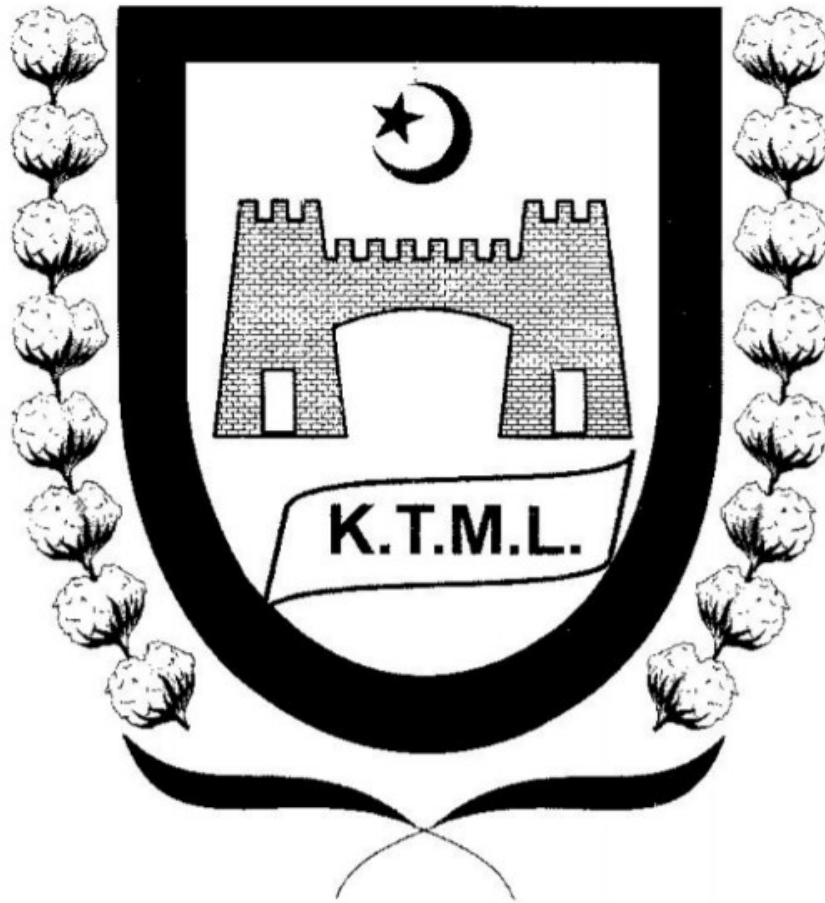


# **KHYBER TEXTILE MILLS LIMITED**

## **HALF YEARLY REVIEWED FINANCIAL STATEMENTS**

**As on December 31, 2023**



**Baldher, District Haripur, Khyber Pakhtunkhwa**

## COMPANY INFORMATION

<b>CHAIRMAN</b>	Mr. Aurangzeb Khan
<b>CHIEF EXECUTIVE</b>	Mr. Adam Jadoon
<b>DIRECTORS</b>	Mr. Aurangzeb Khan Mr. Adam Jadoon Mr. Amanullah Khan Jadoon Mr. Hassan Ovais Mrs. Aamna Jadoon Mr. Muhammad Bahauddin Mr. Nusrat Iqbal
<b>AUDIT COMMITTEE</b>	
<b>CHAIRMAN</b>	Mr. Nusrat Iqbal
<b>MEMBER</b>	Mrs. Aamna Jadoon
<b>MEMBER</b>	Mr. Muhammad Bahauddin
<b>HR&amp; R COMMITTEE</b>	
<b>CHAIRMAN</b>	Mr. Nusrat Iqbal
<b>MEMBER</b>	Mr. Muhammad Bahauddin
<b>MEMBER</b>	Mr. Adam Jadoon
<b>SECRETARY</b>	Mr..Sadaqat Khan
<b>C.F.O</b>	Mr. Taj Muhammad
<b>AUDITORS</b>	M/s Clarkson Hyde Saud Ansari Chartered Accountants
<b>SHARE REGISTRAR</b>	F.D. Registrar Services (SMC-Pvt) Ltd
<b>REGISTERED OFFICE &amp; HEAD OFFICE</b>	Khyber Textile Mills Ltd. Baldher, District Haripur, Khyber Pakhtunkhawa
<b>MILLS</b>	Baldher, District Haripur, Khyber Pakhunkhawa
<b>Website address:-</b>	<a href="http://www.khybertextile.com">www.khybertextile.com</a>
<b>Email Address:-</b>	<a href="mailto:info@khybertextile.com">info@khybertextile.com</a>
<b>Phone No:-</b>	0995-655048

## Directors Report

On behalf of the Board of Directors (BOD), we are pleased to present the Half Yearly Reviewed Financial Statements for the period ending 31<sup>st</sup> December 2023. Moreover, matters, such as the current operations and business activities of the Company, ongoing banking litigation, credit restrictions and the closure of textile production, were reviewed.

In line with the decisions made during previous AGMs and per the BOD's instructions and approval, Management has repurposed most of the Company's empty land for agricultural business activities, including a farm for the purchasing, rearing and sales of livestock. Management has also reduced input costs of the farm by growing fodder on the agricultural land. Furthermore, Management has successfully continued to rent some of its vacant buildings and warehouses to generate additional income for the Company. Management is using these funds to reinvest in the Company's operations. Therefore, the Company has generated revenue during the period under review, which has been reflected in the Half Yearly Reviewed Financial Statements annexed herewith.

The main obstacle in restarting textile production has been the restrictions on access to credit facilities due to the litigation pending in the High Courts by the Banks to recover fictional liabilities. Thus, due to credit constraints, the Company is unable to complete BMR and obtain the required working capital essential to restarting textile production. Additionally, the banks were delaying the finalization of litigation to extend their financial constraints and pressure the Company to give into their unwarranted demands. Nevertheless, efforts are being made to defend the Company's interest before the High Courts to end this groundless litigation.

Despite these issues, the Company is covering expenses, investing in, and generating revenue from its current business activities, while also operating as an active taxpayer.

For and on Behalf of Board of Directors,



Chief Executive

Adam Jadoon



Director

Muhammad Bahauddin

Baldher, Haripur

Dated: 26<sup>th</sup> February, 2024

## ڈائریکٹر ز رپورٹ

بورڈ آف ڈائریکٹرز (BOD) کی جانب سے، ہمیں 31 دسمبر 2023 کو ختم ہونے والی مدت کے لیے ششماہی نظر ثانی شدہ مالیاتی گوشواروں کو پیش کرتے ہوئے خوشی ہو رہی ہے۔ مزید یہ کہ معاملات، جیسے کمپنی کے موجودہ آپریشنز اور کاروباری سرگرمیاں، جاری بینکنگ قانونی چارہ جوئی، قرضوں کی پابندیوں اور ٹیکسٹائل کی پیداوار کی بندش کا جائزہ لیا گیا۔

گزشتہ AGM کے دوران کیے گئے فیصلوں کے مطابق اور BOD کی ہدایات اور منظوری کے مطابق، مینجمنٹ نے کمپنی کی زیادہ تر خالی زمین کو زرعی کاروباری سرگرمیوں کے لیے استعمال کیا ہے، جس میں مویشیوں کی خرید، پرورش اور فروخت کے لیے لائیو سٹاک فارم بھی شامل ہے۔ انتظامیہ نے کمپنی کی زرعی زمین پر چارہ اگانے کے ذریعے فارم کی لاگت کو بھی کم کر دیا ہے۔ مزید برآں، انتظامیہ نے کمپنی کے لیے اضافی آمدنی پیدا کرنے کے لیے اپنی خالی عمارتوں اور گوداموں کو کرائے پر دینا جاری رکھا ہے۔ انتظامیہ ان فنڈز کو کمپنی کے آپریشنز میں دوبارہ سرمایہ کاری کے لیے استعمال کر رہی ہے۔ لہذا، کمپنی نے زیر جائزہ مدت کے دوران آمدنی حاصل کی ہے، جن کی تفصیل ان ششماہی مالیاتی اکاؤنٹس میں موجود ہے۔

ٹیکسٹائل کی پیداوار کو دوبارہ شروع کرنے میں بنیادی رکاوٹ بینکوں کی جانب سے فرضی واجبات کی وصولی کے لیے ہائی کورٹس میں زیر التوا قانونی چارہ جوئی کی وجہ سے کریڈٹ سہولیات تک رسائی پر پابندیاں ہیں۔ ٹیکسٹائل کی پیداوار کو دوبارہ شروع کرنے کے لیے سرمائے کی ضرورت ہے۔ مزید برآں، بینک قانونی چارہ جوئی کو حتمی شکل دینے میں تاخیر کر رہے ہیں تاکہ کمپنی کی مالی رکاوٹوں کو بڑھایا جاسکے اور کمپنی پر دباؤ ڈالا جائے کہ وہ ان کے غیر ضروری مطالبات تسلیم کر لیں۔ اس کے باوجود، اس بے بنیاد قانونی چارہ جوئی کو ختم کرنے کے لیے ہائی کورٹس کے سامنے کمپنی کے مفاد کا دفاع کیا جا رہا ہے۔

ان مسائل کے باوجود، کمپنی اپنی موجودہ کاروباری سرگرمیوں سے سرمایہ کاری کر کے آمدن حاصل کر رہی ہے۔ جس سے روزمرہ اخراجات ادا کر رہی ہے اور کمپنی ایک فعال ٹیکس دہندہ ہے۔

بورڈ آف ڈائریکٹرز کے لیے اور ان کی جانب سے،



ڈائریکٹر  
محمد بہاؤ الدین



چیف ایگزیکٹو  
آدم جدون

**INDEPENDENT AUDITOR'S REVIEW REPORT**  
**To the Members of : KHYBER TEXTILE MILLS LIMITED**  
**Report on Review of Interim Financial Statements**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **KHYBER TEXTILE MILLS LIMITED**(the Company)as at December 31, 2023, the related condensed interim statement of profit or loss and statement of other 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 half year then ended (here-in-after referred to as the "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.

**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 Auditors of the Entity". A review of interim financial statement 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 Qualified Conclusion**

During the year ended June 30, 2021, the Company wrote back creditors amounting to Rs.18,122,154. The Company had been making efforts to contact the creditors for verification of balances, but there was no response in spite of repeated reminders, therefore the Company decided to write back the same, as they have been outstanding for a very long time. In our opinion this write back, constitutes a departure from the International Financial Reporting Standards (Paragraph 3.3.1 of IFRS-9). Had this write back not been made the current liabilities would have been higher and the shareholder's equity would have been lower by this amount in the interim statement of financial position as on December 31, 2023.

We have qualified our audit opinion on the financial statements for the year ended June 30, 2023, owing to this matter, therefore our conclusion on the condensed interim financial statements is also qualified because of the effect of this matter on the comparability of the interim statement of financial position and the corresponding statement of financial position.

**Qualified Conclusion**

Based on our review, *with the exception of the matter described in the preceding paragraph*, nothing has come to our attention that causes us to believe that the accompanying 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.

**Emphasis of Matter**

We draw attention to Note 2.4 to the condensed interim financial statements, which states that these financial statements have been prepared on going concern basis, yet there were factors which had affected the Company's ability to continue as a going concern in the past. Textile operations have been suspended since July 2007. However, the Company changed its line of operations few years back and has been able to generate net cash inflows. The Company is solvent and the Management has concluded that no material uncertainty exists which cast significant doubt on the Company's ability to continue as going concern. A detailed explanation is given in the aforesaid note.

**Other Matter**

The figures of the condensed interim statement profit or loss and other comprehensive income for the quarters ended December 31, 2022 and 2023 have not been reviewed as we were required to review only the cumulative figures for the half year ended December 31, 2023.

The engagement partner on the review resulting in this independent auditor's review report is **SAUD ANSARI**.



**Clarkson Hyde Saud Ansari**

Chartered Accountants

Karachi.

Dated: February 26, 2024

UDIN:RR202310149TJipLozEU

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	Note	Dec. 31, 2023 Unaudited	June 30, 2023 Audited
Rupees			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	3	948,069,481	952,750,359
Bearer Plants (Biological assets)		87,950	72,450
Long Term Deposits		88,983	88,983
		948,246,414	952,911,792
<b>CURRENT ASSETS</b>			
Inventory - Livestock (Biological Assets)		1,662,300	1,663,200
Inventory - Animal Feed and Medicines		1,194,230	120,880
Stores and Spares	4	-	-
Advances and Other Receivable		704,117	23,617
Cash and Bank Balances	5	8,008,501	11,621,222
		11,569,148	13,428,919
		959,815,562	966,340,711
<b>SHARE CAPITAL AND RESERVES</b>			
Share Capital		12,275,030	12,275,030
<b>Capital Reserve</b>			
Statutory Reserve		257,782	257,782
Revaluation Surplus		915,992,310	919,741,339
<b>Revenue Reserve</b>			
Unappropriated Profit		(14,085,974)	(13,116,647)
		914,439,148	919,157,504
<b>NON CURRENT LIABILITIES</b>			
Loan from Shareholder	6	16,500,757	16,500,757
Deferred Taxation		21,212,981	22,329,454
		37,713,738	38,830,211
<b>CURRENT LIABILITIES</b>			
Short Term Loan from Directors	7	7,459,718	7,809,718
Trade and Other Payables	8	202,958	543,278
		7,662,676	8,352,996
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9		
		959,815,562	966,340,711

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



Chief Executive



Director



Chief Financial Officer

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Note		Half Year ended Dec. 31		Quarter ended Dec. 31	
	2023	2022	2023	2022	2023	2022
	Rupees		Rupees		Rupees	
<b>SALES</b>	1,848,000	12,280,000	-	-	-	-
Less: COST OF SALES	2,363,806	8,300,656	620,753	56,548	620,753	56,548
<b>GROSS PROFIT</b>	(515,806)	3,979,344	(620,753)	(56,548)	(620,753)	(56,548)
Less: Administrative, Selling and General Expenses	8,547,638	8,592,810	4,077,285	4,507,619	4,077,285	4,507,619
	(9,063,444)	(4,613,466)	(4,698,038)	(4,564,167)	(4,698,038)	(4,564,167)
<b>OTHER INCOME</b>						
Rent	2,993,100	2,760,680	1,486,450	1,415,750	1,486,450	1,415,750
Agricultural Income	240,000	84,500	165,000	184,500	165,000	184,500
<b>OPERATING (LOSS)</b>	(5,830,344)	(1,768,286)	(3,046,588)	(2,963,917)	(3,046,588)	(2,963,917)
Less: Financial Expenses	4,485	1,012	3,220	374	3,220	374
<b>(LOSS) BEFORE TAXATION</b>	(5,834,829)	(1,769,298)	(3,049,808)	(2,964,291)	(3,049,808)	(2,964,291)
<b>TAXATION</b>						
Current	-	-	-	-	-	-
Deferred	(1,116,473)	(1,582,676)	-	-	-	-
	(1,116,473)	(1,582,676)	-	-	-	-
<b>NET (LOSS) FOR THE PERIOD</b>	(4,718,356)	(186,622)	(3,049,808)	(2,964,291)	(3,049,808)	(2,964,291)
<b>OTHER COMPREHENSIVE INCOME</b>	-	-	-	-	-	-
<b>TOTAL COMPREHENSIVE / (LOSS) FOR THE PERIOD</b>	(4,718,356)	(186,622)	(3,049,808)	(2,964,291)	(3,049,808)	(2,964,291)
<b>EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED</b>	(3.84)	(0.15)	(2.48)	(2.41)	(2.48)	(2.41)

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



Chief Executive



Director



Chief Financial Officer



**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	SHARE CAPITAL	CAPITAL RESERVE		REVENUE RESERVE	Total
	Issued, Subscribed & Paid Up Capital	Statutory Reserve	Revaluation Surplus	Unappropriated Profit	
	'----- Rupees -----'				
Balance as at July 1, 2022	12,275,030	257,782	927,295,959	(16,786,696)	923,042,075
Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment (net of tax)	-	-	(4,533,707)	4,533,707	-
Total Comprehensive Loss for the Half Year	-	-	-	(186,622)	(186,622)
Balance as at December 31, 2022	<b>12,275,030</b>	<b>257,782</b>	<b>922,762,252</b>	<b>(12,439,611)</b>	<b>922,855,453</b>
Balance as at July 1, 2023	12,275,030	257,782	919,741,339	(13,116,647)	919,157,504
Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment	-	-	(3,749,029)	3,749,029	-
Total Comprehensive Income for the Half Year	-	-	-	(4,718,356)	(4,718,356)
Balance as at December 31, 2023	<b>12,275,030</b>	<b>257,782</b>	<b>915,992,310</b>	<b>(14,085,974)</b>	<b>914,439,148</b>

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



Chief Executive



Director



Chief Financial Officer

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Half Year ended Dec. 31	
	2023	2022
	Rupees	
<b>CASH FROM OPERATING ACTIVITIES</b>		
(Loss) after Taxation	(5,834,829)	(1,769,298)
Adjustments for:		
Depreciation	4,680,878	5,093,279
Financial Expenses	4,485	1,012
Operating profit before working capital changes	(1,149,466)	3,324,993
(Increase)/Decrease in Operating Assets		
Inventory - Livestock	900	6,453,600
Inventory - Animal Feed and Medicines	(1,073,350)	(113,440)
	(2,221,916)	9,665,153
Increase/(Decrease) in Operating Liabilities		
Trade and Other Payables	(340,320)	(312,200)
Cash generated from/(used in) operations	(2,562,236)	9,352,953
Financial Expenses	(4,485)	(1,012)
Income Tax Paid	(680,500)	(610,750)
<b>Net Cash from/(used in) Operating Activities</b>	<b>(3,247,221)</b>	<b>8,741,191</b>
<b>CASH FROM INVESTING ACTIVITIES</b>	-	-
Expenditure on Bearer Plants	(15,500)	-
<b>Net Cash from/(used in) Financing Activities</b>	<b>(15,500)</b>	<b>-</b>
<b>CASH FROM FINANCING ACTIVITIES</b>		
Repayment of Director's Loan	(350,000)	(750,000)
<b>Net Cash from/(used in) Financing Activities</b>	<b>(350,000)</b>	<b>(750,000)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(3,612,721)</b>	<b>7,991,191</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>11,621,222</b>	<b>2,006,927</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>8,008,501</b>	<b>9,998,118</b>



Chief Executive



Director



Chief Financial Officer

**KHYBER TEXTILE MILLS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED**  
**DECEMBER 31, 2023**

**1 CORPORATE AND GENERAL INFORMATION**

Khyber Textile Mills Limited is a Public Limited Company, incorporated on 26th August, 1961 under the Companies Act, 1913 (Now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The activities of the Company were the manufacture and sale of cotton/polyester yarn and cloth, however due to external factors production was halted. Consequently, the Company has been operating an agricultural livestock business on its vacant land since 2017, as a revised principal line of business of the Company, that is agricultural, which was approved by the Registrar of Companies in 2019. It has also been carrying out alternative business activities of renting excess buildings for warehousing and rental purposes since 2016.

The geographical locations and addresses of Company's premises are as under:

- The registered office of the Company, the production facility and agricultural farms are located at Baldher, District Haripur, Khyber

**2 BASIS OF PRESENTATION**

**2.1 Purpose of Issuance**

These condensed interim financial statements have been issued to the shareholders to comply with Section 237 of the Companies Act, 2017 are un-audited but subject to limited scope review by the external auditors as required by the Companies Act, 2017 and Code of Corporate Governance.

**2.2 Statement of Compliance**

These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 – “Interim Financial Reporting” and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements do not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended June 30, 2023. These condensed interim financial statements are unaudited.

**2.3 Comparative Financial Informationm**

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2023, whereas the comparative condensed interim profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement, are extracted from the unaudited condensed interim financial statements for the half year ended December 31, 2022.

**2.4 Basis of Measurement**

These condensed interim financial statements have been prepared under the historical cost convention except for certain items of property, plant and equipment, which are carried at revalued amounts, less accumulated depreciation .

### Going Concern Assumption

These condensed interim financial statements have been prepared on a going concern basis, as opposed to the Company's ability to continue as a going concern in the past. The primary issue being that the Textile operations have been suspended since FY 2008. The core reason for the continued adverse situation is the financial squeeze resulting from on going litigation in the High Courts. Consequently, the Company continues to appear on the SBP Credit Information Bureau Report as a defaulter of National Bank of Pakistan, which has caused a complete restriction on access to credit from the financial institutions. The continued litigation also restricts the Company from disposing of its excess land to meet the BMR and working capital requirements to restart the textile unit. Further, matters of resuming production have been complicated because of electric power load shedding, escalating power tariffs, and restrictions on the installation and use of industrial gas meter and generators. Nonetheless, the Board of Directors, and Managements objective is to restart the textile unit once the funding is available from the Banks, for which the Company's Management is diligently pursuing the High Court cases so that they may reach finality and the credit facilities are restored. Hence, there is a legal obligation to keep the entity in existence till the final decision of the litigation commenced by the banks. It is worth mentioning that National Bank of Pakistan lost its loan recovery suit instituted before the Banking Judge Peshawar High Court and is now using delaying tactics to avoid the finalization of its appeal pending before the Honorable Peshawar High Court.

Subsequent to the closure of textile operations, the Company has made investments in an Agricultural Livestock Farm, dedicating a substantial amount of the Company's vacant land to the livestock farm and the production of crops for its cattle. Additionally, irrigation and water storage systems were constructed to facilitate fodder production. As a result of these efforts, the Company's agricultural business has been successful in making returns. The Company has also rented some of the vacant buildings for warehousing etc. to reputable organizations and local distributors, generating further revenue.

Financial support is also available from the directors, who have financially assisted the Company in the past and stand ready to do so in the future. The Company's equity is positive, and it has been generating positive cash flows from operations by way of its livestock business and renting out empty buildings, for the last few years. Further, as a result of creating some measure of financial stability, the Company's current assets have become greater than the current liabilities giving the Company a positive working capital. It should be noted that the main cause of loss is the charging of depreciation on idle items of property, plant and equipment which had been revalued upward in 2019. This is a non-cash expense which does not affect the liquidity position of the Company. Consequently, the Company is solvent, and Management has concluded that no material uncertainty exists which cast significant doubt on the Company's ability to continue as a going concern.

### **2.5 Accounting Policies**

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

### **2.6 Accounting Estimates and Judgements**

Estimates and judgments made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the audited annual financial statements of the Company as at and for the year ended June 30, 2023.

### **2.7 Functional and Presentation Currency**

These financial statements are presented in Pakistan Rupees, which is the company's functional and presentation

Dec. 31, 2023

June 30, 2023

----- Rupees -----

**3 PROPERTY, PLANT AND EQUIPMENT**

Cost - Opening	1,274,671,119	1,274,671,119
Addition / (Deletion) during the period	-	-
	<u>1,274,671,119</u>	<u>1,274,671,119</u>
Accumulated Depreciation - Opening	321,920,760	311,727,179
Depreciation for the period	4,680,878	10,193,581
	<u>326,601,638</u>	<u>321,920,760</u>
	<u>948,069,481</u>	<u>952,750,359</u>

**4 STORES AND SPARES**

General Stores	3,000,000	3,000,000
Less: Provision for Obsolescence	(3,000,000)	(3,000,000)
	<u>-</u>	<u>-</u>

**5 CASH AND BANK BALANCES**

Cash in Hand	498,280	3,442,864
Cash at Bank - Current Account	7,510,221	8,178,358
	<u>8,008,501</u>	<u>11,621,222</u>
	<b>Dec. 31, 2023</b>	<b>June 30, 2023</b>

----- Rupees -----

**6 LOAN FROM SHAREHOLDER**

	<u>16,500,757</u>	<u>16,500,757</u>
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This represents the amount received from a shareholder of the Company for the purpose of working capital requirements. The loan is interest free, unsecured and the shareholder has deferred his right to repayment at least twelve months from the date of these financial statements.

**7 SHORT TERM LOAN FROM DIRECTORS**

	<u>7,459,718</u>	<u>7,809,718</u>
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This represents the amount received from a director of the Company for the purpose of working capital requirements. The loan is interest free, unsecured and repayable on demand.

**8 TRADE AND OTHER PAYABLES**

Advance against rent	80,000	80,000
Accrued Liabilities	94,400	434,720
Other Liabilities	28,558	28,558
	<u>202,958</u>	<u>543,278</u>

**9 CONTINGENCIES AND COMMITMENTS**

Contingencies reported in the annual audited financial statements for the year ended June 30, 2023 remain-unchanged.

**10 TAXATION**

No provision for current taxation has been made in these condensed interim financial statements.

## 11 RELATED PARTY TRANSACTIONS

Related parties comprise of group companies ( associates ), directors, major shareholders, their close family members and key management personnel. Transactions with related parties during the year, other than and including those which have been disclosed elsewhere in these financial statements, are given below:

<u>Name of Related Party</u>	<u>Nature of Transaction</u>		
Mr. Adam Jadoon - Director	Loan repaid	<u>350,000</u>	<u>1,150,000</u>

## 12 FINANCIAL RISK EXPOSURE AND RISK MANAGEMENT

The Company's financial risk exposures and risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2023.

## 13 FIGURES

Figures in these financial statements have been rounded off to the nearest rupee.

## 14 DATE OF AUTHORISATION

These financial statements were authorised for issue on February 26, 2024 by the Board of Directors of the Company.



Chief Executive



Director



Chief Financial Officer