An aerial photograph of a city skyline, likely New York City, with a blue overlay. The Chrysler Building is prominent in the center. The text is overlaid on the top half of the image.

Half Yearly Account
for the Period Ended
December 31, 2023

**PERVEZ AHMED
CONSULTANCY
SERVICES LIMITED**

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COMPANY INFORMATION

Board of Directors	Mr. Ali Pervez Ahmed Mr. Muhammad Khalid Khan Mrs. Rehana Pervez Ahmed Mrs. Ayesha Ahmed Mansoor Mr. Muhammad Razzaq Mian Basit Rasheed Mr. Waqas Ahmad Khan	Chief Executive Chairman
Audit Committee	Mian Basit Rasheed Mr. Muhammad Khalid Khan Mrs. Ayesha Ahmed Mansoor	Chairman
Chief Financial Officer	Mr. Muhammad Yousuf	
Company Secretary	Mr. Rizwan Atta	
Auditors	M/s Rizwan & Company Chartered Accountants	
Legal Advisor	Cornelius, Lane & Mufti Advocates & Solicitors	
Banks	Al Baraka Bank (Pakistan) Limited MCB Bank Limited	
Registered Office	20-K, Gulberg II, Lahore.	
Share Registrars	THK Associates (Pvt.) Limited 32-C, Jami Commercial, Street No 2, D.H.A Phase VII, Karachi - 75500	
Website	www.pervezahmed.net	

DIRECTORS' REPORT

On behalf of the Board of Directors of Pervez Ahmed Consultancy Services Limited, we feel immense pleasure to present the un-audited financial statements of the Company for the half year ended December 31, 2023.

Financial Results of the Company

During the six month period ended December 31, 2023, the Company recorded an operating loss of Rs. 648,450 versus profit of Rs 415,551 in the same period of last year. Net profit for the half year ended December 31, 2023 remained Rs. 938,852 compared to net loss of Rs. 878,799 in the same period of last year. The earning per share for the six month ended December 31, 2023, recorded at Rs 0.005 as compared to loss per share of Rs. 0.005 for the same period of last year.

The auditor has expressed an adverse opinion in audit report with respect to going concern assumption, non recognition of mark-up and different litigations pending in the courts against the Company. However the management is making efforts for resolving these issues and regularizing operations of the Company

Future Outlook

The businesses are experiencing instability and uncertainty due to unfavourable economic conditions like growing inflation, aggressive monetary tightening and high energy costs. If the inflation rate is not brought under control, it could cause the country's economic growth to slow down and have a significant negative impact on economic activity. Additionally, now is the moment for policymakers to adopt a long-term perspective so that businesses may plan for the future. Pakistan's economy is also faces mounting pressures on account of the global situation. Going forward, the economic outlook is expected to be shaped largely by the revival of the IMF Program, restoration of political stability, and support from friendly countries along with the continued implementation of reforms aimed at stabilizing the economy to restore fiscal and external buffers.

Acknowledgement

The Board is thankful to its valued shareholders for their confidence in the Company, its clients, the Securities & Exchange Commission of Pakistan and to the management of Pakistan Stock Exchange Limited for their valuable support, assistance and guidance.

For & on behalf of the Board

Lahore
February 21, 2024


Ayesha Ahmed Mansoor
Director


Ali Pervez Ahmed
Chief Executive

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of PERVEZ AHMED CONSULTANCY SERVICES LIMITED Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of PERVEZ AHMED CONSULTANCY SERVICES LIMITED as at December 31, 2023 and the related 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 together with the selected notes forming part thereof, for the six month period then ended (hereinafter referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of the condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures included in condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2023 and 2022 and the notes forming part thereof have not been reviewed by us 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 December 31, 2023.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed 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

We believe that the procedures we have performed are sufficient and appropriate to provide a basis for our adverse conclusion and we report that:

- a. As referred to in note 2.2 to the condensed interim financial statements, the Company has accumulated losses of Rs. 1,630.473 million. Its current liabilities exceed current assets by Rs. 642.873 million. Further, the Company has had no notable operating activity since the Trading Rights Entitlement Certificate issued to the Company became inactive due to inadequate net capital balance and the Company has been placed on defaulters' segment by Pakistan Stock Exchange. Further, as fully explained in note 9.1.3 to the financial statements, the Additional Registrar of Companies ['ARC'], Securities and Exchange Commission of Pakistan has filed a petition in the Lahore High Court against the Company and its directors whereby the ARC has prayed that the affairs of the Company be declared as being conducted in an unlawful manner which is prejudicial to the shareholders, and that the Company and its Directors be ordered to buy back the shares of the minority shareholders at a price to be determined in accordance with the Rule Book of Pakistan

Stock Exchange Limited and that the directors be held responsible for not conducting the brokerage business as envisaged in the memorandum of association of the Company. Furthermore, the consequential cumulative effect of matters pending under litigations as explained in notes 9.1.1 and 9.1.2 to the financial statements also cannot be determined with certainty at this stage. These factors indicate existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. We consider that in the absence of any favorable settlement with the providers of debt finances/creditors and its ability to obtain further financing for revival of its operations, the Company may not be able to settle its liabilities and realize its assets in the normal course of business. Consequently, the use of going concern assumption in the preparation of annexed condensed interim financial statements is not appropriate and adjustments may be required to the recorded asset amounts and classification of liabilities. The condensed interim financial statements do not disclose this fact.

- b. The bankers of the company has filed a suit before the Lahore High Court for the recovery of outstanding debt finances as explained in note 9.1.2 to the condensed interim financial statements. The Company has not recognized mark up on the above said debt finances. As the matter is under litigation, the resultant liability has not been provided for in these condensed interim financial statements.
- c. As referred to in note 9.1.1 to the condensed interim financial statements, one of the creditors of the Company filed a suit against the Company for the recovery of Rs. 36.57 million including late payment surcharge amounting to Rs. 17.45 million. The Company has not made provision for late payment surcharge of Rs. 17.45 million as the legal counsel of the company is confident about the positive outcome of the case. Due to the matter under litigation the consequential cumulative effect has neither been determined nor adjusted in these condensed interim financial statements.

Adverse Conclusion

Based on our review, because of the significance of the matter described in the Basis for Adverse Conclusion paragraph above, the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The condensed interim financial statements of the Company for the period ended December 31, 2022 were reviewed by another auditor whose review report expressed modified conclusion on those condensed interim financial statements.

The engagement partner on the review resulting in this independent auditor's review report is Rashid Iqbal FCA.



RIZWAN AND COMPANY
Chartered Accountants

Date: FEBRUARY 21, 2024
Place: LAHORE

UDIN: RR2023101016dTquFMLD

PERVEZ AHMED CONSULTANCY SERVICES LIMITED
 CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
 AS AT 31 DECEMBER 2023

		Un-audited December 31, 2023	Audited June 30, 2023
		(Rupees)	
ASSETS	NOTE		
NON CURRENT ASSETS			
Property and equipment	5	19,094	21,600
Long term investments	6	80,206,636	78,619,334
Long term deposits		<u>150,000</u>	<u>150,000</u>
		<u>80,375,730</u>	<u>78,790,934</u>
CURRENT ASSETS			
Short term investments		<u>2,222,867</u>	2,141,199
Trade receivables & prepayments		<u>1,721,555</u>	1,180,000
Bank balances		<u>1,480,284</u>	1,542,766
		<u>5,424,706</u>	4,863,965
CURRENT LIABILITIES			
Trade and other payables		<u>(480,934,662)</u>	(481,197,977)
Unclaimed dividend		<u>(885,404)</u>	(885,404)
Accrued interest	7	<u>(21,757,327)</u>	(21,757,327)
Short term borrowings	8	<u>(89,839,551)</u>	(89,839,551)
Due to related parties		<u>(54,820,713)</u>	(53,350,713)
Provision for taxation		<u>(60,000)</u>	(60,000)
		<u>(648,297,657)</u>	(647,090,972)
NET CURRENT ASSETS		<u>(642,872,951)</u>	(642,227,007)
NON-CURRENT LIABILITIES			
		-	-
NET ASSETS		<u>(562,497,221)</u>	(563,436,073)
SHARE CAPITAL AND RESERVES			
<i>Authorized share capital</i>		<u>2,300,000,000</u>	<u>2,300,000,000</u>
Issued share capital		1,865,684,870	1,865,684,870
Discount on issue of shares		(818,331,810)	(818,331,810)
Retained earnings		<u>(1,630,473,131)</u>	<u>(1,631,411,983)</u>
		<u>(583,120,071)</u>	<u>(584,058,923)</u>
Share deposit money		<u>20,622,850</u>	<u>20,622,850</u>
TOTAL EQUITY		<u>(562,497,221)</u>	(563,436,073)
CONTINGENCIES AND COMMITMENTS			
	9	-	-
		<u>(562,497,221)</u>	<u>(563,436,073)</u>

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

Arshad Ahmad Hassan

Director

[Signature]

Chief Financial Officer

[Signature]

Chief Executive

PERVEZ AHMED CONSULTANCY SERVICES LIMITED

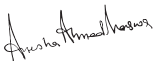
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE QUARTER AND SIX MONTH PERIOD ENDED DECEMBER 31, 2023

(UN-AUDITED)

	HALF YEAR ENDED		QUARTER ENDED	
	Un-Audited	Un-Audited	Un-Audited	Un-Audited
	01 Jul., 2023 to 31 Dec., 2023	01 Jul., 2022 to 31 Dec., 2022	01 Oct., 2023 to 31 Dec., 2023	01 Oct., 2022 to 31 Dec., 2022
NOTE	(Rupees)		(Rupees)	
Revenue from contracts with customers	-	600,000	-	-
Administrative expenses	(730,118)	(758,994)	(391,867)	(354,862)
Changes in fair value of short term investments	81,668	574,545	91,236	465,324
	(648,450)	415,551	(300,631)	110,462
Share of profit/(loss) of associate	1,587,302	(1,286,850)	1,304,298	(1,053,699)
Profit/(loss) before taxation	938,852	(871,299)	1,003,667	(943,237)
Provision for taxation	10	(7,500)	-	(7,500)
Profit/(loss) after taxation	938,852	(878,799)	1,003,667	(950,737)
Earning/(loss) per share - basic and diluted	0.005	(0.005)	0.005	(0.005)

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



Director



Chief Financial Officer

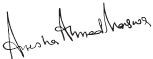


Chief Executive

PERVEZ AHMED CONSULTANCY SERVICES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND SIX MONTH PERIOD ENDED DECEMBER 31, 2023
(UN-AUDITED)

	HALF YEAR ENDED		QUARTER ENDED	
	Un-Audited	Un-Audited	Un-Audited	Un-Audited
	01 Jul., 2023 to 31 Dec., 2023	01 Jul., 2022 to 31 Dec., 2022	01 Oct., 2023 to 31 Dec., 2023	01 Oct., 2022 to 31 Dec., 2022
	(Rupees)		(Rupees)	
Profit/(loss) after taxation	938,852	(878,799)	1,003,667	(950,737)
Other comprehensive income	-	-	-	-
Total comprehensive profit/(loss)	938,852	(878,799)	1,003,667	(950,737)

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



Director



Chief Financial Officer



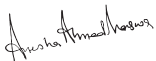
Chief Executive

PERVEZ AHMED CONSULTANCY SERVICES LIMITED
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
 FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2023 (UN-AUDITED)

SHARE CAPITAL	Share deposit money	CAPITAL RESERVES	Accumulated Losses	TOTAL EQUITY
		Discount on issue of shares		
(Rupees)				

Balance as at 30 June 2022 (Audited)	1,865,684,870	20,622,850	(818,331,810)	(1,628,816,220)	(560,840,310)
Comprehensive income					
Loss after taxation	-	-	-	(878,799)	(878,799)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	(878,799)	(878,799)
Transaction with owners	-	-	-	-	-
Balance as at 31 December 2022 (Un-audited)	1,865,684,870	20,622,850	(818,331,810)	(1,629,695,019)	(561,719,109)
Comprehensive income					
Loss after taxation	-	-	-	(1,716,964)	(1,716,964)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	-	(1,716,964)	(1,716,964)
Transaction with owners	-	-	-	-	-
Balance as at 30 June 2023 (Audited)	1,865,684,870	20,622,850	(818,331,810)	(1,631,411,983)	(563,436,073)
Comprehensive income					
Profit after taxation	-	-	-	938,852	938,852
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	938,852	938,852
Transaction with owners	-	-	-	-	-
Balance as at 31 December 2023 (Un-audited)	1,865,684,870	20,622,850	(818,331,810)	(1,630,473,131)	(562,497,221)

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



Director



Chief Financial Officer



Chief Executive

PERVEZ AHMED CONSULTANCY SERVICES LIMITED

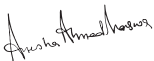
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2023 (UN-AUDITED)

Six-months period ended	
01 Jul., 2023 to 31 Dec., 2023	01 Jul., 2022 to 31 Dec., 2022
(Rupees)	

CASH FLOWS FROM OPERATING ACTIVITIES

Profit/(loss) before taxation	938,852	(878,799)
Adjustments for non-cash and other items		
Changes in fair value of investments at fair value through profit or loss	(81,668)	(574,545)
Share of (Profit) of associate	(1,587,302)	1,286,850
Depreciation	2,506	3,350
	<u>(1,666,464)</u>	<u>715,655</u>
Operating loss before working capital changes	(727,612)	(163,144)
Changes in working capital		
Trade and other payables	(263,315)	(425,569)
Other receivables	(541,555)	(1,129,427)
	<u>(804,870)</u>	<u>(1,554,996)</u>
Net cash used in operations	(1,532,482)	(1,718,140)
Income tax paid	-	(99,000)
Net cash used in operating activities	(1,532,482)	(1,817,140)
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings from related parties	1,470,000	1,885,000
Net cash generated from financing activities	1,470,000	1,885,000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(62,482)	67,860
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE PERIOD	1,542,766	1,474,167
CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD	1,480,284	1,542,027

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



Director



Chief Financial Officer



Chief Executive

PERVEZ AHMED CONSULTANCY SERVICES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2023 (UN-AUDITED)

1 LEGAL STATUS AND OPERATIONS

Pervez Ahmed Consultancy Services Limited [‘the Company’] was incorporated in Pakistan on 08 June 2005 as a Single Member Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and was later converted to Public Limited Company and listed on Pakistan Stock Exchanges Limited. The Company was primarily a brokerage house engaged in the shares brokerage and trading, consultancy services and underwriting. However, the Company has amended its memorandum of association to change its principal activity to act as consultants and advisors to individual, corporations, financial institutions, Government bodies and departments, Companies, corporations and other entities. The registered office of the Company is situated at 20-K Gulberg II, Lahore.

1.1 Placement on defaulters segment

The Company has been placed on defaulters segment by Pakistan Stock Exchange.Limited

2 BASIS OF PREPARATION

The interim financial statements are un-audited and has been presented in condensed form and do not include all the information as is required to be provided in a full set of annual financial statements. These interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 30 June 2023.

This interim financial statements have been subjected to limited scope review by the auditors of the company, as required by the Companies Act, 2017 under section 237. The comparative condensed interim statement of financial position as at 30 June 2023 and the related notes to the interim financial statements are based on audited financial statements. The comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and related notes to the condensed interim financial statements for the six month period ended 31 December 2022 are based on unaudited, reviewed interim financial statements. The condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended 31 December 2023

2.1 Statement of compliance

These 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 comprises of:

- International Accounting Standard 34 - Interim Financial Reporting, issued by 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 Going concern assumption

The Company has accumulated losses of Rs. 1,630.473 million. Its current liabilities exceed current assets by Rs. 642.873 million. Further, the Trading Rights Entitlement Certificate issued to the Company was inactive due to inadequate net capital balance and the same has been transferred to third party. These factors indicates existense of material uncertainty that raise doubts about the Company’s ability to continue as a going concern and that the Company may not be able to discharge its liabilities and realize its assets in the normal course of bussiness. However, these interim financial statements have been prepared on a going concern basis based on the following:

- The Company has amended its memorandum of association and changed its principal activity to act as consultants and advisors to individual, corporations, financial institutions, Government bodies and departments, Companies, corporations and other entities.
- Negotiations with lenders regarding settlement of overdue debt finances.
- The Company has continued financial support of its sponsors and associated companies in the form of interest free advances

2.3 Basis of measurement

Items	Measurement basis
Financial liabilities	Amortized cost
Financial assets	Fair value/amortized cost

2.4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Subsequently, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.5 Functional currency

These interim financial statements have been prepared in Pak Rupees which is the Company's functional currency. The amounts reported in these interim financial statements have been rounded to the nearest Rupees unless specified otherwise.

3 Material accounting policy information

- 3.1 The material accounting policy information and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2023.
- 3.2 There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 01, 2023. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these

4 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended 30 June 2023.

		(Un-audited) December 31, 2023	(Audited) June 30, 2023
	NOTE	(Rupees)	
5 PROPERTY AND EQUIPMENT			
Net book value at the beginning of the period/year		21,600	28,298
Depreciation for the period/year		(2,506)	(6,698)
Net book value at end of the period/year		<u>19,094</u>	<u>21,600</u>
6 LONG TERM INVESTMENTS			
Investment in related parties	6.1	76,577,736	74,990,434
Other investments	6.2	3,628,900	3,628,900
		<u>80,206,636</u>	<u>78,619,334</u>
6.1 Investment in related parties			
Pervez Ahmed Capital (Private) Limited	6.1.1	76,577,736	74,990,434
Origins Fabrics (Private) Limited	6.1.2	-	-
		<u>76,577,736</u>	<u>74,990,434</u>

6.1.1 Pervez Ahmed Capital (Private) Limited

This represents investment in ordinary shares of Pervez Ahmed Capital (Private) Limited ['PACL'], an associate. PACL is incorporated in Pakistan as a Private Limited Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the Company is to carry on the business of stock brokerage, underwriting and investments. The registered office of the Company is situated at 1-A/565, Block – 3, Gulshan Iqbal, Karachi.

The investment has been accounted for using the equity method. Particulars of investment are as follows:

	(Un-audited) December 31, 2023	(Audited) June 30, 2023
	(Rupees)	
Cost of investment		
8,498,300 (30 June 2023: 8,498,300) fully paid ordinary shares of Rs. 10 each	84,983,000	84,983,000
Share of post acquisition losses	(8,405,264)	(9,992,566)
	<u>76,577,736</u>	<u>74,990,434</u>
Percentage of ownership interest	<u>49.36%</u>	<u>49.36%</u>

Extracts of financial statements of associate

The assets and liabilities of Pervez Ahmed Capital (Private) Limited as at the reporting date and related revenue and profit based on the associate's un-audited financial statements for the reporting period are as follows:

	(Un-audited) December 31, 2023	(Audited) June 30, 2023
	(Rupees)	
Non-current assets	17,461,796	14,225,852
Current assets	137,680,612	137,810,791
Non-current liabilities	-	-
Current liabilities	1,129	111,129
Profit/(loss) for the period/year	3,215,765	(3,532,640)
Share of profit/(loss)	1,587,302	(1,743,711)

6.1.2 Origins Fabrics (Private) Limited

Cost of investment	9,000,000	9,000,000
Changes in fair value	(9,000,000)	(9,000,000)
	-	-

This represents investment in 900,000 ordinary shares of Origins Fabric (Private) Limited ['OFPL']. OFPL was incorporated for the purpose of acquiring exclusive rights of ORIGINS LAWN, an extension of an already established and renowned retail brand ORIGINS READY TO WEAR. The Company's shareholding in OFPL comprises 10,000 voting ordinary shares of Rs. 10 each and 890,000 non-voting ordinary shares of Rs. 10 each. The voting power held by the Company does not constitute control or significant influence. Therefore the investment has been accounted for under IFRS 9 - 'Financial Instruments' and mandatorily classified as 'financial asset at fair value through profit or loss'.

The investment was made by the Company with a view to profit from total return of the investee in the form of dividends and changes in fair value. However, as the Company lacks future prospects, the management believes that the fair value of the investment is nil.

6.2 Other investments

These represent investments in the following un-quoted equity securities.

		(Un-audited) December 31, 2023	(Audited) June 30, 2023
		(Rupees)	
Dawood Family Takaful Limited	6.2.1	5,000,000	5,000,000
Changes in fair value		(1,371,100)	(1,371,100)
		3,628,900	3,628,900

6.2.1 These represent 500,000 (30 June 2023: 500,000) ordinary shares of Rs. 10 each. The investment is held for an indefinite period and has been mandatorily classified as 'financial asset at fair value through profit or loss'. The fair value of investment has been determined on the basis of break-up value per share based on most recent audited financial statements available of the investee for the year ended 31 December 2022.

7 ACCRUED INTEREST

This represents over-due interest on borrowings.

8 SHORT TERM BORROWINGS

The represents overdue borrowings. The Company does not have any lines of credit arrangements as the reporting date.

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

- 9.1.1 One of the creditors of the Company filed suit against the Company for the recovery of Rs. 36.57 million including late payment surcharge amounting to Rs. 17.45 million. The Company has filed a counter claim of Rs. 18.86 million against the creditor. No provision has been made in this regard as the management of the Company expects favourable outcome of the suit.
- 9.1.2 Al Baraka Bank (Pakistan) Limited has filed a suit before the Lahore High Court against the Company for recovery of outstanding debts finances and interest thereon.
- 9.1.3 The Additional Registrar of Companies [ARC] Securities and Exchange Commission of Pakistan has filed a petition in the Lahore High Court against the Company and its directors whereby the ARC has prayed that the affairs of the Company be declared as being conducted in an unlawful manner which is prejudicial for the shareholders, that the Company and its Directors be ordered to buy back the shares of minority shareholders at a price to be determined in accordance with Rule Book of Pakistan Stock Exchange Limited and that the directors be held responsible for not conducting the brokerage business as envisaged in the memorandum of association of the Company. The prayer has been made on the following
- The Company is not being run in accordance with the law and the state of affairs of the Company are prejudicial to the interest of the minority shareholders as the some minority shareholders have filed a complaint to that effect.
 - The Company has not declared any dividends 2008-09 and its does not have a bright future outlook as the directors have no concrete plan for the revival of business of the Company.
 - The Company is principally a brokerage house and has sold its Trading Rights Entitlement Certificate [TREC] of Lahore Stock Exchange, without which the Company cannot operate as a brokerage house. (The TREC was sold without the authority of shareholders in general meeting for which the directors of the Company have already been fined Rs. 700,000 vide Securities and Exchange Commission of Pakistan's order dated 14 June 2016).
 - The Company has not recognized any provision against debt owed to a creditor of Rs. 36.57 million including late payment surcharge amounting to Rs. 17.45 million.

The petition is pending adjudication. The outcome of the petition cannot be ascertained as at the reporting date with certainty.

9.2 Commitments

There are no material commitments as at the reporting date.

10 PROVISION FOR TAXATION

Provision for taxation has been calculated by taking into account higher of normal tax or ACT under section 113 of Income Tax Ordinance, 2001. However, due to taxable loss, no tax provision has been made for the period.

11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associates and associated undertakings, sponsors and directors, and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company. Key management personnel do not draw any compensation from the Company. Transactions with sponsors and directors are limited to provision of temporary interest free loans to the Company. Transactions with associates and associated undertakings are limited to provision of interest free loans to the Company.

Details of transactions with related parties are as follows:

(UN-AUDITED)	
HALF YEAR ENDED	
December 31, 2023	December 31, 2022
Rupees	

11.1 Transactions with related parties

Nature of relationship	Nature of transactions		
Associated companies and undertakings	Borrowings obtained - net	1,470,000	1,885,000

11.2 Balances with related parties

Nature of relationship	Nature of balance		
Associated companies and undertakings	Borrowings	17,792,931	16,182,931
	Advance against issue of ordinary shares	20,622,850	20,622,850
Sponsors and directors	Borrowings	37,027,782	34,975,452

12 FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments by class and category are as follows:

(Un-audited)	(Audited)
December 31, 2023	June 30, 2023
Rupees	

12.1 Financial assets

Financial assets at amortized cost

Long term deposits	150,000	150,000
Cash at banks	1,480,284	1,542,766

Financial assets mandatorily measured at fair value through profit or loss

Long term investments	3,628,900	3,628,900
Short term investments	2,222,867	2,141,199
	7,482,051	7,462,865

12.2 Financial liabilities

Financial liabilities at amortized cost

Short term borrowings	89,839,551	89,839,551
Accrued interest	21,757,327	21,757,327
Trade creditors	472,430,985	472,430,985
Payable against purchase of investment	4,086,600	4,086,600
Other payables	1,875,571	2,138,886
	589,990,034	590,253,349

13 FAIR VALUE MEASUREMENTS

13.1 Financial Instruments

13.1.1 Financial instruments measured at fair value

The Company measures some of its assets at fair value. The fair value hierarchy of financial instruments measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

The fair value hierarchy of assets measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

a) **Recurring fair value measurements** (Un-audited) (Audited)
December 31, 2023 June 30, 2023

Nature of asset	Hierarchy	Valuation technique and key inputs	Rupees	
			(Un-audited) December 31, 2023	(Audited) June 30, 2023
Investment in unquoted securities (Long term investment)	Level 2	Break-up value	3,628,900	3,628,900
Investment in listed securities (Short term investments)	Level 1	Quoted bid prices in	2,222,867	2,141,199

14 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period that may require adjustment of and/or disclosure in these interim financial statements.

15 RECOVERABLE AMOUNTS AND IMPAIRMENT

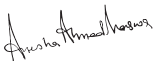
As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these interim financial

16 DATE OF AUTHORIZATION FOR ISSUE

These interim financial statements have been approved by the Board of Directors of the Company and authorized for issue on 21 February 2024.

17 GENERAL

- 17.1 There are no other significant activities since 30 June 2023 affecting the interim financial
- 17.2 Corresponding figures have been re-arranged where necessary to facilitate comparison. However, there are no significant reclassifications during the period.



Director



Chief Financial Officer



Chief Executive

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