

2021

Financial Statements

1st Quarter Ended September 30,

(un-audited)

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Company Information

Chairman	Mian Muhammad Latif
Chief Executive	Muhammad Naeem
Directors	Mian Muhammad Javaid Iqbal Mr. Muhammad Faisal Latif Mr. Tariq Ayoub Khan Mr. Masood Ul Hassan Mr. Muhammad Hashim Mr. Muhammad Salman Javed
Nominee Director	Ms. Sobia Chughtai
Major Bankers	Allied Bank Limited. Askari Bank Limited. Al Baraka Bank (Pakistan) Limited. Citibank, N.A. Faysal Bank Limited. First Credit & Investment Bank Limited. Habib Bank Limited. Habib Metropolitan Bank Limited. KASB Bank Limited. National Bank of Pakistan. NIB Bank Limited. Orix Leasing (Pakistan) Limited. Pak Oman Investment Company Limited. Pak Kuwait Investment Company (Pvt.) Limited. Pak Libya Holding Company (Pvt.) Limited. Saudi Pak Industrial & Agricultural Investment Silk Bank Limited. Standard Chartered Bank (Pakistan) Limited. The Bank of Punjab. United Bank Limited.
Chief Financial Officer	Mr. Faisal Ali Sarwar
Company Secretary	Muhammad Arshad
Auditors	RSM Avais Hyder Liaquat Nauman Chartered Accountants.
Shares Registrar	F.D. Registrar Services (SMC-Pvt.) Limited Office # 1705, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi. Tel:021-32271905-6/021-35478192-3
Registered Office	Nishatabad, Faisalabad. Tel:+92 41 8754472-8 Fax:+92 41 8752400, 8752700 chenab@chenabgroup.com www.chenabgroup.com
Website Address	www.chenabgroup.com
Works	-Spinning Unit - Toba Tek Singh. -Weaving Unit - Kharianwala, Distt: Sheikhpura. -Weaving Unit - Shahkot, Distt: Nankana Sahib. -Processing & Stitching Units – Nishatabad, Fsd.

DIRECTORS' REPORT TO THE SHAREHOLDER'S

The Directors are placing before you the un-audited financial statement of the company for the first quarter of financial year 2021-2022 ended on September 30, 2021. The company had gone under liquidation by the Lahore High Court Lahore vide its order dated 13-07-2017. Figures of corresponding quarter of last year are also presented for comparison. The balance sheet figures as on June 30, 2021 and September 30, 2021 have been shown as required by the INTERNATIONAL ACCOUNTING STANDARDS (IAS) 34 for interim financial reporting.

REVENUE

The affairs of the company during the quarter were looked after by the Joint Official Liquidators appointed by the Court. The liquidators continued arrangement made by the management for renting out building premises and leased out weaving unit for earning income to meet out compelling expenses. During this quarter income at Rs.23.980 million was earned as against 17.382 million during the same quarter of the preceding period.

FINANCIAL RESULTS

In view of unfavorable business circumstances the Company has sustained a financial loss of Rs.19.900 million before taxation.

FUTURE PROSPECTS

The management got re-structuring done with banks through a Scheme of Arrangement on 14-09-2021. The winding up order passed by the Lahore High Court also got reversed on 29-10-2021. Thereafter the original management took over the charge.


The management is also pursuing to dispose off certain non core fixed assets of the Company to meet the requirement of working capital.

ACKNOWLEDGEMENT

The directors are thankful to its financial institutions for supporting the Company for revival of the Company and its employees who have rendered their dedicated services for the Company

FAISALABAD
31-01-2024


(MUHAMMAD FAISAL LATIF)
DIRECTOR

For and on behalf
BOARD OF DIRECTORS

(MUHAMMAD NAEEM)
CHIEF EXECUTIVE OFFICER

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

ڈائریکٹرز کمپنی کی جائزہ شدہ (بغیر آڈٹ) 30 ستمبر 2021 کو ختم ہونے والی پہلی سہ ماہی کے مالی حسابات برائے سال 2020-2021 پیش کرتے ہیں۔ کمپنی عدالت عالیہ لاہور کے حکم کے مطابق بمورخہ 13-07-2017 تحلیل ہو چکی ہے پچھلے سال کی اسی سہ ماہی کے اعداد و شمار موازنہ کے لئے بھی پیش کئے ہیں بیننس شیٹ کے اعداد 30 جون 2021 اور 30 ستمبر 2021 بھی ظاہر کئے گئے ہیں جو کہ بین الاقوامی اکاؤنٹنگ سٹینڈرز (آئی۔ اے۔ ایس۔ 34) برائے درمیانی مدت کی فنانشل رپورٹنگ کے زیرِ تفتیش ہیں۔

ریونیو

اس سہ ماہی کے معاملات کے لئے لیکولڈ میٹرز، جنہیں عدالت عالیہ نے مقرر کیا تھا کنٹرول کر رہے تھے۔ لیکولڈ میٹرز نے کمپنی کی بلڈنگز اور یونٹ کو کرایہ پر دینے کے انتظامات کو جاری رکھا تاکہ حاصل شدہ آمدنی سے ضروری اخراجات پورے کیے جاسکیں اس سہ ماہی کے دوران 23.980 ملین آمدنی بمقابلہ 17.382 ملین روپے پچھلے سال اسی سہ ماہی کے دوران حاصل کی گئی۔

مالی نتائج:-

قلیل آمدنی کے ذرائع کے پیش نظر کمپنی نے 19.900 ملین نقصان ٹیکشن سے پہلے برداشت کیا۔

مستقبل کا کیفیت نامہ:-

انتظامیہ نے بحالی سکیم مورخہ 14-09-2021 بیننس کے ساتھ نئے سرے سے ادائیگی کے شیڈولز مرتب کئے ہیں۔ عدالت عالیہ لاہور نے کمپنی کا تحلیل شدہ حکم نامہ بمورخہ 29-10-2021 کو منسوخ کر دیا ہے اور اس کے بعد اصل انتظامیہ نے چارج سنبھال لیا ہے۔ انتظامیہ غیر پیداواری اثاثہ جات کو فروخت کرنے کے لئے کوششیں کر رہی ہے تاکہ کمپنی کے لئے سرمائے کی ضرورت کو پورا کیا جائے۔

تسلیم و تحسین:-

ڈائریکٹرز اپنے مالیاتی اداروں کے شکرگزار ہیں جنہوں نے قرض کی ادائیگی کے لئے نئے شیڈولز دیئے ہیں بشمول اپنے ملازمین کے جنہوں نے تندہی سے کمپنی کو خدمات فراہم کی ہیں۔

برائے بورڈ آف ڈائریکٹرز:-



محمد فیصل لطیف

ڈائریکٹر

فیصل آباد

31-01-2024



محمد نعیم

چیف ایگزیکٹو

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 September 2021
(IN WINDING UP UNDER THE ORDERS OF THE HONOURABLE LAHORE HIGH COURT)

	Sep-30, 2021 (Un-Audited)	Jun-30, 2021 (Audited)		Sep-30, 2021 (Un-Audited)	Jun-30, 2021 (Audited)
Note	Rupees	Rupees	Note	Rupees	Rupees
SHARE CAPITAL AND RESERVES			NON-CURRENT ASSETS		
Authorised capital			Property, plant and equipments	7	9,801,860,636
120,000,000 ordinary shares of Rs.10/- each	<u>1,200,000,000</u>	<u>1,200,000,000</u>	Right-of-use assets	8	-
			Investment property	9	869,187,719
80,000,000 cumulative preference shares of Rs.10/- each	<u>800,000,000</u>	<u>800,000,000</u>	Long term deposits		11,738,715
					10,682,787,070
Issued, subscribed and paid up capital	1,150,000,000	1,150,000,000			10,705,899,934
Cumulative preference shares	500,000,000	800,000,000			
Directors' loan	244,313,086	244,313,086			
Surplus on revaluation of property, plant and equipment	5,645,406,347	5,648,413,621			
Capital reserves	526,409,752	526,409,752			
Revenue reserves	(8,118,018,559)	(8,095,610,597)			
	(51,889,375)	273,525,862			
NON-CURRENT LIABILITIES					
Long term financing	8,744,652,812	1,337,816,038			
Deferred revenue	57,560,190	-			
Deferred markup	10,383,530	-			
Liability against redemption of preference shares	300,000,000	-			
Lease liabilities	-	-			
Deferred liabilities	11,943,974	12,263,388			
	9,124,540,507	1,350,079,426			
CURRENT LIABILITIES			CURRENT ASSETS		
Trade and other payables	985,620,930	988,651,883	Stores, spares and loose tools	28,743,953	28,743,953
Unclaimed dividend	366,071	366,071	Stock in trade	230,000	230,000
Short term bank borrowings	-	4,344,992,444	Trade debts	14,444,600	18,774,802
Current portion of:			Loans and advances	35,413,302	31,450,863
Long term financing	736,489,725	3,827,191,701	Deposits and prepayments	10,627,120	10,627,120
Liabilities against assets subject to finance lease	-	28,702,544	Other receivables	19,550,499	9,548,778
Provision for taxation - income tax	56,868,569	51,353,826	Tax refunds due from Government	25,246,784	25,246,784
	1,779,345,295	9,241,258,469	Cash and bank balances	34,953,098	34,341,523
				169,209,357	158,963,823
CONTINGENCIES AND COMMITMENTS					
	<u>10,851,996,427</u>	<u>10,864,863,757</u>		<u>10,851,996,427</u>	<u>10,864,863,757</u>

The annexed notes from 1 to 17 are an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

For the quarter ended 30 September 2021 (Un-audited)

(IN WINDING UP UNDER THE ORDERS OF THE HONOURABLE LAHORE HIGH COURT)

		QUARTER ENDED	
		Sep-30, 2021	Sep-30, 2020
		Rupees	Rupees
	Notes		
Sales		-	-
Cost of sales		-	-
Gross profit		-	-
Operating Expenses			
Selling and distribution expenses		-	-
Administrative expenses		(33,261,886)	(32,215,228)
		(33,261,886)	(32,215,228)
Operating loss		(33,261,886)	(32,215,228)
Other income	11	23,980,092	17,382,219
Finance cost	12	(10,618,700)	(4,762)
(loss) before taxation		(19,900,494)	(14,837,771)
Provision for taxation	13	(5,514,743)	(4,032,675)
(loss) after taxation		(25,415,237)	(18,870,446)
Earnings per share - Basic		(0.22)	(0.16)

The annexed notes from 1 to 17 are an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the quarter ended 30 September 2021 (Un-audited)

(IN WINDING UP UNDER THE ORDERS OF THE HONOURABLE LAHORE HIGH COURT)

	QUARTER ENDED	
	Sep-30, 2021 Rupees	Sep-30, 2020 Rupees
(loss) after Taxation	(25,415,237)	(18,870,446)
Other comprehensive income for the period	-	-
Items that will not be subsequently reclassified to profit or loss		
Remeasurement of defined benefit liability	-	311,282
Deferred tax relating to remeasurement of staff retirement gratuity	-	-
	-	311,282
Total comprehensive (loss) for the period	(25,415,237)	(18,559,164)

The annexed notes from 1 to 17 are an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR

CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the quarter ended 30 September 2021 (Un-audited)

(IN WINDING UP UNDER THE ORDERS OF THE HONOURABLE LAHORE HIGH COURT)

	QUARTER ENDED	
	Sep-30, 2021 Rupees	Sep-30, 2020 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(19,900,494)	(14,837,771)
Adjustments for:		
Depreciation	22,793,448	24,039,325
Finance cost	10,618,700	4,762
Fair value adjustment of deferred revenue	(209,649)	-
Operating cash flows before working capital changes	13,302,005	9,206,316
Changes in working capital:		
(Increase) / decrease in current assets:		
Trade debts	4,330,202	-
Loans and advances	(3,962,439)	(765,592)
Other receivables	(10,001,721)	(1,329,123)
Increase / (Decrease) in current liabilities:		
Trade and other payables	(3,030,953)	1,390,745
	(12,664,910)	(703,970)
Cash generated from operations	637,094	8,502,346
Finance cost paid	(25,521)	(4,762)
Net cash generated from operating activities	611,573	8,497,584
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of operating assets	-	-
Net cash generated from investing activities	-	-
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of:		
(Decrease) in short term bank borrowings - net	-	-
Net cash (used in) financing activities	-	-
Net increase in cash and cash equivalents (a+b+c)	611,575	8,497,584
Cash and cash equivalents at the beginning of the period	34,341,523	12,917,307
Cash and cash equivalents at the end of the period	34,953,098	21,414,891

The annexed notes from 1 to 17 are an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the quarter ended 30 September 2021 (Un-audited)

(IN WINDING UP UNDER THE ORDERS OF THE HONOURABLE LAHORE HIGH COURT)

	Issued, subscribed and paid up capital	Cumulative preference shares	Loan from Directors	Surplus on revaluation of property, plant and equipment	Capital reserves			Revenue reserves			Total	
					Premium on issue of ordinary shares	Book difference of capital under scheme of arrangement for amalgamation	Preference shares redemption reserve	Sub total	General reserve	Accumulated loss		Sub total
Balance as at June 30, 2020 (audited)	1,150,000,000	800,000,000	244,313,086	5,680,840,915	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(9,205,458,493)	(9,129,025,659)	(727,461,906)
(loss) for the period												
Other comprehensive income										(18,870,446)	(18,870,446)	(18,870,446)
Items that will not be subsequently reclassified to profit or loss:												
Remeasurement of defined benefit liability										311,282	311,282	311,282
Related deferred tax										-	-	-
Incremental depreciation on revalued assets for the period				(3,583,378)						(18,559,164)	(18,559,164)	(18,559,164)
										3,583,378	3,583,378	-
Balance as at Sep-30, 2020 (un-audited)	1,150,000,000	800,000,000	244,313,086	5,677,257,537	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(9,220,434,279)	(9,144,001,445)	(746,021,070)
Profit for the period										1,018,613,087	1,018,613,087	1,018,613,087
Other comprehensive income												
Items that will not be subsequently reclassified to profit or loss:												
Remeasurement of defined benefit liability										933,845	933,845	933,845
Related deferred tax										-	-	-
Incremental depreciation on revalued assets for the period				(28,843,916)						1,019,546,932	1,019,546,932	1,019,546,932
										28,843,916	28,843,916	-
Balance as at June 30, 2021 (audited)	1,150,000,000	800,000,000	244,313,086	5,648,413,621	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(8,172,043,431)	(8,095,610,597)	273,525,862
(loss) for the period												
Other comprehensive income										(25,415,237)	(25,415,237)	(25,415,237)
Items that will not be subsequently reclassified to profit or loss:												
Remeasurement of defined benefit liability										-	-	-
Related deferred tax										-	-	-
Incremental depreciation on revalued assets for the period				(3,007,274)						(25,415,237)	(25,415,237)	(25,415,237)
										3,007,274	3,007,274	-
Balance as at Sep-30, 2021 (un-audited)	1,150,000,000	800,000,000	244,313,086	5,645,406,347	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(8,194,451,393)	(8,118,018,559)	248,110,625

The annexed notes from 1 to 17 are an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

CHENAB LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the quarter ended 30 September 2021 (Un-audited)
(IN WINDING UP UNDER THE ORDERS OF THE HONOURABLE LAHORE HIGH COURT)

1 GENERAL INFORMATION

- 1.1 Chenab Limited (the Company) is incorporated as a public limited company under the Companies Ordinance, 1984 (Now Companies Act 2017) and is listed on Pakistan Stock Exchange. The registered office of the Company is situated at Nishatabad, Faisalabad, in the province of Punjab. The principal business of the Company is export of all kinds of value added fabrics, textile made-ups, casual and fashion garments duly processed. Geographical location and address of business units/plants are following:

Description	Location	Address
Registered Office / Head Office	Faisalabad	Nishatabad, Faisalabad.
Spinning Unit	Toba Tek Singh	3 K.M Shorkot Road, Toba Tek Singh.
Weaving Unit-I	Kharianwala	11 K.M Main Faisalabad Lahore Road, Kharianwala, Sheikhpura.
Weaving Unit-II	Nankana Sahib	7 K.M Main Faisalabad Lahore Road, Kotla Kalo Shahkot, Nankana Sahib.
Processing & Stitching Units	Faisalabad	Main Faisalabad Lahore Road, Nishatabad, Faisalabad.
Stitching Unit	Faisalabad	Jhumra road Gatti, Faisalabad.
Office	Karachi	14-15 Clifton, Karachi.

- 1.2 Pursuant to schemes of arrangement approved by the Honorable Lahore High Court, Lahore, assets, liabilities and reserves of Faisal Weaving (Private) Limited, Latif Weaving (Private) Limited and Chenab Finishing (Private) Limited were merged with the Company with effect from December 31, 1998 and assets, liabilities and reserves of Chenab Fibers Limited were merged with the Company with effect from April 01, 2003.
- 1.3 As at September 30, 2021 the accumulated loss of the Company is Rs. 8,194.45 million and the current liabilities exceed its current assets by Rs. 873.65 million. The Company has not redeemed preference shares on exercise of put options for three consecutive years by holders of preference shares due to tight cash flow situation. The Company has not been able to comply with terms of certain loan agreements. The company was wound up by the order of Honorable Lahore High Court dated July13, 2017 due to application filed by one of the creditor because of breach of debt covenants. The company preferred an appeal before the Honorable Supreme Court against this order but leave of appeal was not granted and dismissed vide order dated January 08, 2019 and official liquidator was appointed under the winding up order. SECP has initiated proceedings for investigations under the U/S-257 of Companies Act 2017,(Section 265 of the repealed Companies Ordinance, 1984.) The company has challenged the order and the Honourable Lahore High Court has stayed the proceedings.

The sponsors of the Company filed a Scheme of Arrangement before Lahore High Court Lahore on January 20, 2021 u/s 279 to 283 and 285(8) of companies Act, 2017 for reversal of winding up order whereupon a meeting was held on February 22, 2021 by the Share holders and Secured creditors of the company under the Chairmanship of lawyers duly appointed by the Honorable Lahore High Court Lahore. 100% contributories/shareholders and 90.40% Secured Creditors approved the said scheme of arrangement. Which was approved by the Court on September 14, 2021 and subsequently the Court issued Reversal of winding up order dated October 29, 2021 and Company was handed over to the management. Thereafter the Court issued Reversal of winding up order dated October 29, 2021 read with said scheme of arrangement and fixed assets of the Company were handed over to the management.

According to Scheme of Arrangement the breakup of Principal Debt owed to each of the Lenders individually is bifurcated in the Tier 1 Debt consisting of Rs. 4,737,486,364/- and Tier 2 debt of Rs.4,737,486,364/- aggregated to Rs.9,474,972,728/-. Tier 1 debt shall be repaid in seven and half (7.5) years from the effective Date. The Tier 2 debt shall be repaid in six and a half (6.5) years from the earlier of (i) the date on which the Tier 1 Debt is repaid, and (ii) the date by which Tier 1 Debt is required to be repaid as per repayment schedule agreed under scheme of arrangement.

The Company shall pay the Principal Debt and Mark-Up to the Agent Bank and the Agent Bank shall pay each lenders its pro-rata share of such repayments. In view of approval of scheme of arrangement by the lenders/financial institutions the management is confident that its implementation will result in improvement in the financial and operational condition of the Company are discussed below:

- (a) **Disposal of non-core assets**
The management is committed to dispose off non core assets, within the grace period of one year from the effective date on which scheme of arrangement will be approved. Disposal proceeds of non core assets of Rs.1.4 billion will result in payment of loan amounts as well as injection in the working capital of the company for carrying out its operations.
- (b) **Settlement / rescheduling of loans / finances with lenders**
As per scheme of arrangement lenders/ financial institutions payment of principal is proposed over the course of 14 years from the effective date. This will improve the financial health and also settle all the disputes with the lenders/financial institutions.
- (c) **Additional Working Capital facility**
The company required the running facility for managing its working capital in two consecutive years as proposed under the scheme of arrangement.
- (d) **Induction of fresh equity**
Sponsors will arrange an injection of fresh equity through the sale of personal shares into the company by realizing Rs.350 million as per Scheme of arrangement.

The above mentioned proposals will help to overcome the financial and operational problems of the Company. Considering management's plans and adherence to facilities approved under the arrangement as discussed in para (a) to (d) above, management is confident that the Company will be able to continue as a going concern.

- 1.4 The Company has not carried out any commercial activity during the period due to winding up order and appointment of liquidator.
- 1.5 These financial statements are presented in Pak Rupee, which is the company's functional and presentation currency.

2. BASIS OF PREPARATION

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

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

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

2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company. These condensed interim financial statements are un-audited 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.

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.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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.

5 LONG TERM FINANCING

Long term financing:

Tier I

4,737,486,364

-

Tier II

4,737,486,364

-

Long term financing before scheme of arrangement

-

5,101,277,739

9,474,972,728

5,101,277,739

Less: Current portion

Tier I

(736,489,725)

-

Before scheme of arrangement

-

(3,827,191,701)

8,738,483,003

1,274,086,038

Loan from associates (Unsecured)

6,169,810

63,730,000

8,744,652,812

1,337,816,038

5.1 According to Scheme of Arrangement the breakup of Principal Debt owed to each of the Lenders individually (that involves long term financing, short term borrowing and lease liabilities) is bifurcated into two equal portions as Tier 1 Debt and Tier-2 Debt each of Rs. 4,737,486,364/- aggregating to Rs.9,474,972,728/-.

Tier 1 Debt shall be repaid in seven and half years from the effective date September, 14-2021. Tier 2 Debt shall be repaid in 6 and half years after Tier 1. Tier 1 Debt and Tier 2 Debt is to be paid in quarterly installments on the last day of each calendar year i.e March 31st, Jun, 30 September, 30 and 31st December.

The first year after the effective date shall be a grace period subject to any repayment during the first year from proceeds of sale of non core assets as described in the scheme.

The Company shall pay the 75% of disposal proceeds realized from the disposal of non core assets to the Agent bank and the Agent Bank shall pay each lenders its pro-rata share of such repayments and the balance 25% of proceeds will be injected as working capital for operations of the company.

Thereafter, the company shall make the payments of Principal and Mark-Up from its own resources to the Agent Bank which shall pay each lenders its pro-rata share of such repayments as elucidated under the Scheme of Arrangement.

The past Mark up and the initial tier 2 Debt markup shall be waived off by the lenders if the Principal Debt (Tier-1 and Tier-2) and Mark-Up (Tier-1 Debt markup and Subsequent Tier-2 Debt markup) are paid timely and in accordance with the repayment Schedule under scheme of Arrangement. However, in case of any default in making all or any of payments stated above, full amount of such waived amounts (Past markup and Initial Tier-2 Debt markup) shall stand due and become payable.

6 CONTINGENCIES AND COMMITMENTS

a) Contingencies

There was no significant change in contingencies since the date of published audited financial statements for the year ended June 30, 2021.

b) Commitments

There was no commitments as on 30 September 2021. (2020: Nil)

	Sep-30, 2021 (Un-Audited) Rupees	Jun-30, 2021 (Audited) Rupees
7 PROPERTY, PLANT AND EQUIPMENTS		
Operating assets (Note: 7.1)	9,801,860,636	9,651,578,837
7.1 Operating assets		
Opening book value	9,651,578,837	9,729,874,102
Add: Transfer from right of use assets	169,176,975	-
	9,820,755,812	9,729,874,102
Less: Depreciation charged during the period / year	(18,895,176)	(78,295,265)
	9,801,860,636	9,651,578,837
8 RIGHT OF USE ASSETS		
Opening book value	169,522,097	171,248,441
Less: Depreciation charge for the period / year	(345,122)	(1,726,344)
	169,176,975	169,522,097
Transferred to operating assets	(169,176,975)	-
	-	169,522,097
9 INVESTMENT PROPERTY		
Land		
Opening balance	485,803,713	485,803,713
Building		
Opening net book value	387,256,572	403,392,263
Depreciation charge during the period / year	(3,872,566)	(16,135,691)
Closing net book value (Building)	383,384,006	387,256,572
	869,187,719	873,060,285
10 TRADE DEBTS		
Considered good		
Unsecured		
Local	14,444,600	18,774,802
	14,444,600	18,774,802

QUARTER ENDED

	Sep-30, 2021	Sep-30, 2020
	Rupees	Rupees
11 OTHER INCOME		
Income from assets other than financial assets:		
Rental Income	23,770,443	17,382,219
Fair value adjustment of deferred revenue	209,649	-
	23,980,092	17,382,219
12 FINANCE COST		
Interest / markup on:		
Long term financing	10,383,530	-
Fair value adjustment of loan from associates	209,649	-
Bank charges and commission	25,521	4,762
	10,618,700	4,762
12.1 No provision for markup has been made as per explanation in Note 5.1		
13 PROVISION FOR TAXATION		
Current		
For the period	5,514,743	4,032,675
	5,514,743	4,032,675

13.1 The provision for taxation made in this condensed interim financial information is subject to adjustment in annual financial statements.

14 TRANSACTIONS WITH RELATED PARTIES

The Company in the normal course of business carries out transactions with various related parties which comprise of associated undertaking, directors and key management personnel. Amounts due to and due from related parties are shown under relevant notes to the financial statements, no other significant transactions with related parties.

15 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year. Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements / re-classification have been made during the period except the following.

"Long term financing" amount Rs.5,101,277,739/- has been re-arranged as a "Long term financing before scheme of arrangement" and same for current portion amounting Rs.3,827,191,701/- as a "Current portion before scheme of arrangement".

16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors of the company and authorized for issue on **31-01-2024**.

17 GENERAL

Figures have been rounded off to the nearest Rupee except where mentioned otherwise.



CHIEF EXECUTIVE OFFICER



DIRECTOR

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