



Jubilee Spinning & Weaving Mills Ltd.



Jubilee Spinning & Weaving Mills Limited

Condensed Interim Financial Statements
Half Yearly December 31, 2022 (Un-Audited)



Jubilee Spinning & Weaving Mills Ltd.

Company Information

Board of Directors

Mr. Shaukat Shafi	(Chairman)
Mr. Shams Rafi	(Chief Executive Officer)
Mr. Salman Rafi	
Mr. Usman Shafi	
Mr. Aurangzeb Shafi	
Mr. Adnan Amjad	
Mr. Umer Shafi	
Mrs. Sana Salman	

Audit Committee

Mr. Adnan Amjad	(Chairman)
Mr. Usman Shafi	(Member)
Mr. Shaukat Shafi	(Member)

Company Secretary

Mr. Muhammad Zeeshan Saleem

Auditors

Riaz Ahmed & Company
Chartered Accountants

Legal Advisor

Arain Law Associates

Bankers

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

Registered Office

503-E. Johar Town
Lahore, Pakistan

Mills

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



Directors' Report To The Shareholders

Dear Shareholders,

The Directors of the Company are pleased to present the results for the Half Year ended December 31, 2022 along with the Auditors' Review Report.

Net Profit/(Loss)

During the period, the company made a net loss of Rs. (1,392,721) after charging costs, expenses and provisions for the year, as compared to previous period's net loss of Rs. (2,518,220).

Financial Results

The financial results of the company are summarized below:

Period Ended On	Rupees Dec. 31, 2022	Rupees Dec. 31, 2021
Revenue	3,649,986	1,506,265
Cost of Revenue	(2,435,589)	(2,028,216)
Gross Profit/(Loss)	1,214,397	(521,951)
Gross Profit/(Loss)%	33.3%	(35)%
Administration and Other Operating Costs	(24,532,827)	(26,613,727)
Other Income	28,267,378	27,091,521
Finance Charges	(7,486)	(16,044)
Provision for Tax	(6,364,183)	(2,458,019)
Profit/(Loss) after Tax	(1,392,721)	(2,518,220)
Basic Profit/(Loss) Per Share	(0.04)	(0.08)

Compared to the same period of the previous year, the results have improved substantially. The management is confident that results for the remaining half of the current financial year will continue to improve.

During the review, observations raised by the auditors are addressed below:



Quote

Trade debts, loans and advances and other receivables as at 31 December 2022 include Rupees 19.298 million, Rupees 22.574 million and Rupees 14.755 million respectively receivable from an associated company outstanding since long. Furthermore, one of the financial institution, on default by the associated company in preceding years, realized the Company's investments in equity securities pledged against lending to associated company. The Company treated the market price of such securities at the date of realization by the financial institution as disposal value amounting to Rupees 40.963 million and accounted for it as other receivables. The Company is uncertain about the party from whom it is to be recovered. In addition, loan and advances and other receivables as at 31 December 2022 include aggregate balance of Rupees 12.837 million receivable from other than related parties outstanding for more than one year. The management has not provided us with its assessment of expected credit losses in respect of trade and other receivables nor did account for any allowance for expected credit losses in the financial statements in respect of such balances;

Unquote

The decision of the legal petition filed against the said company for the recovery is still pending. Our legal counsel has confirmed that no financial loss due to this case is expected. Management believes a favorable outcome and will recover the outstanding amount including the amount pertaining to the investment transferred/disposed of by the financial institution. Receivable from other than related parties include 5.33 million from government institutions in respect of sales tax and custom rebate.

Quote

During the prior years, the Company's petition in Honorable Lahore High Court praying restraining Sui Southern Gas Company Limited (SSGCL) from recovering the amount of general sales tax (GST) arrears and disconnecting the gas connection was dismissed for being not maintainable. Accordingly, SSGCL raised bill for outstanding arrears amounting to Rupees 17.868 million and encashed the bank guarantee of Rupees 2 million and forfeited gas security deposit of Rupees 10.823 million against its demand and disconnected the gas connection. The Company has not accounted for the demand of SSGCL and treated the balance of encashed bank guarantee and forfeited gas security deposit aggregately amounting to Rupees 12.823 million as receivable from SSGCL accounted for as other receivable. The management has not adopted any legal recourse against the act of SSGCL till the reporting date despite the lapse of significant period since dismissal purporting recovery of this balance as doubtful. Accordingly, we remained unable to satisfy ourselves in respect of this receivable and non-recognition of demand of SSGCL.

Unquote

The company filed an application in Lahore High Court regarding the recovery of the amount adjusted from the bank guarantee and the security deposit by SSGCL. Lahore High Court, after listening the arguments in multiple hearing, directed the Federal Board of Revenue to present the factual position to the company (Jubilee Spinning & Weaving Mills Limited). After verification, FBR has issued a letter stating that during the period (2009 – 2014), the company had a status of zero-rating.



Now the company is in a process of recovery/refund of the sales tax from FBR wrongly adjusted by the SSGCL and is expected to receive it in the current financial year.

Quote

Revenue amounting Rupees 3.650 million accounted for in the condensed interim financial statements represents billing to tenants in respect of use of Company's power house equipment / electric connection and transmission lines thereof. The Company has disposed of its power house equipment in October 2016 and placed alternate power generators. Previously, these alternate power generators, generating the aforesaid revenue were neither recognized in the books of account of the Company nor any rent was charged in the financial statements. During the prior years, the Company recorded purchase of two generators replacing the previously unrecorded generators. However, the arrangement of such replacement could not be substantiated due to the lack of information as to the disposal of the previously unrecorded generators where suit have been filed by ex-director for the repossession of these generators more fully disclosed in Note 8.5 to the condensed interim financial statements. Moreover, in the absence of legal opinion to this effect, we remained unable to satisfy ourselves as to whether the aforesaid arrangement with the tenants is in compliance with all the applicable regulatory provisions including income tax, sales tax and electricity duty on such revenue;

Unquote

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

Quote

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

Unquote

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



Quote

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

Unquote

No current litigation is expected to have any effect on the company's financial statements in any manner. Therefore, no provision or disclosure has been included in these financial statements. Note 8.2 to the Financial Statements presents a detailed view on this matter.

Quote

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

Unquote

Audited/draft financial statements of Cresox (Pvt.) Limited for the period under review were not available to incorporate share of profit or loss in our books. This fact has already been disclosed in Note 6.1 to the financial statement. The investment in Cresox (Pvt.) Limited has been completely written off in previous years due to losses. Therefore, any accumulation in losses in Cresox (Pvt.) Limited does not have any negative impact on the profitability of the company.

Quote

As at December 31 2022, Trade and other payable includes insurance payable amounting to Rupees 12.735 million and creditors amounting to Rupees 9.329 million outstanding since long. Due to insufficient nature of the Company's record in respect of such amounts, we remained unable to obtain sufficient appropriate audit evidence to confirm the existence and valuation of such liabilities; and

Unquote

These are the liabilities the company owes as on December 31, 2022. As per the procedure we repeatedly request to the concerned creditors to confirm the balance but we are unable to receive confirmation till today. We are following up for the confirmation. In case any change occurs that will be incorporated/adjusted in the books and will reflect in subsequent periodical accounts.



Quote

The Company has profit before tax for the period ended 31 December 2022. However, the Company has not determined and accounted for any provision that may be required under the applicable laws of Workers Welfare Fund and Workers Profit Participation Fund; and

Unquote

The company's profit before tax is 4.94 million. These are the interim results and its provision will be considered in annual financial statements.

Quote

As on 31 December 2022, accumulated loss of the Company was Rupees 318.011 million and its current liabilities exceeds its current assets by Rupees 39.349 million. This situation may be further deteriorated if the possible effects of matter discussed in paragraphs (a) to (g) above are accounted for in the condensed interim financial statements. Effective from March 2014, the Company has closed its textile operations and disposed of all of its operating fixed assets except for leasehold land and building on leasehold land in preceding years. The Company tried to alter its memorandum of association to add the business of renting of properties by passing special resolution multiple times in the past but respective petitions filed with Securities and Exchange Commission of Pakistan (SECP) remained unsuccessful due to irregularities. During the preceding year, the Company again has initiated the process of alteration of its memorandum of association to add the business of renting of properties and to change of name of the Company through a special resolution passed in extra ordinary general meeting of shareholders of the Company held on 29 May 2020. However, confirmation of alteration by the SECP is still pending due to unresolved observations. These events indicate a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The condensed interim financial statements and notes thereto do not disclose this fact. The management of the Company also did not provide us its assessment of going concern assumption used in preparation of the condensed interim financial statements and the future financial projections indicating the economic viability of the Company. These facts indicate that going concern assumption used in preparation of the condensed interim financial statements is inappropriate.



Unquote

The company has disclosed in Note 1.3 the closure of its core operation in 2014. Subsequently the company disposed of all plant and machinery after obtaining shareholder's approval in an EOGM dated April 04, 2015. The management has rented out its premises to third parties, adopted renting as a core business activity and applied to SECP to alter the object clause III of its memorandum of association. The company also applied for the change of name of the company to commensurate the business with its name under sub-section (i) of section 26 of the Companies Act 2017. Form 26 regarding change of principal line in the memorandum has completed while the change of company name is in process. Reviewing current ratio of this year with the previous, it reveals that, current liabilities exceed current assets by Rs. 39.34 million. This is mainly because of reclassification of short-term investment and transferring of gratuity from long term to short term liabilities in previous years. In addition to this during the year under review company obtained a loan from its tenants and from directors for some repair and maintenance work. These stated facts indicate that the company's financial position is stable and it will continue to operate as a going concern.

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

For and on behalf of the Board of Directors.

Shams Rafi
Chief Executive Officer

Salman Rafi
Executive Director

Karachi
February 22, 2023

حصص یافتگان کے لئے ڈائریکٹران کی رپورٹ

معزز حصص یافتگان!

آپ کی کمپنی کے ڈائریکٹران آڈیٹرز کا جائزہ برائے ششماہی مدت ختمہ 31 دسمبر 2022 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

خالص (خسارہ)/ منافع

مدت کے دوران کمپنی کو تمام لاگتوں، اخراجات اور اختصاں نکالنے کے بعد (1,392,721) کا خسارہ ہوا جبکہ گزشتہ سال کا خسارہ (2,518,220) روپے ہوا تھا۔

مالیاتی نتائج

کمپنی کے مالیاتی نتائج اختصار کے ساتھ درج ذیل ہیں:

روپے	روپے	
31 دسمبر 2021	31 دسمبر 2022	
1,506,265	3,649,986	آمدن
(2,028,216)	(2,435,589)	لاگت آمدن
(521,951)	1,214,397	خام منافع/ (خسارہ)
(35)%	33.3%	خام منافع/ (خسارہ)
(26,613,727)	(24,532,827)	انتظامی اور دیگر کاروباری لاگتیں
27,091,521	28,267,378	دیگر آمدن
(16,044)	(7,486)	مالیاتی لاگتیں
(2,458,019)	(6,364,183)	ٹیکس کے لئے اختصاں
(2,518,220)	(1,392,721)	منافع/ (خسارہ) بعد از ٹیکس
(0.08)	(0.04)	بنیادی منافع/ (خسارہ) فی حصص

پچھلے سال کی اسی مدت کے مقابلے میں نتائج میں خاطر خواہ بہتری آئی ہے۔ انتظامیہ کو یقین ہے کہ رواں مالی سال کے بقیہ نصف کے نتائج میں بہتری آتی رہے گی۔

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

حوالہ

31 دسمبر 2022 تک تجارتی قرضوں، قرضوں اور ایڈوانسز اور دیگر قابل وصولیوں میں بالترتیب 19.298 ملین روپے، 22.574 ملین روپے اور 14.755 ملین روپے ایک طویل عرصے سے بقایا منسلک کمپنی سے وصول کیے جاسکتے ہیں۔ مزید برآں، مالیاتی ادارے میں سے ایک، گزشتہ سالوں میں متعلقہ کمپنی کی طرف سے ڈیفالٹ پر، ایکویٹی سیکورٹیز میں کمپنی کی سرمایہ کاری کا احساس ہوا جو متعلقہ کمپنی کو قرض دینے کے خلاف وعدہ کیا گیا تھا۔ کمپنی نے مالیاتی ادارے کی جانب سے وصولی کی تاریخ پر اس طرح کی سیکورٹیز کی مارکیٹ قیمت کو 40.963 ملین روپے کی ڈسپوزل ویلیو کے طور پر سمجھا اور اسے دیگر وصولیوں کے طور پر شمار کیا۔ کمپنی اس پارٹی کے بارے میں غیر یقینی ہے جس سے اسے وصول کیا جانا ہے۔ مزید برآں، 31 دسمبر 2022 تک قرض اور ایڈوانسز اور دیگر وصولیوں میں 12.837 ملین روپے کا مجموعی بیلنس شامل ہے جو ایک سال سے زائد عرصے سے بقایا متعلقہ فریقوں کے علاوہ دیگر سے وصول کیا جاسکتا ہے۔ انتظامیہ نے ہمیں تجارت اور دیگر وصولیوں کے سلسلے میں متوقع کریڈٹ نقصانات کا اندازہ فراہم نہیں کیا ہے اور نہ ہی اس طرح کے بیلنس کے سلسلے میں مالیاتی بیانات میں متوقع کریڈٹ نقصانات کے لیے کسی الاؤنس کا حساب دیا ہے۔

ازالہ

مذکورہ کمپنی کے خلاف ریکوری کے لیے دائر قانونی پیشین کا فیصلہ ابھی باقی ہے۔ ہمارے قانونی وکیل نے تصدیق کی ہے کہ اس کیس کی وجہ سے کوئی مالی نقصان متوقع نہیں ہے۔ انتظامیہ ایک سازگار نتیجہ پر یقین رکھتی ہے اور بقایا رقم کی وصولی کرے گی جس میں مالیاتی ادارے کی طرف سے منتقلی/نمٹائی گئی سرمایہ کاری سے متعلق رقم بھی شامل ہے۔ متعلقہ فریقوں کے علاوہ دیگر سے قابل وصول سیلز ٹیکس اور کسٹم ری بیٹ کے سلسلے میں سرکاری اداروں سے 5.33 ملین شامل ہیں۔

حوالہ

پچھلے سالوں کے دوران، معزز لاہور ہائی کورٹ میں کمپنی کی درخواست سوئی سدرن گیس کمپنی لمیٹڈ (SSGCL) کو جنرل سیلز ٹیکس (جی ایس ٹی) کے بقایا جات کی وصولی سے روکنے اور گیس کنکشن منقطع کرنے کی استدعا کی گئی تھی، اس وجہ سے قابل برداشت نہ ہونے کی وجہ سے خارج کر دی گئی تھی۔ اس کے مطابق، ایس ایس جی سی ایل نے 17.868 ملین روپے کے بقایا جات کا بل جمع کیا اور 2 ملین روپے کی بینک گارنٹی اور 10.823 ملین روپے کی گیس سیکورٹی ڈپازٹ ضبط کر لی اور گیس کنکشن منقطع کر دیا۔ کمپنی نے ایس ایس جی سی ایل کے مطالبے کا حساب نہیں لیا اور ان کیڈ بٹ بینک گارنٹی اور گیس سیکورٹی ڈپازٹ کے بیلنس کو مجموعی طور پر 12.823 ملین روپے جو کہ ایس ایس جی سی ایل سے وصول کیا جاسکتا ہے کو دیگر قابل وصول قرار دیا ہے۔ انتظامیہ نے رپورٹنگ کی تاریخ تک ایس ایس جی سی ایل کے ایکٹ کے خلاف کوئی قانونی راستہ اختیار نہیں کیا ہے حالانکہ اس بیلنس کی وصولی کو مشکوک قرار دیتے ہوئے برطرفی کے بعد سے اہم مدت گزر جانے کے باوجود۔ اس کے مطابق، ہم ایس ایس جی سی ایل کے اس قابل وصول اور غیر تسلیم شدہ مطالبے کے حوالے سے خود کو مطمئن کرنے میں ناکام رہے۔

ازالہ

کمپنی نے ایس ایس جی سی ایل کی جانب سے بینک گارنٹی اور سیکیورٹی ڈپازٹ سے ایڈجسٹ شدہ رقم کی وصولی کے لیے لاہور ہائی کورٹ میں درخواست دائر کی۔ لاہور ہائی کورٹ نے متعدد سماعتوں میں دلائل سننے کے بعد فیڈرل بورڈ آف ریونیو کو کمپنی (جو بی اسپینگ اینڈ یونگ ملز لمیٹڈ) کو حقائق پر مبنی موقف پیش کرنے کی ہدایت کی۔ تصدیق کے بعد، ایف بی آر نے ایک خط جاری کیا ہے جس میں کہا گیا ہے کہ اس عرصے (2009-2014) کے دوران کمپنی کو زیورینٹنگ کا درجہ حاصل تھا۔

اب کمپنی ایف بی آر سے سیلز ٹیکس کی وصولی/ریفرنڈ کے عمل میں ہے جسے ایس ایس جی سی ایل نے غلط طریقے سے ایڈجسٹ کیا ہے اور اسے رواں مالی سال میں وصول ہونے کی امید ہے۔

حوالہ

کنڈینسڈ عبوری مالیاتی بیانات میں 3.650 ملین روپے کی آمدنی کمپنی کے پاور ہاؤس کے آلات/بجلی کے کنکشن اور اس کی ٹرانسمیشن لائنوں کے استعمال کے سلسلے میں کرایہ داروں کو بلنگ کی نمائندگی کرتی ہے۔ کمپنی نے اکتوبر 2016 میں اپنے پاور ہاؤس کے آلات کو ٹھکانے لگا دیا ہے اور متبادل پاور جنریٹر لگا دیے ہیں۔ اس سے پہلے، مذکورہ بالا آمدنی پیدا کرنے والے متبادل پاور جنریٹر کو نہ تو کمپنی کے حساب کتاب میں تسلیم کیا گیا تھا اور نہ ہی مالیاتی گوشواروں میں کوئی کرایہ وصول کیا گیا تھا۔ پچھلے سالوں کے دوران، کمپنی نے پہلے غیر ریکارڈ شدہ جنریٹرز کی جگہ دو جنریٹرز کی خریداری ریکارڈ کی تھی۔ تاہم، اس طرح کے متبادل کے انتظامات کو پہلے سے غیر ریکارڈ شدہ جنریٹرز کو ٹھکانے لگانے کے بارے میں معلومات کی کمی کی وجہ سے ثابت نہیں کیا جاسکا جہاں سابق ڈائریکٹر کی طرف سے ان جنریٹرز کو دوبارہ قبضے میں لینے کے لیے مقدمہ دائر کیا گیا ہے جس کا نوٹ 8.5 میں مکمل طور پر انکشاف کیا گیا ہے۔ عبوری مالیاتی بیانات مزید برآں، اس سلسلے میں قانونی رائے کی عدم موجودگی میں، ہم خود کو مطمئن کرنے سے قاصر رہے کہ آیا کرایہ داروں کے ساتھ مذکورہ بالا انتظام تمام قابل اطلاق ریگولیٹری دفعات بشمول انکم ٹیکس، سیلز ٹیکس اور اس طرح کے محصول پر بجلی کی ڈیوٹی کے مطابق ہے۔

ازالہ

کمپنی نے پچھلے سالوں میں تین جنریٹرز خریدے جو کتابوں میں شامل تھے اور ان پر فرسودگی کا الزام لگایا گیا۔ موجودہ منظر نامے میں کمپنی نے اپنے کرایہ داروں کی رہائش کے لیے Electric -K سے بجلی کا کنکشن لیا ہے۔ مزید یہ کہ ہمارے پاس اس بات کا کوئی ثبوت نہیں تھا کہ ایسے جنریٹرز سابق ڈائریکٹر میں سے کسی ایک کے ہیں۔

حوالہ

ہم نے SSGCL کی جانب سے گیس انفراسٹرکچر ڈیولپمنٹ سیس (GIDC) کی مد میں 6.239 ملین روپے کی قانونی چارہ جوئی کی ڈیمانڈ کو نوٹ کیا۔ مزید برآں، منقطع ہونے سے پہلے گیس کنکشن کا آخری بل جیسا کہ اوپر پیرا گراف (b) میں بتایا گیا ہے، GIDC کی بقایا مانگ کے ساتھ

GIDC پر GST کی 68.400 ملین روپے کی رقم کی عکاسی کرتا ہے۔ تاہم، کمپنی نے نہ تو اس ذمہ داری کا محاسبہ کیا ہے اور نہ ہی اس قسم کی مانگ کے سلسلے میں ہنگامی ذمہ داری، اگر کوئی ہے، ظاہر کیا ہے۔ اس ڈیمانڈ کو ریکارڈ نہ کرنے اور اس کے خلاف کمپنی کے اقدامات کے بارے میں بنیادی معلومات کی عدم موجودگی میں، ہم کنڈینسڈ عبوری مالیاتی گوشواروں میں اخراجات اور متعلقہ ذمہ داریوں کو تسلیم کرنے کے سلسلے میں خود کو مطمئن کرنے سے قاصر ہے؛

ازالہ

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

حوالہ

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

ازالہ

کسی بھی موجودہ قانونی چارہ جوئی کا کمپنی کے مالیاتی بیانات پر کسی بھی طرح سے اثر انداز ہونے کی توقع نہیں ہے۔ لہذا، ان مالیاتی گوشواروں میں کوئی پروویژن یا انکشاف شامل نہیں کیا گیا ہے۔ مالیاتی بیانات کا نوٹ 18.2 اس معاملے پر ایک تفصیلی نقطہ نظر پیش کرتا ہے۔

حوالہ

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

ازالہ

کریسوکس (پرائیویٹ) لمیٹڈ کے زیر جائزہ مدت کے لیے آڈٹ شدہ / ڈرافٹ مالیاتی بیانات ہماری کتابوں میں منافع یا نقصان کا حصہ شامل کرنے کے لیے دستیاب نہیں تھے۔ اس حقیقت کو پہلے ہی نوٹ 6.1 میں مالی بیان میں ظاہر کیا جا چکا ہے۔ کریسوکس (پرائیویٹ) لمیٹڈ میں سرمایہ کاری گزشتہ سالوں میں نقصانات کی وجہ سے مکمل طور پر ختم کر دی گئی ہے۔ لہذا، کریسوکس (پرائیویٹ) لمیٹڈ میں خسارے میں کسی بھی قسم کے جمع ہونے سے کمپنی کے منافع پر کوئی منفی اثر نہیں پڑتا ہے۔

حوالہ

31 دسمبر 2022 تک، تجارت اور دیگر قابل ادائیگی میں 12.735 ملین روپے کی قابل ادائیگی انشورنس اور قرض دہندگان کے 9.329 ملین روپے طویل عرصے سے بقایا ہیں۔ ایسی رقوم کے سلسلے میں کمپنی کے ریکارڈ کی ناکافی نوعیت کی وجہ سے، ہم ایسی واجبات کے وجود اور تشخیص کی تصدیق کے لیے مناسب آڈٹ ثبوت حاصل کرنے سے قاصر رہے؛ اور

ازالہ

یہ وہ ذمہ داریاں ہیں جو کمپنی پر 31 دسمبر 2022 تک واجب الادا ہیں۔ طریقہ کار کے مطابق ہم بار بار متعلقہ قرض دہندگان سے بیلنس کی تصدیق کرنے کی درخواست کرتے ہیں لیکن ہم آج تک تصدیق حاصل کرنے سے قاصر ہیں۔ ہم تصدیق کے لیے پیروی کر رہے ہیں۔ اگر کوئی تبدیلی واقع ہوتی ہے تو اسے کتابوں میں شامل / ایڈجسٹ کیا جائے گا اور اس کے بعد کے متواتر اکاؤنٹس میں ظاہر ہوگا۔

حوالہ

کمپنی کو 31 دسمبر 2022 کو ختم ہونے والی مدت کے لیے ٹیکس سے پہلے منافع حاصل ہے۔ تاہم، کمپنی نے کسی ایسی فراہمی کا تعین نہیں کیا ہے اور نہ ہی اس کا حساب کتاب کیا ہے جو درکرز ویلفیئر فنڈ اور درکرز پرافٹ پارٹیشنیشن فنڈ کے قابل اطلاق قوانین کے تحت درکار ہو سکتا ہے۔ اور

ازالہ

کمپنی کا ٹیکس قبل منافع 4.94 ملین ہے۔ یہ عبوری نتائج ہیں اور سالانہ مالیاتی گوشواروں میں اس کی فراہمی پر غور کیا جائے گا۔

حوالہ

31 دسمبر 2022 تک، کمپنی کا جمع شدہ نقصان 318.011 ملین روپے تھا اور اس کی موجودہ واجبات اس کے موجودہ اثاثوں سے 39.349 ملین روپے سے زیادہ ہیں۔ یہ صورت حال مزید بگڑ سکتی ہے اگر اوپر پیراگراف (a) سے (g) میں زیر بحث مادے کے ممکنہ اثرات کو عبوری مالیاتی بیانات میں شمار کیا جائے۔ مارچ 2014 سے مؤثر، کمپنی نے اپنے ٹیکس سائل آپریشنز کو بند کر دیا ہے اور پچھلے سالوں میں لیز ہولڈز مین اور لیز ہولڈز مین پر عمارت کے علاوہ اپنے تمام آپریشننگ فیکسڈ اثاثوں کو ختم کر دیا ہے۔ کمپنی نے ماضی میں متعدد بار خصوصی قرارداد پاس کر کے جائیدادوں کے کرایہ پر لینے کے کاروبار کو

شامل کرنے کے لیے اپنے میمورنڈم آف ایسوسی ایشن کو تبدیل کرنے کی کوشش کی لیکن سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) میں دائر متعلقہ درخواستیں بے ضابطگیوں کی وجہ سے ناکام رہیں۔ پچھلے سال کے دوران، کمپنی نے ایک بار پھر کمپنی کے شیئر ہولڈرز کے غیر معمولی جنرل میٹنگ میں منظور کی گئی ایک خصوصی قرارداد کے ذریعے جائیدادوں کے کرایہ پر لینے کے کاروبار کو شامل کرنے اور کمپنی کا نام تبدیل کرنے کے لیے اپنے میمورنڈم آف ایسوسی ایشن میں ردوبدل کا عمل شروع کیا ہے۔ 29 مئی 2020 کو منعقد ہوا۔ تاہم، غیر حل شدہ مشاہدات کی وجہ سے ایس ای سی پی کی طرف سے تبدیلی کی تصدیق ابھی تک زیر التواء ہے۔ یہ واقعات ایک مادی غیر یقینی صورتحال کی نشاندہی کرتے ہیں جو کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت پر اہم شکوک پیدا کر سکتی ہے اور اس وجہ سے وہ اپنے اثاثوں کا ادراک کرنے اور کاروبار کے معمول کے دوران اپنی ذمہ داریوں کو ادا کرنے سے قاصر ہو سکتی ہے۔ گاڑھا عبوری مالیاتی بیانات اور اس کے نوٹ اس حقیقت کو ظاہر نہیں کرتے ہیں۔ کمپنی کی انتظامیہ نے ہمیں کنڈینسڈ عبوری مالیاتی بیانات اور مستقبل کے مالیاتی تخمینوں کی تیاری میں استعمال ہونے والے تشویش کے مفروضے کا اندازہ بھی فراہم نہیں کیا جو کمپنی کی معاشی استحکام کی نشاندہی کرتے ہیں۔ یہ حقائق بتاتے ہیں کہ کنڈینسڈ عبوری مالیاتی گوشواروں کی تیاری میں استعمال ہونے والی تشویش کے مفروضے نامناسب ہیں۔

ازالہ

کمپنی نے نوٹ 1.3 میں 2014 میں اپنے بنیادی آپریشن کی بندش کا انکشاف کیا ہے۔ اس کے بعد کمپنی نے 4 اپریل 2015 کو ای او جی ایم میں شیئر ہولڈرز کی منظوری حاصل کرنے کے بعد تمام پلانٹ اور مشینری کو ضائع کر دیا۔ ایک بنیادی کاروباری سرگرمی کے طور پر کرایہ پر لینا اور ایس ای سی پی کو اس کے میمورنڈم آف ایسوسی ایشن کی آبجیکٹ شق III کو تبدیل کرنے کے لیے درخواست دی۔ کمپنی نے نکمپنیز ایکٹ 2017 کے سیکشن 26 کی ذیلی دفعہ (i) کے تحت کاروبار کو اپنے نام کے ساتھ ہم آہنگ کرنے کے لیے کمپنی کے نام کی تبدیلی کے لیے بھی درخواست دی۔ کمپنی کے نام کا عمل جاری ہے۔ پچھلے سال کے موجودہ تناسب کا جائزہ لینے سے، یہ پتہ چلتا ہے کہ، موجودہ واجبات موجودہ اثاثوں سے Rs. 39.34 ملین یہ بنیادی طور پر قلیل مدتی سرمایہ کاری کی دوبارہ درجہ بندی اور پچھلے سالوں میں طویل مدتی سے قلیل مدتی واجبات میں گریجویٹ کی منتقلی کی وجہ سے ہے۔ اس کے علاوہ زیر نظر سال کے دوران کمپنی نے اپنے کرایہ داروں اور ڈائریکٹرز سے مرمت اور دیکھ بھال کے کچھ کاموں کے لیے قرض حاصل کیا۔ یہ بیان کردہ حقائق بتاتے ہیں کہ کمپنی کی مالی حالت مستحکم ہے اور یہ ایک جاری تشویش کے طور پر کام کرتی رہے گی۔

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

برائے و منجانب بورڈ آف ڈائریکٹرز

سلمان رفیع
ایگزیکٹو ڈائریکٹر

منس رفیع
چیف ایگزیکٹو

کراچی

22 فروری 2023



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

Introduction

We have reviewed the accompanying condensed interim statement of financial position of JUBILEE SPINNING & WEAVING MILLS LIMITED ("the Company") as at 31 December 2022 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the condensed interim financial statements for the six-months period then ended (hereinafter referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-months period ended 31 December 2022 and 31 December 2021 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the six-months period ended 31 December 2022.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Basis for Adverse Conclusion

- (a) Trade debts, loans and advances and other receivables as at 31 December 2022 include Rupees 19.298 million, Rupees 22.574 million and Rupees 14.755 million respectively receivable from an associated company outstanding since long. Furthermore, one of the financial institutions, on default by the associated company in preceding years, realized the Company's investments in equity securities pledged against lending to associated company. The Company treated the market price of such securities at the date of realization by the financial institution as disposal value amounting to Rupees 40.963 million and accounted for it as other receivables. The Company is uncertain about the party from whom it is to be recovered. In addition, loan and advances and other receivables as at 31 December 2022 include aggregate balance of Rupees 12.837 million receivable from other than related parties outstanding for more than one year. The management has not provided us with its assessment of expected credit losses in respect of trade and other receivables nor did account for any allowance for expected credit losses in the financial statements in respect of such balances;
- (b) During the prior years, the Company's petition in Honorable Lahore High Court praying restraining Sui Southern Gas Company Limited (SSGCL) from recovering the amount of general sales tax (GST) arrears and disconnecting the gas connection was dismissed for being not maintainable. Accordingly, SSGCL raised bill for outstanding arrears amounting to Rupees 17.868 million and encashed the bank guarantee of Rupees 2 million and forfeited gas security deposit of Rupees 10.823 million against its demand and disconnected the gas connection. The Company has not accounted for the demand of SSGCL and treated the balance of encashed bank guarantee and forfeited gas security deposit aggregately amounting to Rupees 12.823 million as receivable from SSGCL accounted for as other receivable. During the preceding year, Federal Board of Revenue (FBR) has opined in favor of the Company that it was qualified for zero rating gas facility. Accordingly, the Company approached SSGCL for recovery of sales tax recovered. SSGCL is of the view that the same has been deposited with FBR and may be claimed by the Company as refund. Since the time for application of refund is time barred and other legal formalities involved for release of refund, we could not satisfy ourselves with respect of recovery of this balance.
- (c) Revenue amounting Rupees 3.650 million accounted for in the condensed interim financial statements represents billing to tenants in respect of use of Company's power house equipment / electric connection and transmission lines thereof. The Company has disposed of its power house equipment in October 2016 and placed alternate power generators. Previously, these alternate power generators, generating the aforesaid revenue were neither recognized in the books of account of the Company nor any rent was charged in the financial statements. During the prior years, the Company recorded purchase of two generators replacing the previously unrecorded generators. However, the arrangement of such replacement could not be substantiated due to the lack of information as to



the disposal of the previously unrecorded generators where suit have been filed by ex-director for the repossession of these generators more fully disclosed in Note 8.5 to the condensed interim financial statements. Moreover, in the absence of legal opinion to this effect, we remained unable to satisfy ourselves as to whether the aforesaid arrangement with the tenants is in compliance with all the applicable regulatory provisions including income tax, sales tax and electricity duty on such revenue;

- (d) We noted an outstanding under litigation demand of Rupees 6.239 million on account of Gas Infrastructure Development Cess (GIDC) by SSGCL. Furthermore, the last bill of gas connection before disconnection as reported in paragraph (b) above reflected outstanding demand of GIDC alongwith GST on GIDC amounting to Rupees 68.400 million. However, the Company has neither accounted for this liability nor disclosed the contingent liability, if any, in respect of such demand. In the absence of underlying information for non-recording of this demand and the Company's actions there against, we remained unable to satisfy ourselves in respect of recognition of expenses and respective liability in the condensed interim financial statements;
- (e) Certain litigations have been filed by / against the Company as disclosed in Note 8 to the condensed interim financial statements. Management of the Company has not provided us with their assessment of the potential outcome of these litigations. Accordingly, we remained unable to ascertain whether a provision against such litigations should be made or disclosures thereof is sufficient in the condensed interim financial statements;
- (f) The latest audited / unaudited financial statements of Cresox (Private) Limited, an associated company accounted for under equity method of accounting (Note 6.1), were not available with the Company. In the absence of latest audited financial statements, we remained unable to satisfy ourselves whether any share of profit and other comprehensive income / loss of the associate be accounted for in the condensed interim financial statements. Furthermore, we could not verify the existence and valuation of unquoted investments at fair value through other comprehensive income due to lack of supporting documents and valuation from independent valuer;
- (g) As at December 31 2022, Trade and other payable includes insurance payable amounting to Rupees 12.735 million, creditors amounting to Rupees 9.302 million, advance from customers amounting to Rupees 15.797 million and other liabilities amounting to Rupees 1.080 million outstanding since long. Due to insufficient nature of the Company's record in respect of such amounts, we remained unable to obtain sufficient appropriate audit evidence to confirm the existence and valuation of such liabilities;



- (h) The Company has profit before tax for the period ended 31 December 2022. However, the Company has not determined and accounted for any provision that may be required under the applicable laws of Workers Welfare Fund and Workers Profit Participation Fund; and

- (i) For the period ended 31 December 2022 and as of that date its accumulated loss was Rupees 318.011 million and its current liabilities exceeds its current assets by Rupees 39.349 million. This situation may be further deteriorated if the possible effects of matter discussed in paragraphs (a) to (h) above are accounted for in the condensed interim financial statements. Effective from March 2014, the Company has closed its textile operations and disposed of all of its operating fixed assets except for leasehold land and building on leasehold land in preceding years. The Company tried to alter its memorandum of association to add the business of renting of properties by passing special resolution multiple times in the past but respective petitions filed with Securities and Exchange Commission of Pakistan (SECP) remained unsuccessful due to irregularities. During the prior years, the Company again has initiated the process of alteration of its memorandum of association to add the business of renting of properties and to change of name of the Company through a special resolution passed in extra ordinary general meeting of shareholders of the Company held on 29 May 2020. However, confirmation of alteration by the SECP is still pending due to unresolved observations. These events indicate a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The condensed interim financial statements and notes thereto do not disclose these facts. The management of the Company also did not provide us its assessment of going concern assumption used in preparation of the condensed interim financial statements and the future financial projections indicating the economic viability of the Company. These facts indicate that going concern assumption used in preparation of the condensed interim financial statements is inappropriate.

Adverse Conclusion

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



Jubilee Spinning & Weaving Mills Ltd.

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

RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

Date: February 22, 2023

UDIN: RR202210045hZ0zek9H8



JUBILEE SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

ASSETS		Unaudited	Audited
NON-CURRENT ASSETS	Note	31 December 2022	30 June 2022
		Rupees	Rupees
Property, plant and equipment	5	99,562,797	101,051,944
Investment property		655,703,215	655,703,215
Long term investments	6	7,610,817	7,575,882
Long term loans		1,219,390	1,042,890
Long term deposits		10,026,732	10,026,732
		774,122,951	775,400,663
CURRENT ASSETS			
Trade debts	7	26,733,640	26,319,216
Loans and advances		23,072,375	23,051,714
Other receivables		81,323,125	79,356,145
Advance income tax and refundable		13,159,987	9,187,852
Cash and bank balances		2,327,962	1,701,125
		146,617,089	139,616,052
TOTAL ASSETS		920,740,040	915,016,715
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
34,000,000 (30 June 2022: 34,000,000) ordinary shares of Rupees 10 each		340,000,000	340,000,000
Issued, subscribed and paid up share capital			
32,491,205 (30 June 2022: 32,491,205) ordinary shares of Rupees 10 each		324,912,050	324,912,050
Capital reserves			
Fair value reserve on 'Fair value through other comprehensive income investments		5,334,073	5,299,138
Revaluation surplus on property, plant and equipment		658,775,816	658,775,816
Revenue reserves			
General reserve		51,012,000	51,012,000
Accumulated loss		(318,010,783)	(316,618,062)
Total equity		722,023,156	723,380,942
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term financing		-	1,883,876
Deferred income tax		11,413,631	11,413,631
Employees' retirement benefits		1,336,752	1,306,662
		12,750,383	14,604,169
CURRENT LIABILITIES			
Trade and other payables		108,545,119	106,401,869
Current portion of long term financing		2,525,212	5,841,336
Short term financing		22,324,680	18,324,680
Provisions		9,928,940	9,928,940
Unclaimed dividend		577,737	577,737
Provision for taxation		42,064,813	35,957,042
		185,966,501	177,031,604
TOTAL LIABILITIES		198,716,884	191,635,773
CONTINGENCIES AND COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		920,740,040	915,016,715

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



Jubilee Spinning & Weaving Mills Ltd

JUBILEE SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2022

	Note	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		Rupees	Rupees	Rupees	Rupees
Revenue	9	3,649,986	1,506,265	1,836,530	737,792
Cost of revenue	10	(2,435,589)	(2,028,216)	(1,198,202)	(1,153,966)
Gross Profit/(loss)		1,214,397	(521,951)	638,328	(416,174)
Administrative and general expenses		(24,532,827)	(26,613,727)	(12,428,654)	(13,060,176)
		(23,318,430)	(27,135,678)	(11,790,326)	(13,476,350)
Other income		28,267,378	27,091,521	14,103,039	13,646,058
Profit/(loss) from operations		4,948,948	(44,157)	2,312,713	169,708
Finance cost		(7,486)	(16,044)	(6,756)	(15,594)
Profit/(loss) from operations		4,941,462	(60,201)	2,305,957	154,114
Taxation		(6,334,183)	(2,458,019)	(3,167,092)	582,633
(Loss)/profit after taxation		(1,392,721)	(2,518,220)	(861,135)	736,747
(Loss)/earnings per share	11	(0.04)	(0.08)	(0.03)	0.02

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



Jubilee Spinning & Weaving Mills Ltd

JUBILEE SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2022

	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Rupees	Rupees	Rupees	Rupees
(LOSS)/PROFIT AFTER TAXATION	(1,392,721)	(2,518,220)	(861,135)	736,747
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that will not be reclassified to profit or loss:				
- Unrealized gain/(loss) on remeasurement of investment at 'fair value through other comprehensive income'	34,935	(188,253)	17,468	(188,253)
Items that may be reclassified subsequently to profit or loss:	-			
	34,935	(188,253)	17,468	(188,253)
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE PERIOD	(1,357,786)	(2,706,473)	(843,667)	548,494

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



JUBILEE SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2022

	CAPITAL			REVENUE			Total	Total equity	
	Issued, subscribed and paid-up share capital	Fair value reserve on 'Fair value through other comprehensive income' investments	Surplus on revaluation of property, plant and equipment	Sub Total	General reserve	Accumulated loss			Sub Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at 30 June 2021-Audited	324,912,050	5,615,127	652,234,304	657,849,431	51,012,000	(360,463,126)	(309,451,126)	348,398,305	673,310,355
Profit for the period	-	-	-	-	-	6,493,256	6,493,256	6,493,256	6,493,256
Other comprehensive loss for the period	-	(188,253)	-	(188,253)	-	-	-	(188,253)	(188,253)
Total comprehensive income for the period	-	(188,253)	-	(188,253)	-	6,493,256	6,493,256	6,305,003	6,305,003
Balance as at 31 December 2021- Unaudited	324,912,050	5,426,874	652,234,304	657,661,178	51,012,000	(353,969,870)	(302,957,870)	354,703,308	679,615,358
Profit for the period	-	-	6,541,512	6,541,512	-	37,491,770	37,491,770	44,033,282	44,033,282
Other comprehensive loss for the period	-	(127,736)	-	(127,736)	-	(139,962)	(139,962)	(267,698)	(267,698)
Total comprehensive income for the period	-	(127,736)	6,541,512	6,413,776	-	37,351,808	37,351,808	43,765,584	43,765,584
Balance as at 30 June 2022-Audited	324,912,050	5,299,138	658,775,816	664,074,954	51,012,000	(316,618,062)	(265,606,062)	398,468,892	723,380,942
Loss for the period	-	-	-	-	-	(1,392,721)	(1,392,721)	(1,392,721)	(1,392,721)
Other comprehensive income for the period	-	34,935	-	34,935	-	-	-	34,935	34,935
Total comprehensive loss for the period	-	34,935	-	34,935	-	(1,392,721)	(1,392,721)	(1,357,786)	(1,357,786)
Balance as at 31 December 2022- Unaudited	324,912,050	5,334,073	658,775,816	664,109,889	51,012,000	(318,010,783)	(266,998,783)	397,111,106	722,023,156

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER



Jubilee Spinning & Weaving Mills Ltd

JUBILEE SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (Unaudited)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2022

	SIX-MONTHS PERIOD ENDED	
	31 December	31 December
	2022	2021
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	4,941,462	(60,201)
Adjustments for non-cash charges and other items:		
Depreciation	1,489,147	1,285,573
Provision for gratuity	30,090	30,090
Rental income	(27,689,595)	(26,734,962)
Finance cost	7,486	16,044
Net cash used in operating activities before working capital changes	(21,221,410)	(25,463,456)
Working capital changes		
(Increase) / decrease in current assets		
Trade debts	(414,424)	3,273,211
Loans and advances	(20,661)	-
Other receivables	(1,966,980)	(165,918)
	(2,402,065)	3,107,293
Increase/(decrease) in current liabilities		
Trade and other payables	2,143,250	(5,768,570)
Net cash used in operations after working capital changes	(21,480,225)	(28,124,733)
Finance cost paid	(7,486)	(16,044)
Income tax paid	(1,014,546)	(3,117,421)
Gratuity paid	(489,000)	(915,031)
Net cash used in operating activities	(22,991,258)	(32,173,229)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	-	(140,300)
Rental income	27,689,595	26,734,962
Long term loans disbursed	(176,500)	(112,500)
Long term loans recovered	105,000	57,500
Net cash flow from investing activities	27,618,095	26,539,662
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings	(4,000,000)	-
Net increase/(decrease) in cash and cash equivalents	626,838	(5,633,567)
Cash and cash equivalents at the beginning of the period	1,701,125	6,926,505
Cash and cash equivalents at the end of the period	2,327,962	1,292,938

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



JUBILEE SPINNING & WEAVING MILLS LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2022

1. THE COMPANY AND ITS OPERATIONS

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

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

Sr. No.	Manufacturing unit and office	Address
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1.	Manufacturing unit	Plot No. B-28, Manghopir Road, S.I.T.E, Karachi.
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2.	Registered office	503-E, Johar Town, Lahore.
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1.3 Due to intermittent availability of raw materials owing to shortage of working capital and continuous losses, the Company has closed its core operations since 2014. The Company has rented out its premises to earn rental income and service revenue from use of power generation equipment by the tenants.

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

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

2. BASIS OF PREPARATION

2.1 Statement of Compliance

2.1.1 These condensed interim financial statements of the Company for the six-months period ended 31 December 2022 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:



- International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB);
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.2 These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2022.

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

2.1.4 The comparatives in the condensed interim statement of financial position presented in the condensed interim financial statements as at 31 December 2022 have been extracted from the annual audited financial statements for the year ended 30 June 2022, whereas the comparative in condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from unaudited condensed interim financial statements for the six-months period ended 31 December 2021.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2022.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2022.



		Unaudited 31 December 2022 Rupees	Audited 30 June 2022 Rupees
5. PROPERTY, PLANT AND EQUIPMENT	Note		
Operating fixed assets	5.1	99,562,797	101,051,944
Capital work in progress		-	-
		99,562,797	101,051,944
5.1 Operating fixed assets			
Opening book value		101,051,944	83,102,730
Add: Purchases during the period / year		-	2,937,131
Add: Transferred from CWIP during the period / year		-	11,218,146
Add: Surplus on revaluation during the period / year		-	6,541,512
		101,051,944	103,799,519
Transferred to disposal:			
Cost		-	-
Accumulated depreciation		-	-
Disposal - net		-	-
Less: Depreciation charged during the period / year		(1,489,147)	(2,747,575)
		99,562,797	101,051,944

5.2 Depreciation charge for the six-months and three-months period ended 31 December 2022 has been allocated as follows:

	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Rupees	Rupees	Rupees	Rupees
Cost of sales	1,444,591	1,270,339	722,295	740,584
Administrative expenses	44,556	15,234	22,278	9,596
	1,489,147	1,285,573	744,573	750,180

6. LONG-TERM INVESTMENTS

Equity instruments

Investment in associates - 'under equity method of accounting'	6.1	-	-
Investment in equity securities - at 'fair value through other comprehensive income'	6.2	7,610,817	7,575,882
		7,610,817	7,575,882

6.1 Investment in associates - 'under equity method of accounting'

Associated companies (with significant influence)

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



Jubilee Spinning & Weaving Mills Ltd

		Un-audited 31 December 2022 Rupees	Audited 30 June 2022 Rupees
6.2 Investment in equity securities - at 'fair value through other comprehensive income'	Note		
Associated companies (without significant influence)			
Texmac Services (Private) Limited - unquoted 52,000 (30 June 2022: 52,000) fully paid ordinary shares of Rupees 10 each. Equity held 26% (30 June 2022: 26%)	6.2.1	116,360	116,360
Others			
Crescent Industrial Chemical Limited - unquoted 184,000 (30 June 2022: 184,000) fully paid ordinary shares of Rupees 10 each. Equity held 17.57% (30 June 2022: 17.57%)	6.2.2	-	-
Premier Insurance Limited - quoted 18,682 (30 June 2022: 18,682) fully paid ordinary shares of Rupees 10 each. Equity held 0.04% (30 June 2022: 0.04%)		291,989	291,989
Crescent Jute Products Limited - quoted 1,709,683 (30 June 2022: 1,709,683) fully paid ordinary shares of Rupees 10 each. Equity held 7.19% (30 June 2022: 7.19%)		1,640,220	1,640,220
Shakarganj Limited - quoted 39,138 (30 June 2022: 39,138) fully paid ordinary shares of Rupees 10 each. Equity held 0.03% (30 June 2022: 0.03%)		228,175	228,175
Crescent Spinning Mills Limited - unquoted 290,000 (30 June 2022: 290,000) fully paid ordinary shares of Rupees 10 each	6.2.3	-	-
		2,276,744	2,276,744
Add: Fair value adjustment		5,334,073	5,299,138
		7,610,817	7,575,882

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

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

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

7. TRADE DEBTS

Unsecured:

Related party	19,297,988	19,297,988
Others	10,307,212	9,892,788
	29,605,200	29,190,776

Less: Allowance for expected credit losses

Opening balance for the period / year	2,871,560	2,871,560
Recognized during the period / year	-	-
Closing balance for the period / year	2,871,560	2,871,560
	26,733,640	26,319,216



		Unaudited 31 December 2022 Rupees	Audited 30 June 2022 Rupees
8. CONTINGENCIES AND COMMITMENTS			
a) Contingencies			
8.1	Bank Guarantee from:		
	Standard Chartered Bank (Pakistan) Limited	8.1.1 793,800	793,800
	Habib Metropolitan Bank Limited	8.1.2 4,812,878	4,812,878
		<u>5,606,678</u>	<u>5,606,678</u>
8.1.1	This represents a guarantee issued by Standard Chartered Bank (Pakistan) Limited to the Honorable High Court, Sindh on account of cotton soft waste (carded and combed) fully paid.		
8.1.2	This represents guarantees issued by Habib Metropolitan Bank Limited amounting to Rupees 4.363 million and Rupees 0.45 million in favor of K- Electric and SSGCL respectively on account utility connections.		
8.2	During the year 2019, the Company filed a suit in Honorable High Court of Sindh against Sui Southern Gas Company Limited (SSGCL) and Federation of Pakistan against demand raised by SSGCL of Rupees 18.664 million on account of late payment surcharge for the previous period vide special bill dated 20 September 2019 being without any justification and reason. However proceedings of the case are in process till the reporting date.		
8.3	During the year 2015, the Company had filed a suit to Honorable High Court of Sindh against National Electric Power Regulatory Authority (NEPRA) and Oil and Gas Regulatory Authority (OGRA), Sui Southern Gas Company Limited and Private Power and Infrastructure Board (PPIB) through Federation of Pakistan against rate per MMBTU imposed on the Company and for clarification of categories known as Captive Power (CP), Independent Power Producer (IPP) as accordingly to the consumption category of the Company falls under IPP / Industrial Consumer and not as CP category. However, the Honorable High Court on 27 November 2019 in its judgment decreed in favor of the Company and SSGCL consequently being directed to adjust / refund any excess amounts as may have received by billing the Company. However, the implementation of the said judgment is still pending as the Company has not received any court order for the execution of the above judgment.		
8.4	During the previous years, the Company has filed suits to the Honorable Civil Court against its three ex-employees for cancellation of cheques aggregate amounting to Rupees 2.812 million and for permanent injunction. The Company filed statement with the Court of 2nd Senior Civil Judge to withdraw suits against two ex-employees as the matters has been settled between them, and Court dismissed the two cases under order XXIII Rule 1 C.P.C on the basis of settlement. However, one suit is still pending for cancellation of cheques aggregately amounting to Rupees 1.837 million and for permanent injunction and the same is pending for hearing of order. Further, during the prior years one of the Company's ex-employee filed an application to Honorable High Court of Sindh against the Company for the compensation / payment of wages. However, both of companies suit are pending for adjudication.		
8.5	During the previous years, the Company filed suit against Cresox (Private) Limited and Mr. Tariq Shafi seeking payment of Rupees 56.776 million pertaining to trade and other receivables and restraining Mr. Tariq Shafi from interfering in the affairs of the Company. Mr. Tariq Shafi filed a counter suit against the Company seeking outstanding dues, repossession of generators and masne profits alleging the three generators owned by him has been leased to the Company which has defaulted the payment of rent and refused to transfer possession. The Honorable Court has dismissed the suit filed by Mr. Tariq Shafi and restrained Mr. Tariq Shafi from taking any coercive action against the Company in respect of generators. The Company's suit is pending for adjudication.		



b) Commitments

There were no capital or other commitments outstanding as at 31 December 2022.

9. REVENUE

This represents service income earned from tenants against use of Company's power house equipment.

	Note	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
10. COST OF REVENUE		Rupees	Rupees	Rupees	Rupees
Repair and maintenance		219,270	20,000	75,000	-
Salaries		689,568	648,991	359,827	324,495
Fuel and power		-	-	-	-
Other factory overheads		82,160	88,886	41,080	88,886
Depreciation	5.2	1,444,591	1,270,339	722,295	740,584
		2,435,589	2,028,216	1,198,202	1,153,965

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

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

(Loss)/earnings attributable to ordinary shares	(Rupees)	(1,392,721)	(2,518,220)	(861,135)	736,747
Weighted average number of ordinary shares	(Numbers)	32,491,205	32,491,205	32,491,205	32,491,205
(Loss)/earnings per share	(Rupees)	(0.04)	(0.08)	(0.03)	0.02

12. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTOR AND EXECUTIVE

Chief Executive Officer

Managerial remuneration	3,000,000	2,550,000	1,500,000	1,500,000
House rent allowance	1,350,000	1,147,500	675,000	675,000
Travelling	1,445,688	1,029,000	851,688	98,671
Utilities	300,000	255,000	150,000	150,000
Rentals paid for vehicle	-	468,000	-	234,000
	6,095,688	5,449,500	3,176,688	2,657,671
Number of executive	1	1	1	1



	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Rupees	Rupees	Rupees	Rupees
Director				
Managerial remuneration	3,000,000	2,550,000	1,500,000	1,500,000
House rent allowance	1,350,000	1,147,500	675,000	675,000
Travelling	332,267	1,127,531	157,676	844,505
Utilities	300,000	255,000	150,000	150,000
Rentals paid for vehicle	808,080	192,000	424,050	192,000
	5,790,347	5,272,031	2,906,726	3,361,505
Number of director	1	1	1	1
Executive				
Managerial remuneration	720,222	671,118	360,111	357,846
House rent allowance	358,158	333,609	179,079	177,948
Utilities	-	-	-	-
	1,078,380	1,004,727	539,190	535,794
Number of Executive	1	1	1	1

12.1 The chief executive officer is also entitled for free maintenance of car.

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



13. TRANSACTIONS WITH RELATED PARTIES

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

	SIX-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Rupees	Rupees	Rupees	Rupees
i. Transactions				
Staff retirement funds				
Expense charged for retirement benefit plans	30,090	30,090	15,045	15,045
Payment to retirement benefit plans	489,000	915,031	339,000	350,000
			Unaudited 31 December 2022 Rupees	Audited 30 June 2022 Rupees
ii. Receivable / (payable) balances				
Associated companies				
Trade debts			19,297,988	19,297,988
Loans and advances			22,574,022	22,574,022
Other receivable			14,754,675	14,754,675
Other payable			(12,735,179)	(12,735,179)
Directors				
Loan to director			100,408	100,408
Short term financing			(22,324,680)	(18,324,680)
Other related party				
Employees' retirement benefits - Staff gratuity scheme - unfunded			(11,456,077)	(11,914,987)

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

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



14. FINANCIAL RISK MANAGEMENT

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

These condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended 30 June 2022.

15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements have been approved and authorized for issue in the meeting of the Board of Directors of the Management Company held on February 22, 2023.

16 GENERAL

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER