to minimize corona pandemic, accordingly your management has been working hard to bring the shape of Al-Abid Silk Mills limited in its original position, it was enjoying as pioneer of value added textile and if not the largest but at least among the three largest exporters of home textile in Pakistan.

### **Future outlook:**

As you see the financial statement the efforts of your management has been concentrated towards decreasing the creditor's liability, along our important task shifting and reinstallation of the plants has now been completed.

Also the JS Bank Limited formalities completed with State Bank of Pakistan and we see no hurdles in the settlement with JS bank Limited reached.

To run the plant we are seeking financial support together with some investors, discussion for which are going on, we have full support of remaining banks in pursuit of our target.

All our efforts are for our shareholders and our thousands of jobless workers which at a time Al-Abid was providing to 7,600 employees in the various factories of Al-Abid and of course for the name of Al-Abid Silk Mills Limited as well which had an enviable reputation nationally and internationally.

In spite of all the difficulties your management has made efforts in the past and will continue to do so InshAllah, with your well wishes.

Thanks to all of you.

For and on behalf of the  
Board of Directors



(NASEEM A. SATTAR)  
Chief Executive Officer

October 28, 2021

# العابد سلک ملز لمیٹڈ

## حصص داران کیلئے ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز 30 ستمبر 2021ء کو ختم ہونے والی پہلی سہ ماہی کیلئے کمپنی کے مجموعی مالیاتی حسابات پیش کر رہے ہیں۔

حکومت پاکستان نے کورونا وبا کے پھیلاؤ میں کمی کیلئے سخت اقدامات کئے، اس کے تحت آپ کی کمپنی کی انتظامیہ العابد سلک ملز لمیٹڈ کو اس کی اصل حالت میں لانے کے لیے سخت محنت کر رہی ہے، یہ ویلیو ایڈڈ ٹیکسٹائل کمپنی کے طور پر اگر سب سے بڑی نہ سہی تو کم از کم پاکستان میں ملکی ٹیکسٹائل کے تین سب سے بڑے برآمد کنندگان میں شامل ہے۔

### مستقبل کا نظریہ:

جیسا کہ آپ نے مالیاتی بیان میں دیکھا کہ آپ کی انتظامیہ کی تمام تر کوششیں قرض و ہندہ کے واجبات کو کم کرنے کی طرف مرکوز ہیں۔ ہمارا اہم ہدف پائس کی منتقلی اور دوبارہ تنصیب ہے جو کسب مکمل ہو چکا ہے۔

مزید یہ کہ بے ایس بیٹک لمیٹڈ کی ری کارڈ انیاں اسٹیٹ بینک آف پاکستان کے ساتھ مکمل ہو گئی ہیں اور ہمیں بے ایس بیٹک لمیٹڈ کے ساتھ تفریق میں کوئی رکاوٹ نظر نہیں آتی۔

پلائٹ کو چلانے کے لیے ہم کچھ سرمایہ کاران کے ساتھ مل کر مالی تعاون حاصل کر رہے ہیں، جس کے لیے بات چیت جاری ہے، ہمیں اپنے ہدف کیلئے باقی بینکوں کی مکمل حمایت حاصل ہے۔

ہماری تمام تر کوششیں ہمارے شیئرز ہولڈرز اور ہمارے ہزاروں بے روزگار ورکرز کے لیے ہیں جو ہم ایک وقت میں العابد کی مختلف فیکٹریوں میں 7,600 ملازمین کو فراہم کر رہے تھے اور بالخصوص العابد سلک ملز لمیٹڈ کے نام سے جسے قومی اور بین الاقوامی سطح پر شہرت حاصل تھی۔

تمام تر مشکلات کے باوجود آپ کی انتظامیہ باضی میں بھی اپنی کوششیں کرتی رہی ہے اور انشاء اللہ آپ کی نیک تمناؤں سے آگے بھی جاری رکھے گی۔ آپ سب کا شکریہ

مورخہ: 28 اکتوبر 2021ء

بورڈ آف ڈائریکٹرز کی جانب سے

نسیم اسے سنار


چیف ایگزیکٹو آفیسر

# AL-ABID SILK

## CONDENSED INTERIM STATEMENT OF AS AT

	Sept 2021 (Un-Audited)	June 2021 (Audited)
Note	(Rupees)	
<b>EQUITY &amp; LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorized capital		
20,000,000 Ordinary Shares of Rs. 10/- each	200,000,000	200,000,000
Issued, subscribed and paid-up capital	134,095,500	134,095,500
<b>Capital reserves</b>		
Other reserves	372,831,844	372,831,844
Revaluation Surplus on Property Plant & Equipment	5 1,241,730,248	1,246,542,660
<b>Revenue reserves</b>		
Accumulated loss	(3,491,006,994)	(3,476,966,961)
<b>Total equity</b>	<b>(1,742,349,402)</b>	<b>(1,723,496,957)</b>
<b>LIABILITIES</b>		
<b>NON- CURRENT LIABILITIES</b>		
Staff Retirement benefits	6 8,425,182	8,425,182
	8,425,182	8,425,182
<b>CURRENT LIABILITIES</b>		
Loan from directors and family member's- unsecured	7 521,018,754	521,018,754
Trade and other payables	763,516,120	762,843,112
Unclaimed dividend	108,310	108,310
Advance from I.B.L	8 366,063,944	366,063,944
Accrued markup	60,622,829	60,622,829
Short term finances	9 1,397,310,685	1,397,310,685
Provision for taxation	589,075	573,441
	3,109,229,716	3,108,541,074
<b>CONTINGENCIES AND COMMITMENTS</b>		
10		
	1,375,305,496	1,393,469,299

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

  
Chief Executive Officer


  
Director

  
Chief Financial Officer


# MILLS LIMITED

FINANCIAL POSITION (Un-audited)  
SEPTEMBER 30, 2021

		Sept 2021 (Un-Audited)	June 2021 (Audited)
	Note	(Rupees)	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	963,208,652	978,405,190
Long term security deposit		3,311,307	3,311,307
<b>CURRENT ASSETS</b>			
Stores and spares		24,909,000	24,909,000
Trade debts		1,153,676	1,200,936
Loans and advances		5,048,594	5,048,594
Trade deposits and prepayments		8,144,398	8,144,398
Other receivables	12	219,841,188	219,841,188
Tax refunds due from government		62,407,984	62,265,684
Cash and bank balances		87,280,697	90,343,002
		408,785,537	411,752,802
		1,375,305,496	1,393,469,299

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (Unaudited)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

	Note	July-Sep 2021 Rupees	July-Sep 2020 Rupees
Sales and manufacturing		-	-
Cost of sales		15,112,896	20,897,539
<b>Gross loss</b>		<u>(15,112,896)</u>	<u>(20,897,539)</u>
<b>Operating expenses</b>			
Administrative expenses		<u>5,417,199</u> (20,530,095)	<u>18,842,260</u> (39,739,799)
Other income	13	1,693,284	740,078,053
<b>(Loss)/ Profit from operations</b>		<u>(18,836,811)</u>	<u>700,338,254</u>
Finance cost		-	5,650
<b>(Loss) / Profit before taxation</b>		<u>(18,836,811)</u>	<u>700,332,604</u>
Taxation-net		(15,634)	-
<b>(Loss) / Profit after taxation</b>		<u>(18,852,445)</u>	<u>700,332,604</u>
<b>(Loss) / Earning per share - basic and diluted</b>	14	<u>(1.41)</u>	<u>52.23</u>

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



Chief Executive Officer



Director



Chief Financial Officer



# AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

	July-Sep 2021 Rupees	July-Sep 2020 Rupees
(Loss) / Profit after taxation	(18,852,445)	700,332,604
Other comprehensive income	-	-
Total comprehensive (loss) / income for the period	<u>(18,852,445)</u>	<u>700,332,604</u>

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



Chief Executive Officer



Director




Chief Financial Officer

# AL-ABID SILK MILLS LIMITED

## CONDENSED INTERIM STATEMENT OF CASH FLOW (Unaudited) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

	July-Sep 2021 Rupees	July-Sep 2020 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	(18,836,811)	700,332,604
<b>Adjustments for:</b>		
Depreciation	15,196,539	18,666,619
Gain/Loss on disposal of property, plant and equipment	-	(187,881,592)
Provision for slow moving obsolete stores and spares	-	1,891,790
Provision for obsolete stock	-	454,749
Impairment of trade debts	47,260	47,260
Gain on reversal of financial liability	-	(551,331,222)
	<b>15,243,799</b>	<b>(718,152,396)</b>
<b>WORKING CAPITAL CHANGES</b>		
<b>Decrease / (Increase) in current assets:</b>		
Loan and advances	-	(1,341,905)
Tax refunds due from government	(142,300)	1,905,115
	<b>(142,300)</b>	<b>563,210</b>
<b>(Decrease) / Increase in current liabilities:</b>		
Trade and other payable	673,008	952,615
Security deposit	-	(14,600,000)
Accrued mark-up	-	(36,186,301)
	<b>673,008</b>	<b>(49,833,686)</b>
Cash used on operations	<b>(3,062,304)</b>	<b>(67,090,268)</b>
Taxes paid	-	-
Net cash used on operating activities	<b>(3,062,304)</b>	<b>(67,090,268)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of fixed assets	-	337,121,460
Net cash generated from investing activities	-	337,121,460
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of short term finance	-	(195,813,699)
Net cash generated from financing activities	-	(195,813,699)
<b>Net decrease in cash and cash equivalents</b>	<b>(3,062,304)</b>	<b>74,217,493</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>90,343,002</b>	<b>102,352,665</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>87,280,697</b>	<b>176,570,157</b>

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# AL-ABID SILK MILLS LIMITED

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

	Share Capital	Capital Reserve		Revenue Reserve	
	Issued, subscribed and paid-up capital	Other reserve	Revaluation Surplus on Property Plant & Equipment	Accumulated Loss	Total
			Rupees		
<b>Balance as at June 30, 2020</b>	134,095,500	372,834,000	1,297,497,056	(4,131,831,283)	(2,327,404,727)
Profit after tax for the three months ended September 30, 2020	-	-	-	700,332,604	700,332,604
Other comprehensive income	-	-	-	700,332,604	700,332,604
-Transfer on account of incremental depreciation (net of tax)	-	-	(208,399)	208,399	-
Revaluation surplus adjustment due to change in tax rate	-	-	-	-	-
<b>Balance as at September 30, 2020</b>	134,095,500	372,834,000	1,297,288,657	(3,431,290,280)	(1,627,072,123)
<b>Balance as at June 30, 2021</b>	134,095,500	372,831,844	1,246,542,660	(3,476,966,961)	(1,723,496,957)
(Loss) after tax for the three months ended September 30, 2021	-	-	-	(18,852,445)	(18,852,445)
-Transfer from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	(4,812,412)	4,812,412	-
<b>Balance as at September 30, 2021</b>	134,095,500	372,831,844	1,241,730,248	(3,491,006,994)	(1,742,349,402)

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



Chief Executive Officer



Director



Chief Financial Officer

# AL-ABID SILK MILLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Unaudited) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2021

### 1. LEGAL STATUS AND OPERATIONS

Al-Abid Silk Mills Limited (the Company) was incorporated as a private limited company in the year 1968, later on it was converted into public limited company as on December 24, 1987 under 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

### 1.1 GOING CONCERN ASSUMPTIONS

The Company has curtailed off the manufacturing activities for quite some time, As a result of constant losses, the accumulated loss of the company has reached to Rs. 3.491 billion and Company's equity is in negative by Rs. 1.742 billion while the reported current liabilities (since partly under litigation) have exceeded to current assets of the company by Rs. 2.700 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 banks and DFI filed civil recovery suits in Honorable High Court and Banking Court for recovery of their lent fund. The Company filed leave to defend in the court against all such legal suits. Furthermore, the company did not accrue the markup of Rs. 30.92 million as matter was under litigation. Settlement with JS Bank is under process according to Supreme Court Order/Direction, in this regard the company has deposited the surety amount to Nazir Sindh High Court Karachi against recovery suit No.B-76/2013. The management has already requested rest of the banks and DFI collectively and individually, to reschedule their credit facilities for a longer period coupled with fresh additional working capital facility in order to resume the operation of the company, and the discussion with the banks/DFI are continuing.

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

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

# AL-ABID SILK MILLS LIMITED

## 2 IMPACT OF COVID-19 ON FINANCIAL STATEMENTS

A novel strain of coronavirus later named as SARS-COV-2(COVID-19)that first surfaced in China in December, 2019 was classified as a pandemic by the World Health Organization (WHO) on March 11, 2020. The pandemic rapidly spread all across the world has not only endangered human lives but has also adversely effected the local and international businesses and world economy. On March 21, 2020,the government of Sindh (Gos)accounced a temporary lock down as measure to reduce the spread of the COVID-19,After implementing all the necessary Standard Operating Procedures (SOPs) to ensure safety of employees the Company continued to carry out its minimum operations and has taken all necessary steps to ensure somooth and adequate continuation of its business.

According to management's assessment, as of the release date of these interim financial statements, there has been no specifically material quantifiable impact of Covid-19 on the Company's financial condition or results of operations. Consequently, there is no financial impact of COVID-19 on the carrying amount of assets and liabilities and item of income and expenses

## 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. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Financial Reporting Standards(IFRS) issued by the International Accounting Standards Board IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS)issued by the Institute of Chartered Accountant of Pakistan as are notified under the Companies Act, 2017: and
- 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.

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

### 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

There are certain amendments to approved accounting standards which are mandatory for accounting periods beginning on or after July 1, 2021 but are considered not to be relevant or have any significant effect on the Company's financial reporting.

#### 3.3.2 New standards and amendments to approved accounting standards that are effective for the

There is a new standard and certain amendments to approved accounting standards that will be mandatory for accounting periods beginning on or after July 1, 2021 but are considered not to be relevant or expected to have any significant effect on the Company's financial reporting.

- 3.4 The accounting policies and the methods of computation adopted in the preparation of these financial statements are according with the accounting and reporting standards as applicable in pakistan.

## 4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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 continually 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.

Judgements and estimates made by the management in the preparation of these condensed interim financial statement are same as those applied to financial statement as at for the year ended June 30, 2021.

# AL-ABID SILK MILLS LIMITED

	Sept- 2021 (Un-audited) Rupees	June 2021 (Audited) Rupees
<b>5 Revaluation Surplus on Property Plant &amp; Equipment</b>		
Balance at beginning of the year - net	1,246,542,660	1,297,497,056
Balance at beginning of the year - net (restated)	1,246,542,660	1,297,497,056
Less: Transferred to unappropriated profit on account of Incremental depreciation for the year - net of tax	(4,812,412)	(50,954,396)
Balance at end of the year - net	1,241,730,248	1,246,542,660
<b>5.1</b> During the year ended June 30, 2018 the Company has revalued its Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric gas & Other Installation and Leased Plant, Machinery & equipments. The valuation has been determined by the independent qualified valuer M/s. SIPRA & Company (Pvt) Limited. The assessed values of the fixed assets as determined by the valuer amounts to Rs. 2,232,252,450 as at January 08, 2018, however, the forced sales value of Rs. 1,674,048,087 have been taken to account for the fixed assets for the reason as mentioned in note 1.1. The earlier valuations were carried out by M/s. Anjum Adil and Associates independent qualified valuer on June 30, 2012, August 31, 2010 and August 31, 2007 on the basis of prevailing market rates at that time.		
<b>6 RETIREMENT BENEFITS</b>	8,425,182	8,425,182
<b>7 LOAN FROM DIRECTORS AND FAMILY MEMBERS - UNSECURED</b>		
Balance at beginning of the year	521,018,754	521,018,754
Received during the year	-	-
Repaid during the year	-	-
	521,018,754	521,018,754
The above is interest free loan from director(s) of the company, which is payable on demand.		
<b>8 ADVANCE FROM IBL</b>	366,063,944	366,063,944
The comprises of initial mobilizing expenses by International Brands Limited as disclosed on note 1.1 for repair and maintenance to have the plant in full running condition.		
<b>9 SHORT TERM FINANCES</b>		
From banks and financial institutions - Secured	1,397,310,685	2,144,455,606
Less: Settlement during the year	9.1 -	(747,144,921)
	1,397,310,685	1,397,310,685
<b>9.1</b> The facilities consist of various types of short term finances from different banks and non-banking financial institutions. The facilities are secured against hypothecation charge on stocks, mortgage on factory property of Plot No. A-34/A and A-29/B with Land, building and machinery installed thereon and charge on book debts and receivables of the company. As fully disclosed in note No. 16 various banks have filed suit for the recovery of these loans. Previously and during the period, the company has settled off most of the banks as mentioned in note 1.1. The management is amicably pursuing rest of the banks and D.F.I for rescheduling or settlement as disclosed in note 1.1 & 15.1.		
<b>10 CONTINGENCIES AND COMMITMENTS</b>		
<b>10.1 Contingencies</b>		
Bank guarantee	1,512,000	1,512,000
The bank guarantees have been issued in favor of Excise, Sales tax and others.		

# AL-ABID SILK MILLS LIMITED

10.2	S.NO.	WRIT PETITION	FORUM	ISSUE INVOLVED	STATUS
	1		Sindh High Court	The Sales Tax department has filed an appeal in the Honorable High Court of Sindh on 23rd August, 2020 against the Order of the learned Appellate Tribunal Customs and Sales Tax for recovery of Additional Tax and Surcharge amounting to Rs. 3,449 million for the year 1992-93. No provision for this amount has been made in these accounts as the management of the Company is of the view that the decision of the Learned Appellate Tribunal Customs and Sales Tax given in favor of the Company will be successfully defended in the Honorable High Court.	Pending
	2	Application No. 95 & 96 of 2016	Sindh High Court	The Spl. Sales Tax Reference Application No. 95 & 96 of 2016 filed by the company against order passed by the Sindh Revenue Board Appellate Tribunal order related to period ending June 30, 2014 and June 30, 2015 are pending before Honorable High Court of Sindh at Karachi. Further, The Sindh Revenue Board has also filed Spl. Sales Tax Reference Application No. 119 of 2016 against order passed by the Sindh Revenue Board Appellate Tribunal order related to period ending June 30, 2014 and June 30, 2015 is pending before Honorable High Court of Sindh at Karachi.	Pending
	3	Suit No. B-42/2013	Sindh High Court	Al-Abid Silk Mills Limited (company) has filed the suit for damages against the JS Bank Limited and JS Bank Limited has filed suit # B-76/2013 against the company for recovery of outstanding loan amounting to Rs. 333,105,083/- Settlement with JS Bank Ltd is under process according to Supreme Court of Pakistan Direction, the company deposits the surety amount to Nazir Sindh High Court in the Suit.	Pending
	4	Suit No. B-95 of 2013	Sindh High Court	Bank of Punjab has filed suit against the Company for recovery of outstanding loan amounting to Rs. 434,399,948/-.	Pending
	5	Suit No. B-111 of 2013	Sindh High Court	PAIR Investment Co. Ltd. has filed the suit against the Company for recovery of outstanding loan amounting to Rs. 171,460,949/-	Pending
	6	Suit No. B-26 of 2017	Sindh High Court	National Bank of Pakistan has filed the suit against the Company for recovery of outstanding loan amounting to Rs. 946,140,145/-	Pending
	7	Suit No. 1586/2013	Sindh High Court	The company has filed suit inter alia for cancellation of cheques; and damages against Jawaid Arshad Textile.	Pending
	8	Suit No. 540/2014	Sindh High Court	Javed Arshad has filed the suit against the company for recovery of Rs. 21.32 million.	Pending
	9	Suit No. 1200/2014	Sindh High Court	Ranyal Textile has filed the suit against the company for recovery of Rs. 40.94 million.	Pending
	10	Suit No. 1245/2015	Sindh High Court	Shahaj Textile has filed the suit against the company for recovery of Rs. 112.64 million.	Pending
	11	Suit No. 1833/2015	Sindh High Court	Maksons Textile has filed the suit against the company for recovery of Rs. 56.38 million.	Pending
	12	Suit No. 358/2015	Sindh High Court	BASF has filed the suit against the company for recovery of Rs. 33.68 million.	Pending
	13	Suit No. 2442/2016	Sindh High Court	ICI Pakistan has filed the suit against the company for recovery of Rs. 26.57 million.	Pending
	14	H.C.A 519/2018	Sindh High Court	The company has filed an High Court Appeal against Shahaj Textile limited, an ad-interim injunctive order of the Learned Single Judge wherein the company was refrained from creating any third party interest on their properties.	Pending
	15	JCM No. 34/2014	Sindh High Court	One of the supplier of the company has filed a winding up petition, on the ground that the company owes a sum of Rs. 40.94 million to Ranyal Textile. Such claim is denied by the company.	Pending
	16	JCM No. 25/2015	Sindh High Court	PAIR Investment Company Limited has filed a winding up petition, on the ground that the company owes a sum of Rs. 201,925 million to Pair Investment. Such claim is denied by the company.	Pending
	17	Suit No. 604/2018	Sindh High Court	ACME (supplier) has filed suit for recovery of Rs. 48,822,642/-, before the High Court of Sindh at Karachi. An application for rejection of plaint has been filed in the matter on the grounds that the claim of this supplier is time barred. Besides this, issues have yet to be framed in the case therefore it is premature to comment on the outcome. The management is vigorously contesting the case.	Pending
	18	JCM No. 10/2015	Sindh High Court	Achroma Textile Chemicals Pakistan (creditor) has filed a winding up petition at High Court of Sindh at Karachi. The winding up petition has been filed on the grounds that Al-Abid owes Achroma Textile Chemical Pakistan (formerly BASF Pakistan) a sum of Rs. 33,683,561/-. Such claim is denied by Al-Abid. The petition is yet to be heard. Therefore, it is premature to comment on the outcome. The management is vigorously contesting the case.	Pending
	19	JCM No. 35/2014	Sindh High Court	JS Bank Limited had filed a winding up petition at High Court of Sindh at Karachi, on the grounds that Al-Abid owes to the JS Bank Limited Rs. 370,930,165/-. The management is vigorously contesting the case.	Pending

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

The outcome of above cases as referred in cases 3-19 cannot be predicted and the management is vigorously contesting the cases.

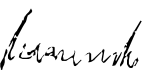
There are various ex-workers filed suits pending for payment of their legal dues before the Authority under the Payment of Wages Act, West Division, Karachi. The company believes that there may not be any financial implications.


Commitments:


There are no commitments as at period end. (June 2021:Nil)

# AL-ABID SILK MILLS LIMITED

		Sep 2021 Rupees (Un-Audited)	June 2021 Rupees (Audited)
11	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Operating Fixed Assets	946,408,652	961,605,190
	Capital Work in Progress - DDPC Boiler	16,800,000	16,800,000
		<u>963,208,652</u>	<u>978,405,190</u>
11.1	<b>Operating Fixed Assets</b>		
	Opening written down value	961,605,190	1,189,393,888
	Additions	-	64,398
	Deletions	-	(195,503,125)
	Surplus/(Impairment) during the period/year	-	37,062,645
	Depreciation	(15,196,538)	(69,412,616)
		<u>946,408,652</u>	<u>961,605,190</u>
12	<b>OTHER RECEIVABLES</b>		
	Duty drawback	93,683,626	93,683,626
	Receivable from banks	32,332,398	32,332,398
	Research and development support	4,325,164	4,325,164
	Deposit with Nazir Sindh High Court against loan settlement	89,500,000	89,500,000
		<u>219,841,188</u>	<u>219,841,188</u>
12.1	This represents the amount of DLT received by certain banks on the company's behalf in the accounts held by these banks namely United Bank Limited, Standard Chartered Bank Limited, Allied Bank Limited, Habib Bank Limited, Faysal Bank Limited, National Bank of Pakistan and Summit Bank Limited and the same is receivable from the respective banks. One of the banks namely United Bank Limited has refused to pay amount despite of the fact that full and final settlement was amicably reached and clearance certificate as per the honorable Sindh High Court's consent degree was obtained. During the year, the company has filed the suit # 862/2020 against the bank for the recovery of Rs. 13,871,000/-.		
12.2	This represents amount deposited with Nazir Sindh High Court Karachi for Settlement under process with JS Bank Ltd according to Supreme Court's order/direction		
		Sept 2021 Rupees (Un-Audited)	Sept- 2020 Rupees (Un-Audited)
13	<b>OTHER INCOME</b>		
	<b>Income from non-financial assets / liabilities</b>		
	Gain arising on settlement of loan (secured)	-	551,331,222
	Sale of scrap	1,042,284	-
	Gain/(Loss) on disposal of property, plant and equipment	-	187,881,592
	<b>Income from financial assets / liabilities</b>		
	Profit on PLS deposit account	651,000	865,239
		<u>1,693,284</u>	<u>740,078,053</u>
14	<b>(LOSS) / EARNING PER SHARE - BASIC AND DILUTED</b>		
14.1	<b>(LOSS) / EARNING PER SHARE - BASIC</b>		
	(Loss) / Profit after taxation	Rupees (18,852,445)	700,332,604
	Weighted average number of shares	Number 13,409,550	13,409,550
	(Loss) / Earning per share - basic	Rupees (1.41)	52.23
14.2	<b>Diluted earnings per share</b>		
	There is no dilution effect on the basic (loss) / earning per share of the company.		
15	<b>RELATED PARTY TRANSACTIONS</b>		
	The related parties comprise associated undertakings and key management personnel. The transactions between the Company and the related parties are carried out at arms length. Amounts due from and to related parties and key management personnel, if any, are shown under receivables and payables. No other significant transactions were made with related parties during the period.		
	<b>Transactions during the period</b>	<b>Relationship with the company</b>	
	<b>Balance</b>		
	Loan received from - Azim Ahmed	Family member of a Director	60,105,867
	Loan received from - Naseem A. Sattar	Chief Executive Officer	460,912,887
			<u>521,018,754</u>
16	<b>KEY MANAGEMENT PERSONNEL - REMUNERATION &amp; BENEFITS</b>		
	In view of bad financial condition of the company directors have decided not to claim their whole remuneration for the period ended September 30, 2021 i.e. Mr. Naseem A. Sattar Rs. 2,625,000. (Sept-20: Mr. Naseem A. Sattar Rs. 2,625,000).		
17	<b>FINANCIAL RISK MANAGEMENT</b>		
	The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2021.		
18	<b>DATE OF AUTHORISATION FOR ISSUE</b>		
	These interim financial statements were approved and authorized for issue in the Board of Directors' meeting held on October 28, 2021.		
19	<b>GENERAL</b>		
	Corresponding figures have been reclassified/ re-arranged wherever necessary to facilitate comparison on the presentation on the current period. However, there are no material reclassifications / re-arrangements to report.		

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



**BOOK POST**  
Printed Matter

UNDER POSTAL CERTIFICATE

If undelivered please return to :

**AL-ABID SILK MILLS LIMITED**

Registrars:

Jwaffs Registrar Services (Pvt) Ltd.  
Room # 407-408, 4th Floor,  
Al-Ameeera Centre, Shahrah-e-Iraq,  
Saddar, Karachi.