

REPORT AND ACCOUNTS
FOR THE NINE MONTHS ENDED
MARCH 31, 2017

AL-ABID SILK MILLS LIMITED

REGISTERED OFFICE
A-39, S.I.T.E., Manghopir Road, Karachi.

AL-ABID SILK MILLS LIMITED

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AL-ABID SILK MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. S.M. Jawed Azam Mr. Naseem A. Sattar Mr. Azim Ahmed Mr. Qamar Mashkoor Mr. Muhammad Sajid Hafeez Mst. Adia Naseem Mrs. Sadaf Nadeem Syed Raza Abbas Jaffari	Chairman Chief Executive Officer Executive Director Independent Non-Executive Director Independent Non-Executive Director Non-Executive Director Non-Executive Director Nominee Director (N.I.T.)
SECRETARY	Mr. Nasim Ahmed	
AUDIT COMMITTEE	Mr. Qamar Mashkoor Mr. Muhammad Sajid Hafeez Mr. S.M. Jawed Azam	Chairman Member Member
HUMAN RESOURCE AND REMUNERATION COMMITTEE	Mr. Muhammad Sajid Hafeez Mr. Naseem A. Sattar Mr. Qamar Mashkoor	Chairman Member Member
AUDITORS	Muniff Ziauddin & Co., Chartered Accountants	
REGISTRAR	Jwaffs Registrar Services (Pvt) Ltd. Room # 407-408, 4th Floor, Al-Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi	
BANKERS	Allied Bank Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited JS Bank Limited Meezan Bank Limited National Bank of Pakistan Orix Leasing Pakistan Ltd. Pak Oman Investment Company Limited Pak Kuwait Investment Company (Private) Limited PAIR Investment Company Limited Standard Chartered Bank (Pakistan) Limited Summit Bank Limited The Bank of Punjab United Bank Limited	
REGISTERED OFFICE	A-39, S.I.T.E., Manghopir Road, Karachi.	
MILLS	A-39, A-51 / B, A-34 / A, D-14 / C-1, A-29 / B, S.I.T.E., Karachi.	

AL-ABID SILK MILLS LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Board of Directors present the condensed interim financial statement of the company for the 3rd quarter ended March 31, 2017.

Already in the half yearly account, we explained the difficulties being faced by the textile industry of Pakistan which are frequently appearing in the Press.

In the half-yearly report, we highlighted the ever increasing cost of doing business and preferential treatment by the competing countries to their exporters as well as by the importing countries. On top of it, infrastructure problems are also there, i.e. gas, power, water shortages, etc.

Our government is surely aware of huge decline in the exports of the country where textile had the biggest share. We hope that our government inspite of present political scenario and banks will surely take a view so that textile industry again becomes the major contributor for foreign exchange earnings and at the same time industry remains and becomes even bigger employer which will add positively to the economy and be helpful in law and order situation as well.

FUTURE OUTLOOK:

The discussions are still continuing with the banks which are very time consuming but we have faith in all our major banks with whom we've been doing business with their support for more than four decades in mutual interest.

We are thankful to our shareholders who still show their full confidence in the company and once the company is in full operation, the staff again will be enthusiastic to participate in achieving quality products in your company.

Thanks to all of you.

April 27, 2017

For and on behalf of the
Board of Directors

(NASEEM A. SATTAR)
Chief Executive Officer

AL-ABID SILK

CONDENSED INTERIM BALANCE SHEET

Note	March 31, 2017	June 2016
	(Rupees)	(Rupees)
	<u>(Un-Audited)</u>	<u>(Audited)</u>
EQUITY & LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital		
20,000,000 Ordinary Shares of Rs. 10/- each	200,000,000	200,000,000
Issued, subscribed and paid-up capital	134,095,500	134,095,500
Reserves		
Capital reserve	372,834,000	372,834,000
Accumulated loss	(6,717,308,659)	(6,625,919,545)
	<u>(6,344,474,659)</u>	<u>(6,253,085,545)</u>
Shareholder's equity	(6,210,379,159)	(6,118,990,045)
Surplus on revaluation of fixed assets	5 2,735,183,402	2,882,728,955
LIABILITIES		
NON- CURRENT LIABILITIES		
Loan from director - unsecured	6 493,998,754	479,973,754
Long term loan from banks	-	-
Liabilities against assets subject to finance lease	-	-
Deferred Taxation	7 408,760,269	403,622,687
Retirement benefits	7,258,935	7,358,935
	910,017,958	890,955,376
CURRENT LIABILITIES AND PROVISIONS		
Trade and other payables	941,442,903	948,467,879
Advance from I.B.L	8 366,063,944	401,873,719
Accrued markup	240,815,938	240,815,938
Current maturity of long term loans - and Lease Liability	67,118,820	67,118,820
Short term finances	5,034,787,523	5,034,787,523
	6,650,229,128	6,693,063,879
CONTINGENCIES AND COMMITMENTS	9	
	<u>4,085,051,329</u>	<u>4,347,758,165</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Chief Executive Officer

MILLS LIMITED

AS AT MARCH 31, 2017

		March 31, 2017	June 2016
	Note	(Rupees)	
		<u>(Un-Audited)</u>	<u>(Audited)</u>
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	3,743,273,638	3,996,787,353
Long term security deposit		1,886,645	1,946,645
CURRENT ASSETS			
Stores and spares		62,429,060	68,104,429
Stock in trade		15,006,722	16,370,969
Trade debts		2,004,359	2,511,539
Loans and advances		5,365,251	7,464,576
Trade deposits and prepayments		6,311,810	6,311,810
Other receivables		165,053,621	165,053,621
Tax refunds due from government		74,045,567	73,902,594
Cash and bank balances		9,674,656	9,304,629
		339,891,046	349,024,167
		4,085,051,329	4,347,758,165

Director

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Unaudited) FOR THE NINE MONTHS ENDED MARCH 31, 2017

	Note	NINE MONTHS PERIOD ENDED		THREE MONTHS PERIOD ENDED	
		Jul-Mar 2017	Jul-Mar 2016	Jan-Mar 2017	Jan-Mar 2016
		Rupees	Rupees	Rupees	Rupees
Sales and Manufacturing	11	-	-	-	-
Cost of sales		249,333,774	432,749,724	82,793,448	249,880,393
Gross loss		<u>(249,333,774)</u>	<u>(432,749,724)</u>	<u>(82,793,448)</u>	<u>(249,880,393)</u>
Operating expenses					
Distribution cost		-	-	-	-
Administrative expenses		23,189,569	28,091,242	7,971,561	7,748,827
		<u>23,189,569</u>	<u>28,091,242</u>	<u>7,971,561</u>	<u>7,748,827</u>
		<u>(272,523,343)</u>	<u>(460,840,966)</u>	<u>(90,765,009)</u>	<u>(257,629,220)</u>
Other income	12	38,727,757	1,216,780	2,064,743	683,997
Loss from operations		<u>(233,795,586)</u>	<u>(459,624,186)</u>	<u>(88,700,266)</u>	<u>(256,945,223)</u>
Finance cost	13	1,499	21,689	-	-
Loss before taxation		<u>(233,797,085)</u>	<u>(459,645,875)</u>	<u>(88,700,266)</u>	<u>(256,945,223)</u>
Taxation - net	14	5,137,582	3,636,643	1,132,066	819,172
Loss after taxation		<u>(238,934,667)</u>	<u>(463,282,518)</u>	<u>(89,832,332)</u>	<u>(257,764,395)</u>
Loss per share - basic and diluted	15	<u>(17.82)</u>	<u>(34.55)</u>	<u>(6.70)</u>	<u>(19.22)</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited) FOR THE NINE MONTHS ENDED MARCH 31, 2017

	NINE MONTHS PERIOD ENDED		THREE MONTHS PERIOD ENDED	
	Jul-Mar 2017	Jul-Mar 2016	Jan-Mar 2017	Jan-Mar 2016
	Rupees	Rupees	Rupees	Rupees Restated
Loss after taxation	(238,934,667)	(463,282,518)	(89,832,332)	(257,764,395)
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation- net of tax	147,545,553	139,734,079	49,181,859	46,568,164
Total comprehensive Loss	(91,389,114)	(323,548,439)	(40,650,473)	(211,196,231)

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (Unaudited) FOR THE NINE MONTHS ENDED MARCH 31, 2017

	Jul-Mar 2017 Rupees	Jul-Mar 2016 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(233,797,085)	(459,645,875)
Adjustments for:		
Depreciation	253,513,715	282,087,531
Provision for gratuity	-	246,000
Provision for obsolete items	5,675,369	-
Provision for obsolete stock	1,364,247	-
Provision for doubtful debts	141,780	-
Gain on disposal of property, plant and equipment	-	(1,216,780)
	260,695,111	281,116,751
Decrease / (Increase) in current assets:		
Stores and spares	-	-
Stock in trade	-	-
Trade debtors	365,400	1,364,672
Loan and advances	2,099,325	59,113
Tax refunds due from government	239,718	(13,329,745)
	2,704,443	(11,905,960)
(Decrease) / Increase in current liabilities:		
Trade and other payable	(7,024,976)	(6,107,459)
Advance from IBL	(35,809,775)	189,618,768
	(42,834,751)	183,511,309
Cash used in generated from operations	(13,232,282)	(6,923,775)
Taxes paid	(382,691)	(44,842)
Staff gratuity paid	(100,000)	(7,122,825)
Net cash outflow from operations	(13,714,973)	(14,091,442)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of fixed assets	-	2,125,000
Long term security deposit	60,000	-
Net cash generated from investing activities	60,000	2,125,000
CASH FLOW FROM FINANCING ACTIVITIES		
Loan from director	14,025,000	11,955,000
Payments of obligation under finance lease	-	-
Net cash inflow from financing activities	14,025,000	11,955,000
Net increase / (decrease) in cash and cash equivalents	370,027	(11,442)
Cash and cash equivalents at the beginning of the period	9,304,629	10,311,703
Cash and cash equivalents at the end of the period	9,674,656	10,300,261

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited) FOR THE NINE MONTHS ENDED MARCH 31, 2017

	Share Capital	Capital Reserve	Accumulated Loss	Total
	Rupees			
Balance as at June 30, 2015 restated	134,095,500	372,834,000	(6,158,059,970)	(5,651,130,470)
Loss after tax for the nine months ended March 31, 2016	-	-	(463,282,518)	(463,282,518)
Other Comprehensive Income				
-Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	139,734,079	139,734,079
Balance as at March 31, 2016 restated	134,095,500	372,834,000	(6,481,608,409)	(5,974,678,909)
Balance as at June 30, 2016	134,095,500	372,834,000	(6,625,919,545)	(6,118,990,045)
Loss after tax for the nine months ended March 31, 2017	-	-	(238,934,667)	(238,934,667)
Other Comprehensive Income				
-Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	147,545,553	147,545,553
Balance as at March 31, 2017	134,095,500	372,834,000	(6,717,308,659)	(6,210,379,159)

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Director

AL-ABID SILK MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (Unaudited) FOR THE NINE MONTHS ENDED MARCH 31, 2017

1 LEGAL STATUS AND OPERATIONS

Al-Abid Silk Mills Limited (the Company) was incorporated as a private limited company in the year 1968, later on it was converted into public limited company as on December 24, 1987 under Companies Ordinance, 1984. Currently, the shares of the Company are listed on Pakistan Stock Exchange Limited. The registered office is located at A-39, S.I.T.E., Manghopir Road, Karachi. The Company is principally engaged in manufacturing and processing of various kinds of fabrics and export of printed and dyed cloth, bed sets and other textile made-ups. The manufacturing facilities of the Company are located at Karachi.

1.1 GOING CONCERN ASSUMPTIONS

As a result of constant losses, the company's equity is in negative by Rs. 6.21 billion while the reported current liabilities (since partly under litigation) have exceeded to current assets of the company by Rs. 6.31 billion. However, the company has undertaken various steps in order to turn around the company. The brief update on these steps is given below:

(i) Revamping the plant and recapturing market

The Company has recently been engaged in extensive maintenance and revamping of the plant due to which the production could not yet be started as the import of parts etc has been quite time consuming. However the plant is now actually ready for production.

Once in smooth production, the Company expects the international customers to come back for the product(s) produced by the Company which were also considered to be of the highest standard. At the same time, Pakistan's own internal market is also expanding. Once the Company is in full swing production and due to the extensive maintenance which will enhance efficiency, the management is confident to capture a sizeable share of Country's internal market.

(ii) Rescheduling of credit facilities with the banks

The management has already requested all of the banks and DFIs collectively and individually, to reschedule its credit facilities for a longer period coupled with fresh additional working capital facility. Most unfortunately, banks' response time is quite slow due to following up their internal procedures and systems. Meanwhile, the banks and DFI have already filed civil recovery suits in Honorable High Court and Banking Court for recovery of their lent fund. The Company has already filed leave to defend in the court against all such legal suits. The management is confident and believes that in ultimate analysis an amicably out of the court settlement will be reached and approval of rescheduling with other banks including fresh financing which is essential requirement for resumption of export business will be finalized. Furthermore, the company has not accrued the markup of Rs. 269.755 million as matter is under negotiations with the banks and DFIs.

(iii) During the year ended June 30, 2016 International Brands Limited (IBL) submitted proposal to the banks for restructuring and acquiring share holding in the Company. Pending this proposal IBL entered into contract dated June 15th, 2015 for manufacturing of their goods in the Company. For this purpose in pursuit to have the plant in full running condition to manufacture their contract goods as per their specification, IBL incurred initial mobilizing expenses under their supervision for repair and maintenance which was to be adjusted against generation of manufacturing of contract goods only. However, Manufacturing of contract goods was not started by IBL. Further, on February 10th, 2017 IBL has given the notice of termination of this contract and pursuant to their termination notice IBL has vacated the premises without undertaking the manufacturing of any contract goods.

The management of the company is confident that the company will continue as a going concern. Accordingly, these financial statements do not include any adjustment relating to the realization of its assets and liquidation of any liabilities that might be necessary should the company be unable to continue as a going concern.

2 BASIS OF PREPARATION

2.1 This condensed interim financial information of the company for the nine months ended March 31, 2017, is unaudited and has 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 ordinance 1984 (the Ordinance). In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2016.

AL-ABID SILK MILLS LIMITED

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2016.

There are certain new International Financial Reporting Standards (standards) , amendments to published standards and interpretations that are mandatory for the financial year beginning on July 1, 2016. These 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 this condensed interim financial information.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

4.1 The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

4.2 In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2016.

5 SURPLUS ON REVALUATION OF FIXED ASSETS	March 2017	June 2016
	Rupees (Unaudited)	Rupees (Audited)
Balance at beginning of the period / year	3,159,893,776	3,433,882,161
Less: Incremental depreciation on revalued assets for the period / year - net of tax	(184,942,458)	(273,988,385)
	<u>2,974,951,318</u>	<u>3,159,893,776</u>
Less: related deferred tax of:		
- balance at beginning of the period / year	277,164,821	335,246,911
- incremental depreciation for the period / year	(16,985,060)	(25,163,011)
- effect of change in tax rate	(20,411,845)	(32,919,079)
	<u>239,767,916</u>	<u>277,164,821</u>
Balance at end of the period / year	<u>2,735,183,402</u>	<u>2,882,728,955</u>

5.1 The Company has updated the revaluation of Leasehold lands, Buildings on Leasehold lands, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation and Leased Plant, Machinery & equipments on June 30, 2012. The valuation has been determined by the independent valuer M/s. Anjum Adil & Associates on the basis of prevailing market rates which has resulted an increase in revaluation reserve by Rs. 3,807,350,502. The earlier valuation of Leasehold lands was carried out by the same independent valuer on August 31, 2010 and August 31, 2007 on the basis of prevailing market rates at that time.

6 LOAN FROM DIRECTOR - Unsecured	March 31, 2017	June 30, 2016
	Rupees (Unaudited)	Rupees (Audited)
Balance at beginning of the period / year	479,973,754	466,018,754
Received during the period / year	14,025,000	13,955,000
	<u>493,998,754</u>	<u>479,973,754</u>

6.1 The above is interest free loan from director of the company.

AL-ABID SILK MILLS LIMITED

		March 31, 2017 Rupees (Unaudited)	June 30, 2016 Rupees (Audited)
7	DEFERRED TAXATION		
	Debit/(credit) balances arising from:		
	Accelerated tax depreciation allowance	604,362,976	631,646,747
	Revaluation Surplus	239,767,916	277,164,821
	Provision for obsolete item	(4,237,609)	(2,421,491)
	Provision for obsolete stock	(1,018,638)	(582,079)
	Provision for doubtful debt	(105,863)	(60,493)
	Liabilities against assets subject to finance lease	15,324,782	17,284,083
	Provision for retirement benefits	(354,496)	(354,496)
	Tax credit of unused tax losses	(444,978,799)	(519,054,405)
		408,760,269	403,622,687

8 ADVANCE FROM IBL
This comprises of initial mobilizing expenses incurred by IBL as disclosed in note 1.1 for repair and maintenance to have the plant in full running condition.

		March 31, 2017 Rupees (Unaudited)	June 30, 2016 Rupees (Audited)
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9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies:

Bank guarantee	79,834,000	79,834,000
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- 9.1.1** The bank guarantees have been issued in favor of Sui Southern Gas Company Limited and others.
- 9.1.2** The Sales Tax department has filed an appeal in the Honorable High Court of Sindh on 23rd August, 2000 against the Order of the learned Appellate Tribunal Customs and Sales Tax for recovery of Additional Tax and Surcharge amounting to Rs. 3,449 million for the year 1992-93. No provision for this amount has been made in these accounts as the management of the Company is of the view that the decision of the Learned Appellate Tribunal Customs and Sales Tax given in favor of the Company will be successfully defended in the Honorable High Court.
- 9.1.3** JS Bank Limited has filed suit No. B-42/2013 & B-76/2013 against the company for recovery of outstanding loan amounting to Rs. 335,105,083/-.
- 9.1.4** United Bank Ltd has filed suit No. B-93 of 2012 against the company for recovery of outstanding loan amounting to Rs. 606,855,202/-.
- 9.1.5** Habib Bank Limited has filed suit No. B-96 of 2012 against the company for recovery of outstanding loan amounting to Rs. 812,482,558/-.
- 9.1.6** Pak-Oman Investment Co. Limited has filed suit No. 202 of 2013 has been decreed for an amount of Rs. 46,031,519/- against which Al-Abid Silk Mills Limited has filed an appeal, also Pak-Oman Investment Company Limited has filed an appeal. Further, Al-Abid Silk Mills Limited has filed an appeal No. 1st appeal (I.A)/2016 in connection with the damages against Pak-Oman Investment Company Limited.
- 9.1.7** Meezan Bank Ltd. Suit No. B-58 of 2013 against the company for recovery of outstanding loan amounting to Rs. 546,667,987/-.
- 9.1.8** Faysal Bank Ltd. has filed suit No. B-80 of 2013 against the company for recovery of outstanding loan amounting to Rs. 763,724,270/-
- 9.1.9** Summit Bank Ltd. has filed Suit No. B-84 of 2013 against the Company for recovery of outstanding loan amounting to Rs. 433,796,294/-. The leave to defend has been granted.
- 9.1.10** The Bank of Punjab has filed suit No. B-95 of 2013 against the Company for recovery of outstanding loan amounting to Rs. 434,399,948/-
- 9.1.11** Pair Investment Co. Ltd has filed suit No. B-111 of 2013 against the Company for recovery of outstanding loan amounting to Rs. 171,460,949/-

AL-ABID SILK MILLS LIMITED

- 9.1.12 National Bank of Pakistan has filed suit no. B-66 of 2014 against the Company for recovery of outstanding loan amounting to Rs. 963,313,878/-.
- 9.1.13 Orix Leasing has filed suit no 36/2015 against the Company for recovery of outstanding loan amounting to Rs. 19,481,004/-.
- 9.1.14 Standard Chartered Bank (Pakistan) Limited has filed suit No. 04/2015 against the Company has been decreed for an amount of Rs. 7,482,819/-
- 9.1.15 Pak Kuwait Investment Company has filed suit no 16/2015 against the Company for recovery of outstanding loan amounting to Rs. 26,811,180/-.
- 9.1.16 Habib Metropolitan Bank Limited has filed suit no B-38/2015 against the Company for recovery of outstanding loan amounting to Rs. 773,496,075/-.

The outcome of above cases as referred in note 9.1.3 to 9.1.16 cannot be predicted and the management is vigorously contesting the case, however major amount has already been provided in financial statements.

- 9.1.17 Various suppliers have filed the suits against the company and the outcome of the cases cannot be predicted but management is vigorously contesting the case.
- 9.1.18 Various ex-workers filed suits for payment of their legal dues before the Authority under the Payment of Wages Act, West Division, Karachi. The company believes that there may not be any financial implications.

9.2 Commitments:

There are no commitments as at period end. (June 2016 : Nil)

	March 31, 2017 Rupees (Unaudited)	June 30, 2016 Rupees (Audited)
10 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	3,726,473,638	3,979,987,353
Capital work-in-progress	<u>16,800,000</u>	<u>16,800,000</u>
	<u>3,743,273,638</u>	<u>3,996,787,353</u>

10.1 The disposals during the period as follows:

Owned assets:

Vehicles	-	2,995,000
	<u>-</u>	<u>2,995,000</u>

	Jul-Mar 17 Rupees (Unaudited)	Jul-Mar 16 Rupees (Unaudited)
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11 SALES AND MANUFACTURING

Sales

Export sales	-	-
Local sales	-	-
	<u>-</u>	<u>-</u>

Manufacturing

Printing and dyeing	-	-
	<u>-</u>	<u>-</u>

12 OTHER INCOME

Income from non-financial assets/liabilities

Gain on disposal of property, plant and equipment	-	1,216,780
Gain on reversal of advance from I.B.L	38,727,757	-
	<u>38,727,757</u>	<u>1,216,780</u>

13 FINANCE COST

The company has not accrued markup of Rs. 269.755 million for the period as the matter is under negotiations with the banks for restructuring.

AL-ABID SILK MILLS LIMITED

		Jul-Mar 17 Rupees (Unaudited)	Jul-Mar 16 Rupees (Unaudited)
14 TAXATION			
Current		-	-
Deferred		5,137,582	3,636,643
		<u>5,137,582</u>	<u>3,636,643</u>
15 EARNINGS / (LOSS) PER SHARE - BASIC & DILUTED			
15.1 Basic earnings / (loss) per share			
Loss after taxation	Rupees	<u>(238,934,667)</u>	<u>(463,282,518)</u>
Weighted average number of shares	Number	<u>13,409,550</u>	<u>13,409,550</u>
Basic loss per share	Rupees	<u>(17.82)</u>	<u>(34.55)</u>
15.2 Diluted earnings per share			
There is no dilution effect on the basic earnings per share of the company.			
16 <u>AL-ABID SILK MILLS LIMITED</u>			
Key management personnel - Remuneration & Benefits		<u>-</u>	<u>-</u>
In view for bad financial condition of the company directors have decided not to claim their whole remuneration for the period ended March 31, 2017 i.e. Mr. Naseem A. Sattar Rs. 7,875,000 and Mr. Azim Ahmed Rs. 4,050,000. (2016: Mr. Naseem A. Sattar Rs. 7,875,000) and (Mr. Azim Ahmed Rs. 4,050,000).			
17 FINANCIAL RISK MANAGEMENT			
The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2016			
18 DATE OF AUTHORISATION FOR ISSUE			
These condensed interim financial statements were approved and authorized for issue in the Board of Directors' meeting held on April 27, 2017.			

Chief Executive Officer

Director

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AL-ABID SILK MILLS LIMITED

Registrars:

Jwaffs Registrar Services (Pvt) Ltd.

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Al-Ameera Centre, Shahrah-e-Iraq,

Saddar, Karachi.