

REPORT AND ACCOUNTS
FOR THE NINE MONTHS ENDED
MARCH 31, 2023

AL-ABID SILK MILLS LIMITED

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

AL-ABID SILK MILLS LIMITED

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AL-ABID SILK MILLS LIMITED

COMPANY INFORMATION

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

AL-ABID SILK MILLS LIMITED

DIRECTORS' REPORT TO SHAREHOLDERS

The Board of Directors present the condensed interim financial statement of the Company for the 3rd Quarter ended March 31, 2023.

The economic environment for the industry is not conducive given the high interest rates, unprecedented inflation levels, restrictions on raw material imports, and last but not least the ongoing political turmoil in the country.

Future Outlook:

Given the above circumstances, we nevertheless remain cautiously optimistic about the future prospects. As part of the industry, we feel that it is only a matter of time before the Government adopts prudent economic policies. In its strive for higher foreign exchange earnings, the textile sector cannot and will not be ignored.

As indicated earlier, the management is moving forward as planned to revive the company with the help of the banks.

We appreciate the patience and confidence shown by the shareholders.

For and on behalf of the Board of Directors



Azim Ahmed
Chief Executive Officer

April 27, 2023

AL-ABID SILK MILLS LIMITED

حصص داران کیلئے ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز 31 مارچ 2023 کو ختم ہونے والی تیسری سہ ماہی کیلئے کمپنی کے مجموعی مالیاتی حسابات پیش کر رہے ہیں۔

بلند شرح سود، مہنگائی کی بے مثال سطح، خام مال کی درآمدات پر پابندیوں اور ملک میں جاری سیاسی بحران کے باعث صنعت کے لیے معاشی ماحول سازگار نہیں ہے۔

مستقبل کا نظریہ:

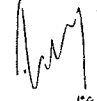
مندرجہ بالا حالات کو دیکھتے ہوئے، اس کے باوجود ہم مستقبل کے بارے میں کافی پر امید ہیں۔ صنعت کے ایک حصہ کے طور پر ہم محسوس کرتے ہیں کہ حکومت کی جانب سے دانشورانہ اقتصادی پالیسیاں اپنانے میں صرف وقت کی بات ہے۔ زیادہ زرمبادلہ کمانے کی کوشش میں ٹیکنیکل سیکٹر کو نظر انداز نہیں کیا جاسکتا اور نہ ہی کیا جائے گا۔

جیسا کہ پہلے بتایا گیا ہے، انتظامیہ پیسوں کی مدد سے کمپنی کو بحال کرنے کے منصوبے کے مطابق آگے بڑھ رہی ہے۔

ہم شیئر ہولڈرز کے صبر اور اعتماد کی تعریف کرتے ہیں۔

آپ سب کا شکریہ

بورڈ آف ڈائریکٹرز کی جانب سے



عظیم احمد

چیف ایگزیکٹو آفیسر


مورخہ: 127 اپریل 2023ء


AL-ABID SILK

CONDENSED INTERIM STATEMENT OF AS AT

	March 2023	Jun-22
Note	(Rupees)	
EQUITY & LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital		
20,000,000 ordinary shares of Rs. 10/- each	200,000,000	200,000,000
Issued, subscribed and paid-up capital	134,095,500	134,095,500
Capital reserves		
Other reserves	372,834,000	372,834,000
Revaluation Surplus on Property, Plant & Equipment	5 2,157,384,568	2,239,643,487
Revenue reserves		
Accumulated loss	(2,877,893,036)	(2,812,486,378)
Total equity	(213,578,968)	(65,913,391)
LIABILITIES		
NON- CURRENT LIABILITIES		
Deferred tax	-	-
Staff retirement benefits	8,373,879	8,373,879
	8,373,879	8,373,879
CURRENT LIABILITIES		
Loan from directors - unsecured	6 561,018,754	521,018,754
Trade and other payables	763,209,655	763,396,791
Unclaimed dividend	108,310	108,310
Advance from I.B.L	7 366,063,944	366,063,944
Other Advances	8 24,214,000	-
Accrued markup	9 60,622,829	60,622,829
Short term finances	10 1,272,310,685	1,397,310,685
Provision for taxation	644,496	617,708
	3,048,192,673	3,109,139,021
CONTINGENCIES AND COMMITMENTS	11	
	2,842,987,584	3,051,599,509

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


Chief Executive Officer

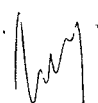

Director


Chief Financial Officer


MILLS LIMITED

FINANCIAL POSITION (UN-AUDITED)
MARCH 31, 2023


		March 2023	Jun-22	
Note		(Rupees)		
ASSETS				
NON-CURRENT ASSETS				
	Property, plant and equipment	12	2,510,156,633	2,658,036,109
	Long term security deposit		3,311,307	3,311,307
CURRENT ASSETS				
	Stores and spares		24,909,000	24,909,000
	Trade debts		870,115	1,011,896
	Loans and advances		5,148,318	5,142,502
	Trade deposits and prepayments		8,144,398	8,144,398
	Other receivables	13	216,756,212	216,756,212
	Tax refunds due from government		60,728,768	62,654,925
	Cash and bank balances		12,962,833	71,633,160
			329,519,644	390,252,093
			<u>2,842,987,584</u>	<u>3,051,599,509</u>



Chief Executive Officer



Director




Chief Financial Officer


AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) For the Nine Months ended March 31, 2023

	Note	Nine Months ended		Quarter ended	
		March 31, 2023 Rupees	March 31, 2022 Rupees	March 31, 2023 Rupees	March 31, 2022 Rupees
Sales and manufacturing		-	-	-	-
Cost of sales		(110,845,228)	(80,888,337)	(37,287,637)	(40,120,725)
Gross loss		<u>(110,845,228)</u>	<u>(80,888,337)</u>	<u>(37,287,637)</u>	<u>(40,120,725)</u>
Operating expenses					
Administrative expenses		(18,643,617)	(17,395,809)	(4,774,320)	(5,968,028)
Other income / (Loss)	14	(18,149,181)	4,820,544	(24,437,119)	26,170
(Loss) / profit from operations		<u>(147,638,026)</u>	<u>(93,463,602)</u>	<u>(66,499,076)</u>	<u>(46,062,583)</u>
Finance cost		(763)	-	-	-
(Loss) / profit before taxation		<u>(147,638,789)</u>	<u>(93,463,602)</u>	<u>(66,499,076)</u>	<u>(46,062,583)</u>
Taxation-net		(26,788)	(53,120)	-	-
(Loss) / profit after taxation		<u>(147,665,577)</u>	<u>(93,516,722)</u>	<u>(66,499,076)</u>	<u>(46,062,583)</u>
(Loss) / Earning per share - basic and diluted	15	<u>(11.01)</u>	<u>(6.97)</u>	<u>(4.96)</u>	<u>(3.44)</u>

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


Chief Executive Officer


Director

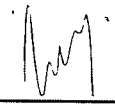

Chief Financial Officer

AL-ABID SILK MILLS LIMITED

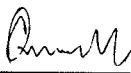
CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED) For the Nine Months ended March 31, 2023

	Nine Months ended		Quarter ended	
	March 31, 2023 Rupees	March 31, 2022 Rupees	March 31, 2023 Rupees	March 31, 2022 Rupees
(Loss) / profit after taxation	(147,665,577)	(93,516,722)	(66,499,076)	(46,062,583)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Revaluation of property, plant and equipments	-	1,796,468,522	-	-
Remeasurements of defined benefit liability	-	1,796,468,522	-	-
Items that are or may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income for the year	-	1,796,468,522	-	-
Total comprehensive income for the year	<u>(147,665,577)</u>	<u>1,702,951,800</u>	<u>(66,499,076)</u>	<u>(46,062,583)</u>

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



Chief Executive Officer



Director

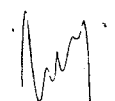


Chief Financial Officer


AL-ABID SILK MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
For the Nine Months ended March 31,2023

	March 31, 2023 Rupees	March 31, 2022 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(147,638,789)	(93,463,602)
Adjustments for:		
Depreciation	110,344,376	77,619,014
Gain on disposal of property, plant and equipment	22,687,165	-
Impairment of trade debts	141,781	141,780
	133,173,322	77,760,794
WORKING CAPITAL CHANGES		
Decrease / (Increase) in current assets:		
Loan and advances	(5,816)	-
Other Advance	24,214,000	-
Other receivables	-	3,032,825
Tax refunds due from government	1,926,157	(375,215)
	26,134,341	2,657,610
(Decrease) / Increase in current liabilities:		
Trade and other payable	(187,136)	266,161
Accrued mark-up	-	-
	(187,136)	266,161
Cash used on operations	11,481,738	(12,779,037)
Taxes paid	-	-
Net cash used in operating activities	11,481,738	(12,779,037)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of fixed assets	14,847,935	-
Long term security deposit	-	-
Net cash generated from investing activities	14,847,935	-
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term finance	(125,000,000)	-
Loan from Director	40,000,000	-
Net cash used in financing activities	(85,000,000)	-
Net decrease in cash and cash equivalents	(58,670,327)	(12,779,037)
Cash and cash equivalents at the beginning of the period	71,633,160	90,343,002
Cash and cash equivalents at the end of the period	12,962,833	77,563,965

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


 Chief Executive Officer


 Director

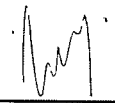

 Chief Financial Officer

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) For the Nine Months ended March 31, 2023

	Share Capital	Capital Reserve		Revenue Reserve	Total
	Issued, subscribed and paid-up capital	Other reserve	Revaluation Surplus on	Accumulated Loss	
Rupees					
Balance as at July 01, 2021 - previously stated	134,095,500	372,831,844	518,892,129	(2,749,316,430)	(1,723,496,957)
Comprehensive income for the year					
Loss after tax for the Nine months March, 2022	-	-	-	(93,516,722)	(93,516,722)
Other comprehensive income	-	-	1,796,468,522	-	1,796,468,522
Total comprehensive income for the Nine months ended March 31, 2022	-	-	1,796,468,522	(93,516,722)	1,702,951,800
-Transfer on account of incremental depreciation	-	-	(46,466,631)	46,466,631	-
Balance as at March 31, 2022	134,095,500	372,831,844	2,268,894,020	(2,796,366,521)	(20,545,157)
Balance as at June 30, 2022	134,095,500	372,834,000	2,239,643,487	(2,812,486,378)	(65,913,391)
Comprehensive income for the year					
Loss after tax for the Nine months ended March 31, 2023	-	-	-	(147,665,577)	(147,665,577)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the Nine Months ended March 31, 2023	-	-	-	(147,665,577)	(147,665,577)
-Transfer from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	(82,258,920)	82,258,920	-
Balance as at March 31, 2023	134,095,500	372,834,000	2,157,384,568	(2,877,893,036)	(213,578,968)

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



Chief Executive Officer



Director



Chief Financial Officer

AL-ABID SILK MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) For the Nine Months ended March 31,2023

1. LEGAL STATUS AND OPERATIONS

- 1.1 Al-Abid Silk Mills Limited (the Company) was incorporated as a private limited company in the year 1968, later on it was converted into public limited company as on December 24, 1987 under repealed Companies Ordinance, 1984 (repealed by the enactment of Companies act, 2017). The shares of the Company are listed on Pakistan Stock Exchange Limited. The registered office is located at A-34/A, S.I.T.E., Manghopir Road, Karachi. The Company is principally engaged in manufacturing and processing of various kinds of fabrics and export of printed and dyed cloth, bed sets and other textile made-ups. The manufacturing facilities of the Company are located at Karachi.

Geographical location and addresses of major business units including mills / plants of the Company are as under:

<u>KARACHI</u>	<u>PURPOSE</u>
A-34/A, S.I.T.E., Manghopir Road, Karachi.	The registered office with manufacturing facilities
A-29/B, S.I.T.E., Manghopir Road, Karachi.	The factory premises with manufacturing facilities

2 GOING CONCERN ASSUMPTIONS

The Company has curtailed off the manufacturing activities for quite some time. As a result of constant losses, the accumulated loss of the company has reached to Rs. 2.877 billion and total equity to negative Rs. 213.578 million, while the reported current liabilities (since partly under litigation) have exceeded to current assets of the company by Rs. 2.719 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

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 mark up of Rs. 158.63 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 settlement 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 Considering the above, the management of the company is confident to turn it around and to continue as a going concern. Accordingly, these financial statements do not include any adjustment relating to the realization of its assets and liquidation of any liabilities that might be necessary should the company be unable to continue as a going concern.

3 Basis of Preparation

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017.

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

AL-ABID SILK MILLS LIMITED

3.2 Basis of measurement

These condensed interim financial statements are un-audited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2022.

3.3 Functional and presentation currency

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

3.4 the accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statement are same as those applied in the preparation of the financial Statement for the year ended June 30, 2022.

4 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

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

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are same as those applied to financial statements as at and for the year ended June 30, 2022.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2022.

5 Revaluation Surplus on Property Plant & Equipment

	Mar-23 Rupees Un-Audited	June-22 Rupees Audited
Balance at beginning of the period / year - restated	2,239,643,487	518,892,129
Less: Transferred to unappropriated profit on account of incremental depreciation for the year	(82,259,920)	(75,717,164)
Less: Transferred to unappropriated profit on account of disposal for the year	-	-
Surplus on revaluation arisen during the year	-	1,796,468,522
Balance at end of the year - net	2,157,384,568	2,239,643,487

5.1 The Company has revalued its Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other installation. The valuation has been determined by the independent qualified valuer M/s. Sadruddin Associates (Pvt) Ltd on November 30, 2021. The assessed values of the fixed assets as determined by the valuer amounts to Rs. 2,730,796,761, however, the forced sales value is Rs. 2,321,168,747 have been taken to account for the fixed assets.

5.2 Had there been no revaluation the related figures of Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other installation would have been as follows:

	Mar-23			Jun-22		
	Cost	Accumulated depreciation	Book value	Cost	Accumulated depreciation	Book value
Leasehold land	29,376,842	-	29,376,842	29,376,842	-	29,376,842
Building on leasehold land	289,870,773	249,460,785	40,409,988	289,870,773	246,184,300	43,686,473
Plant, Machinery & equipments	2,001,525,719	1,717,653,058	283,872,660	2,001,525,719	1,694,636,355	306,889,363
Furniture & Fixture	42,571,147	35,776,990	6,794,156	42,571,147	35,236,114	7,345,032
Office equipment	4,533,716	3,793,005	740,711	4,533,716	3,732,946	800,770
Electric, gas & Other Installations	71,081,709	60,571,552	10,510,157	71,081,709	59,719,376	11,362,331
	2,438,959,906	2,067,255,390	371,704,516	2,438,959,906	2,039,499,093	399,460,811

	Mar-2023 Rupees Unaudited	2022 Rupees Audited
6 LOAN FROM DIRECTORS - UNSECURED		
Balance at beginning of the year	521,018,754	521,018,754
Received during the Period	40,000,000	-
Repaid during the Period	-	-
	561,018,754	521,018,754
The above is interest free loan from director(s) of the company, which is payable on demand.		

7 ADVANCE FROM IBL - UNSECURED

	7.1	366,063,944	366,063,944
7.1 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.			
8 Other Advances		24,214,000	-
8.1 This represent advance received during the period against sale of fixed Assets.			

9 ACCRUED MARKUP

	32,377,419	32,377,419
Export refinance loan	32,377,419	32,377,419
Liabilities against assets subject to finance lease	3,437,436	3,437,436
Short term loan	24,807,974	24,807,974
	60,622,829	60,622,829

10 SHORT TERM FINANCES

	10.1	1,397,310,685	1,397,310,685
From banks and financial institutions - Secured		1,397,310,685	1,397,310,685
Less: Payment during the year		(125,000,000)	-
		1,272,310,685	1,397,310,685

10.1 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-20/B with Land, building and machinery installed thereon and charge on book debts and receivables of the company. As fully disclosed in note No. 15 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. The management is amicably pursuing rest of the banks and D.F.I for rescheduling or settlement as disclosed in note 2 & 11.

11 CONTINGENCIES AND COMMITMENTS

	1,812,000	1,512,000
11.1 Contingencies		
Bank guarantee	1,812,000	1,512,000
The bank guarantees have been issued in favor of Excise, Sales tax and others.		

AL-ABID SILK MILLS LIMITED

11.2				
S.NO.	WRIT PETITION	FORUM	ISSUE INVOLVED	STATUS
1		Sindh High Court	The Sales Tax department has filed an appeal in the Honorable High Court of Sindh on 23rd August, 2000 against the Order of the learned Appellate Tribunal Customs and Sales Tax for recovery of Additional Tax and Surcharge amounting to Rs. 3,449 million for the year 1992-93. No provision has 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. 8-42/2013	Sindh High Court	Al-Abid Silk Mills Limited (company) has filed the suit for damages against the JS Bank Limited and JS Bank Limited has filed suit # B-76/2013 against the company for recovery of outstanding loan amounting to Rs. 335,105,083/- Settlement with JS Bank Ltd is under process according to Supreme Court of Pakistan Direction, the company deposited the settlement amount to Nazir Sindh High Court in the Suit.	Pending
4	Suit No. 8-95 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/- However, partial payment has been made by the Company during this period against the settlement of this loan.	Pending
5	Suit No. 8-111 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. 8-26 of 2017	Sindh High Court	National Bank of Pakistan has filed the suit against the Company for recovery of outstanding loan amounting to Rs. 948,140,145/-	Pending
7	Suit No. 1586/2013	Sindh High Court	The company has filed suit inter alia for cancellation of cheques; and damages against 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. Settlement with JS Bank Ltd is under process according to Supreme Court of Pakistan Direction, the company deposited the settlement amount to Nazir Sindh High Court in the Suit.	Pending
20			During the year 2022, the Additional Commissioner of Inland Revenue, Range A, Audit-I, Corporate Tax Office, Karachi (ADCIR) passed an order dated January 27, 2022 u/s 122(5A) of the Income Tax Ordinance, 2001 for the Tax Year 2020 whereof a demand of Rs. 739,071,338 was raised. The company has filed an Income Tax Appeal before the Commissioner Inland Revenue (Appeals II), Karachi [CIR(A)] on 10-02-2022 against the said order passed by the ADCIR. The case has been concluded on April 20, 2022 by the Commissioner of IR VII Karachi, against which the company has filed second appeal before Appellate Tribunal IR, which is pending and in the opinion of the Company and an independent legal counsel of the Company there is no anticipation of any unfavorable outcome of the said appeal and hence no provision is required to be made in the Financial Statements.	Pending


AL-ABID SILK MILLS LIMITED

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 3-20 cannot be predicted and the management is vigorously contesting the cases.

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

	Mar - 2023 Rupees Un-Audited	June 2022 Rupees Audited
12 PROPERTY, PLANT AND EQUIPMENT		
Operating Fixed Assets	2,493,356,633	2,641,236,109
Capital Work in Progress - DDFC Boiler	15,800,000	15,800,000
	2,510,156,633	2,658,036,109
12.1 Operating Fixed Assets		
Opening written down value	2,841,236,109	961,605,190
Additions	-	-
Deletions	(37,535,100)	-
Surplus arisen during the period	-	1,796,468,522
Depreciation	(116,344,376)	(116,837,603)
	2,493,356,633	2,641,236,109
13 OTHER RECEIVABLES		
Duty drawback	92,555,928	92,555,928
Receivable from banks	30,375,120	30,375,120
Research and development support	4,325,164	4,325,164
Deposited with Nabr Sindh High Court against loan settlement	89,500,000	89,500,000
	216,756,212	216,756,212
13.1		
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, Allied 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 decree was obtained. During the year, the company has filed the suit # 852/2020 against the bank for the recovery of Rs. 13,871,000/-.		
13.2		
This represents settlement amount deposited with Nazir Sindh High Court Karachi for settlement under process with JS Bank Ltd according to Supreme Court's order/direction.		
14 OTHER INCOME		
	March 23 Rupees Un-Audited	March 22 Rupees Un-Audited
Income from non-financial assets		
Sale of scrap	2,143,042	3,541,322
Loss on sale of Assets	(22,947,195)	-
Income from financial assets / liabilities		
Profit on PLS deposit account	2,394,842	1,279,222
	(18,149,181)	4,820,544
15 (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED		
15.1 (LOSS) / EARNINGS PER SHARE - BASIC		
(Loss) after taxation	Rupees (147,665,577)	(93,516,722)
Weighted average number of shares	Number 13,409,550	13,409,550
(Loss) Earning per share-Basic	Rupees (11.01)	(6.97)
15.2 (LOSS) / EARNINGS PER SHARE - DILUTED		
There is no dilution effect on the basic earning per shares of the Company (2022: Nil).		
16 RELATED PARTY TRANSACTIONS		
The related parties comprise associated undertakings and key management personnel. The transactions between the Company and the related parties are carried out at arms length. No significant transactions were made with related parties during the period. Significant balances with related parties are as follows:		
	Mar 2023 Rupees Un-Audited	June 2022 Rupees Audited
Balances		
Nature		
Loan received from Director - Azim Ahmed		
Relationship with the company	Chief Executive Officer	
Loan received from Director - Naseem A. Sattar	80,105,887	60,105,887
Relationship with the company	Chairman	
	506,912,887	450,912,887
17 FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES		
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in these interim financial statements approximate their fair values.		
Fair value hierarchy:		
The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.		
- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.		
- Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).		
- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).		
As at March 31, 2023 the Company has no financial instruments that falls into any of the above category.		
18 DATE OF AUTHORISATION FOR ISSUE		
These financial statements were approved and authorized for issue in the Board of Directors' meeting held on April 27, 2023		
19 GENERAL		
Corresponding figures have been reclassified/ re-arranged wherever necessary to facilitate comparison on the presentation on the current period. However, there are no material reclassifications / re-arrangements to report.		


Chief Executive Officer


Director


Chief Financial Officer

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Registrars:

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Al-Ameera Centre, Shahrah-e-Iraq,
Saddar, Karachi.