

**HAJI MOHAMMAD ISMAIL MILLS
LIMITED**

**UN-AUDITED FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**

HAJI MOHAMMAD ISMAIL MILLS LIMITED

COMPANY INFORMATION

Board of Directors	Mr. Gulzar Siddiq Mr. Farrukh Shafiq Mr. Muhammad Sarfraz Mr. Noman Mustafa Zuberi Mr. Mohammad Sadiq- Mr. Mohammad Irfan Mr. Ali Asghar	Chairman/Independent Chief Executive/Director Director/ Executive Director/Independent Director/ Non Executive Director/ Non Executive Director/Non Executive
Audit Committee	Mr. Noman Mustafa Mr. Mohammad Irfan Mr. Muhammad Sadiq	Chairman Member Member
Human Resource & Remuneration Committee.	Mr. Gulzar Siddiq Mr. Muhammad Sadiq Mr. Ali Asghar	Chairman Member Member
Chief Financial Officer	Mr. Suhail Ahmed	
Company Secretary	Mr. Muhammad Sarfraz	
Auditors	Naveed Zafar Ashfaq Jaffery & Co Chartered Accountants 1 st floor, Modern House Beamount Road Karachi.	
Legal Advisor	Farooq Rashid & Co., Advocates & Corporate Consultants, 403-Commerce Centre, Hasrat Mohani Road, Karachi-74200	
Bankers	Habib Bank Limited National Bank of Pakistan	
Share Registrar and Transfer Office	Najeeb Consultants (Pvt) Ltd 406-Commerce Centre, Hasrat Mohani Road. Karachi-74200	
Registered office	409-Commerce Centre, Hasrat Mohani Road, Karachi-74200	
Phone No.:	92-21-32638521-3	
E-mail:	info@hmiml.com	
Website	www.hmiml.com	
Business:	Distributor of fast moving consumers goods.	
National Tax No.	0231147-0	
Contact person:	Mr. Muhammad Sarfraz Phone: 92-21-32638521-3 E-mail: sarfrazinfo@hotmail.com	

HAJI MOHAMMAD ISMAIL MILLS LIMITED
DIRECTORS' REPORT TO THE MEMBERS OF THE COMPANY

The directors are pleased to present the un-audited financial statement for the 1st quarter ended 30th September, 2024.

1. Sales

There is no sale/purchase or manufacturing activity during the period and same position was in the corresponding period.

2. Gross profit

The company has no gross profit/(loss) for the period.

3. Pre-Tax loss

Company's pretax loss for the reported period is Rs.1,257,185/-

4. Earnings per share

The earning/(loss) per share for the period is Rs. (0.10)

5. Financial position

There is no outstanding trading liability against the company. Due to adverse market factors, financial position of the company is not encouraging.

6. Current and future summary and prospects

Winding up petition by the SECP in the High Court of Sindh is still subjudice. Management is defending the case. Due to political uncertainty in the country and exorbitant increase in markup rates, electricity, gas and fuel charges, business activity is very slow, therefore, management is waiting for better opportunities and prosperous investor for corporate restructuring or merger.

7. Code of Corporate Governance

The company has taken necessary steps to comply with the provisions of Code of Corporate Governance Regulations of Securities & Exchange Commission of Pakistan.

8. Appreciation

We appreciate the hard work of all the staff members of the company and the support of its shareholders and bankers.

For and on behalf of the Board of Directors


Chief Executive


Director

Karachi: October. 28, 2024

حاجی محمد اسحاق عیسیٰ ملز لمیٹڈ

ڈائریکٹر زبردہ رپورٹ برائے حصص یافتگان

کمپنی ڈائریکٹر 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے لئے غیر آڈٹ شدہ مالی گورنرانس پیش کرنے میں خوش محسوس کر رہے ہیں۔

1. میل

اس مدت کے دوران کوئی نئی فروخت یا خریداری یا مینو پیچر کی سرگرمی نہیں ہے۔ گزشتہ سال بھی یہی حالت تھی۔

2. مجموعی منافع

اس مدت کے لئے کمپنی کو کوئی مجموعی منافع / نقصان) نہیں ہے۔

3. پرمی ٹیکس نقصان

رپورٹ کی مدت کے لئے کمپنی کو پرمی ٹیکس نقصان 1,257,185 روپے ہے۔

4. نئی غیر آمدنی

رپورٹ کی مدت کے لئے نئے حصص / نقصان) 0.10 روپے ہے۔

5. مالیاتی پوزیشن

کمپنی کے ذمہ کوئی تقابلیات نہیں ہے۔ منجی مریٹ عوامل کی وجہ سے کمپنی کی مالی پوزیشن جو مملہ افزا نہیں ہے۔

6. موجودہ اور مستقبل کے امکانات

منظورہائی گورنٹ میں ایس ایس ای کی پائی کی جانب سے کمپنی بنا کر نے کی دائرہ درخواست تازا زیر ساعت ہے۔ اتفاقاً یہ کہنے کا دفاع کر رہی ہے۔ ملک میں سیاسی غیر مستحکم

صورت حال اور مارک اپ ریٹ، بجلی، گیس اور فنڈل چارج میں بے تحاشہ اضافے کی وجہ سے کاروباری سرگرمیاں بہت سست ہیں، اس لیے اتفاقاً یہ کاروبار سست رہی

سز کچرنگ یا انضمام کے لیے بہتر مواقع اور خوشحال سرمایہ کار کی منتظر ہے۔۔

7. گورڈان کارپوریشن گورننس کی تعمیل

کمپنی نے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے کارپوریشن گورننس کے قوانین کی تعمیل کے لئے ضروری اقدامات کئے ہیں۔

8. خدمات کا اعتراف

ہم کمپنی کے تمام عملے کے ارکان کی خدمات کو سراہتے ہیں اور کمپنی کے حصے داران اور بینکاروں کے تعاون کے مفکروں ہیں

مخائب بورڈ آف ڈائریکٹرز

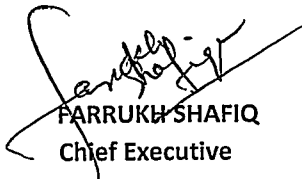
چیف ایگزیکٹو آفیسر

کراچی، 28 اکتوبر، 2024

HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

	Note	September 30, 2024 Rupees	JUNE 30, 2024 Rupees
ASSETS			
NON-CURRENT ASSETS			
Long term deposits		50,000	50,000
CURRENT ASSETS			
Investments - available for sale		298,375	321,475
Advance tax - net of provision		949,480	947,662
Other receivables		871,323	871,323
Cash and bank balances		6,833,686	7,880,360
		8,952,864	10,020,820
TOTAL ASSETS		9,002,864	10,070,820
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
12,000,000 ordinary shares of Rs. 10 each		<u>120,000,000</u>	<u>120,000,000</u>
Issued, subscribed and paid up capital	6	119,750,400	119,750,400
Reserves		<u>(116,669,681)</u>	<u>(115,237,215)</u>
		3,080,719	4,513,185
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred Liabilities		5,483,122	5,108,737
CURRENT LIABILITIES			
Trade and other payables		439,023	448,898
TOTAL EQUITY AND LIABILITIES		9,002,864	10,070,820
CONTINGENCIES AND COMMITMENTS	7	-	-

The annexed notes from 1 to 10 form an integral part of these financial statements.


FARRUKH SHAFIQ
Chief Executive


MUHAMMAD SARFRAZ
Director


SOHAIL AHMED
Chief Financial Officer


HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

		September 30, 2024	September 30, 2023
	Note	Rupees	Rupees
Operating expenses			
Administrative expenses		(1,269,307)	(1,344,183)
Operating loss		<u>(1,269,307)</u>	<u>(1,344,183)</u>
Other income		12,122	14,826
		<u>(1,257,185)</u>	<u>(1,329,357)</u>
Finance cost		-	-
Loss before taxation		<u>(1,257,185)</u>	<u>(1,329,357)</u>
Taxation		-	-
Loss after taxation		<u>(1,257,185)</u>	<u>(1,329,357)</u>
Loss per share - basic and diluted	8	<u>(0.10)</u>	<u>(0.11)</u>

The annexed notes from 1 to 10 form an integral part of these financial statements.


FARRUKH SHAFIQ
 Chief Executive



MUHAMMAD SARFRAZ
 Director



SOHAIL AHMED
 Chief Financial Officer

HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	September 30, 2024	September 30, 2023
Note	Rupees	Rupees
Loss after taxation	(1,257,185)	(1,329,357)
<u>Other comprehensive income</u>		
Items that may be reclassified subsequently to profit or loss		
Gain/(loss) on re-measurement of staff retirement benefits	(152,181)	44,083
Loss on re-measurement on investments available for sale to fair value - net of tax	(23,100)	-
	(175,281)	44,083
Total comprehensive loss	(1,432,466)	(1,285,274)

The annexed notes from 1 to 10 form an integral part of these financial statements.


FARRUKH SHAFIQ
 Chief Executive


MUHAMMAD SARFRAZ
 Director



SOHAIL AHMED
 Chief Financial Officer

HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF CASH FLOW
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

Note	September 30, 2024 Rupees	September 30, 2023 Rupees 0-Jan
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(1,257,185)	(1,329,357)
Adjustments for:		
Finance cost	-	-
Staff retirement benefits- gratuity	222,204	166,297
	<u>222,204</u>	<u>166,297</u>
Loss before working capital changes	(1,034,981)	(1,163,060)
Increase in current liabilities:		
Trade and other payables	(9,875)	120,085
Cash generated from/(used in) operations	(1,044,856)	(1,042,975)
Taxes paid	(1,818)	(1,817)
Finance cost paid	-	-
	<u>(1,818)</u>	<u>(1,817)</u>
Net cash generated from/ (used in) operating activities	(1,046,674)	(1,044,792)
Net increase/(decrease) in cash and cash equivalents	(1,046,674)	(1,044,792)
Cash and cash equivalents at beginning of the period	7,880,360	12,154,442
Cash and cash equivalents at end of the period	<u>6,833,686</u>	<u>11,109,650</u>

The annexed notes from 1 to 10 form an integral part of these financial statements.


FARRUKH SHAFIQ
Chief Executive


MUHAMMAD SARFRAZ
Director


SOHAIL AHMED
Chief Financial Officer

HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	Reserves				Sub total	Total
	Capital		Revenue			
	Issued, subscribed and paid-up capital	Share premium	Fair value reserve (Loss)	Accumulated loss		
Balance as at July 01, 2023	119,750,400	6,912,000	469,709	(116,898,648)	(109,516,939)	10,233,461
Loss for the period	-	-	-	(1,329,357)	(1,329,357)	(1,329,357)
Other comprehensive income for the period	-	-	44,083	-	44,083	44,083
Total Comprehensive loss for the period	-	-	44,083	(1,329,357)	(1,285,274)	(1,285,274)
Balance as at September 30, 2023	<u>119,750,400</u>	<u>6,912,000</u>	<u>513,792</u>	<u>(118,228,005)</u>	<u>(110,802,213)</u>	<u>8,948,187</u>
Balance as at July 01, 2024	119,750,400	6,912,000	128,561	(122,277,776)	(115,237,215)	4,513,185
Loss for the period	-	-	-	(1,257,185)	(1,257,185)	(1,257,185)
Other comprehensive income for the period	-	-	(175,281)	-	(175,281)	(175,281)
Total Comprehensive loss for the period	-	-	(175,281)	(1,257,185)	(1,432,466)	(1,432,466)
Balance as at September 30, 2024	<u>119,750,400</u>	<u>6,912,000</u>	<u>(46,720)</u>	<u>(123,534,961)</u>	<u>(116,669,681)</u>	<u>3,080,719</u>

The annexed notes from 1 to 10 form an integral part of these financial statements.


FARRUKH SHAFIQ
 Chief Executive


MUHAMMAD SARFRAZ
 Director


SOHAIL AHMED
 Chief Financial Officer

HAJI MOHAMMAD ISMAIL MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

1 STATUS AND NATURE OF BUSINESS

- 1.1** The Company was incorporated in Pakistan as a Private Limited Company on February 5, 1980 under the then Companies Act, 1913 and subsequently converted into public limited company on October 15, 1987 under the repealed Companies Ordinance 1984 (now replaced with the enactment of Companies Act, 2017). Shares of the company were subsequently listed on the Stock Exchange on November 29, 1994. The main object of the company was manufacturing and sale of yarn and power generation. Subsequently during the Year ended June 30, 2017 management amended the object clause in the Memorandum of Association to move from Textile / Power Generation to trading/distribution of fast moving consumer goods and other lawful business objects.

The registered office of the company is situated at 409-Commerce Centre, Hasrat Mohani Road, Karachi 74200.

1.2 Going Concern Assumption

Financial statements have been prepared by using going concern assumption on the basis of following factors:

- 1.2.1** During the year 2017, the management of the company had altered object clause of its Memorandum of Association to change the main business lines of the company from textile and power generation to fast moving consumer goods.
- 1.2.2** The management is planning to commence consumer goods distribution business besides exploring other business opportunities either itself or through merger, corporate restructuring or through prosperous investors for revival of the company.
- 1.2.3** In the mean time, the Securities and Exchange Commission of Pakistan filed a petition during 2017 in the High Court of Sindh for winding up of the Company. The matter is presently subjudice and no order has been passed in this regard.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of International Accounting Standard (IAS) 34 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act) and provisions of and directives issued under the Act.

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

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

2.2 Functional and presentation currency

These financial information are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded off to the nearest rupee.

3 New standards, amendments to approved accounting standards and new interpretations

- 3.1.1** Amendments to approved accounting standards which are effective during the year ending June 30, 2023

There are certain amendments to approved accounting standards which are mandatory for accounting periods beginning on or after July 1, 2022 but are considered not to be relevant or have any significant effect on the Company's financial reporting.

3.1.2 New standards and amendments to approved accounting standards that are effective for the Company's accounting periods beginning on or after July 1, 2023

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, 2023 but are considered not to be relevant or expected to have any significant effect on the Company's financial reporting.

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

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. Revision to accounting estimates are recognised prospectively commencing from the period of revision.

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

5 FINANCIAL RISK MANAGEMENT

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

	September 30, 2024	June 30, 2024
6 ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
9,576,240 (June 30, 2024: 9,576,240) Ordinary shares of Rs.10 each fully paid in cash	95,762,400	95,762,400
2,398,800 (June 30, 2024 : 2,398,800) Ordinary shares of Rs.10 each issued as fully paid bonus share	23,988,000	23,988,000
	<u>119,750,400</u>	<u>119,750,400</u>

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

The Company and the directors received a notice on May 24, 2018 from National Bank of Pakistan relating to Suo Moto Notice of Supreme Court of Pakistan on loan written off pertaining to the period 2003. The company at its own and on behalf of the then directors has filed a statement on June 5, 2018 through its legal counsel whereby it was explained that the amounts were duly settled by consent decree of High Court of Sindh and was paid by the then management to National Bank of Pakistan. The case is yet to be decided. The current management believes that no liability or payment accrues against the Company. Accordingly, no provision has been made in these financial statements.

7.2 Commitments

There were no commitments as at September 30, 2024 (June 30, 2024: NIL).

8 EARNINGS PER SHARE - BASIC AND DILUTED]

	Quarter ended	
	September 30, 2024	September 30, 2023
	Rupees	Rupees
Loss after taxation (Rupees)	<u>(1,257,185)</u>	<u>(1,329,357)</u>
Weighted average number of ordinary shares outstanding at the end of the period	<u>11,975,040</u>	<u>11,975,040</u>
Loss per share - basic and diluted (Rupees)	<u>(0.10)</u>	<u>(0.11)</u>

9 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements have been authorised for issue on October 28, 2024 by the
Board of Directors

10 GENERAL

Figures have been rounded off to the nearest rupee.


FARRUKH SHAFIQ
Chief Executive


MUHAMMAD SARFRAZ
Director


SUHAIL AHMED
Chief Financial Officer