ALI ASGHAR TEXTILE MILLS LIMITED

Annual Report 2024

CONTENTS

Vision Statement

To strive through excellence through Commitment, Integrity, Honesty and Team Work

Mission Statement

To invest and operate successful logistic center and invest in high return ventures.

COMPANY INFORMATION

Board of Directors		
Mr. Nadeem Ellahi Shaikh	(Chief Executive/ Executive Director)	
Mr. Muhammad Afzal	(Chairman/Non-Executive)	
Mr. Abdullah Moosa	(Executive Director)	
Mr. Ahmed Ali	(Independent Director/NED)	
Mr. Muhammad Suleman	(Executive Director)	
Mr. Anwar Ali	(Independent Director/NED)	
Mr. Muhammad Zubair	(Independent Director/NED)	
Audit Committee	Mr. Muhammad Zubair	Chairman
	Mr. Anwar Ali	Member
	Mr. Muhammad Afzal	Member
Human Resources & Remuneration (HR&R) Committee	Mr. Muhammad Zubair	Chairman
	Mr. Muhammad Afzal	Member
	Mr. Ahmed Ali	Member
	Mr. Nadeem Ellahi	Member
Risk Management (RMC)	Mr. Anwar Ali	Chairmen
	Mr. Nadeem Ellahi	Member
	Mr. Ahmed Ali	Member
	Mr. Abdullah Moosa	Member
Nomination Committee	Mr. Anwar Ali	Chainmen
	Mr. Ahmed Ali	Member
	Mr.Nadeem Ellahi	Member
	Mr. Abdullah Moosa	Member
CFO	Mr. Muhammad Suleman	
Company Secretary	Mr. Abdullah Moosa	
Registered Office	Ellahi Tower, Plot 6, Sector No. 25 Korangi Industrial Area Karachi. 74900	

Shares Registrar	C. & K. Management Associates (Pvt) Ltd 404- Trade Tower, Abdullah Haroon Road Metropole Hotel, Karachi-75530 Phone: 3568783, 3568593
Auditors	M/s. Mushtaq & Co. Chartered Accountants *407, Commerce Centre* *Hasrat Mohani Road, Karachi* *Ph: +92 21 32638521-2*
Legal Advisors	**MEHDI LAW ASSOCIATES**
Banker	Habib Bank Ltd, Soneri Bank Ltd.JS Bank Habib Metropolitan Bank Limited Bank Al-Habib Ltd, MCB Bank Limited
Contacts	Phone # 35059726,35062796
Website/email.	www.aatml.com.pk Email. aatml@cyber.net.pk

DIRECTOR REPORT

The Directors are pleased to present the report to the shareholders for the year ended 30th June 2024.

The Company earned a profit after tax of Rs.99,824,929 after deduction of depreciation expenses of Rs. 24.6 million . The earning per share was Rs.2.25.

This was one of the highest profit in the company history and was due to the following major factors.

1. Unprecedented increase in dividend flow from company strategic portfolio. The dividend flow was almost 4 times higher than last year as profitability of invested companies increased.
2. Smooth operation of company logistic center and ancillary services provided. Leading to higher revenue.
3. Strict control on expenses/employee count inspite of inflation of 22% last year.

The financial year ended 30th June 2024 saw macro economic stabilization in all key areas of the economy. The belt tighting by the GOP lead to a primary surplus in the fiscal deficit, a first after 20 years. The IMF mandated "Slow growth- equilibrium" model lead a stable exchange rate and the rupee traded in a narrow band of Rs.278-281 to the USD through out most of the year.

A major part of the company to the portfolio is invested in banks which made extraordinary profits due to highest interest rates.

The resolutions passed in last year AGM were implemented and partial investment in the company subsidiary Fazal Solar (Pvt) Ltd., was made to implement the 1000kw solar roof top project. A major milestone which was completed was grant of generation license by NEPRA for the project.

Management is hopeful that the project will start functioning very shortly and add positively to the bottom line.

SECP was approached for name change of company as approved by shareholders in last AGM.

The process is undergoing and will take some time due to many legal formalities that have to be carried out.

FUTURE OUTLOOK

The outlook for FY25 looks promising, at the signing of this report. Inflation has fallen to 7.9% as per last month September 2024 reading, due to macro stabilization measures. Due to the fall in inflation, interest rates on T-bills have collapsed making equities in the company portfolio reach better valuations and possibly better net profits in the future . With interest rates at historical level of 10-12%, the private sector could restart the investment cycle abandoned 3 years ago. If the IMF program is implemented in letter and sprit the general economy could very well get into a multiyear growth cycle.

Due to continuous profits and growth in company assets, the capital base of the company has surpassed the Rs. 2 billion mark allowing for bigger, more capital intensive projects to be launched in the future. Management is looking at many options for the 'next big project' which may include establishment of another high end logistic center or even establishment of IT sector related project.

Several feasibility studies are been conducted by the management to decide on how to leverage the Rs.2 billion equity base of the company.

In order to fund the Solar project with 100% equity , the board has decided to fore go dividend this year and conserve fund, as the borrowing cost of banks finance is still very high. However in view of improved financials a dividend in the future is possible.

During the year the following people were director on the board.

MR. NADEEM ELLAHI SHAIKH
MR. ABDULLAH MOOSA
MR. MUHAMMAD SULEMAN
MR. MUHAMMD AFZAL
MR. AHMED ALI
MR. MUHAMMAD ZUBAIR
MR. SULTAN MEHMOOD (Resigned on 23rd August 2024 and Replaced by Mr. Anwar Ali.
MR. ANWAR ALI (appointed on 23rd August 2024)

The financial control of the company adequate and Internal audit terms regularly does inspections.

Regarding Auditor points raised in the audit report, I would like to state the following.

Please find para wise reply to the Auditor qualifications:

a. Sending and receiving third party confirmation (in this case, balance conformation from Bank of Punjab) is one of the procedures applied by auditors to verify the balance pending. The management has not only disclosed each material fact about these liabilities under note number 17.2, 17.3, 17.4, 23.1 & 23.2 but also provided all documents relating to Bank of Punjab liability which could help them verify such balance through other alternate audit procedures but the auditors still choose to qualify these liabilities because they couldn't satisfy themselves on the basis of their judgment.

b. The management believes that the liability should not be recorded more than the probable outflow of economic benefit and in the case, as stated in note number 23.1 the management and the legal advisor firmly believes that the outflow won't be more than what already recorded in the books of the company and basing that, the management is of opinion that the markup of Bank of Punjab along with its pending liability is correctly recorded and properly disclosed in the financial statements.

c. Regarding outstanding dividend of Rs.239,589 the management is trying, with share register to identify the relevant shareholder. Due to unclaimed dividend been at least 15 years or more, the shareholders are not been identified.

d. The management has written a request letter to SECP for reduction in penalty amount of Rs.250,000/-. It is hoped that SECP will look into this favorability.

Regarding corporate governance points raised the company has separated the office of the CFO and company Secretary as per requirement Companies Act 2017, Note regarding CFO and company secretary not having proper certifications is noticed. However I would like to add that both individuals are working in senior positions at the company for more than 15 years and have handled all financial issues and negotiations with banks and SECP, PSX diligently. As the company financial position further improves and it is in a position to afford higher salaries. It will appoint higher qualified individuals. For director training management is contacting proper institutes to complete training of directors.

Your company always ensures environment preservations and adopts all the possible means for the environment protection.

You company is fully aware of its corporate social responsibility and has been working positively to raise the educational, health and environmental standards of the country in general and local communities in particular.

Related party transactions are shown in relevant note to the financial statements as per IAS24.

Financial Risk and Risk Management

Liquidity Risk: Prudent liquidity risk management ensures availability of the sufficient funds for meeting contractual commitments. The Company's fund management strategy aims at managing liquidity risk through internal cash generation and committed credit lines with financial institutions.

Directors' Remuneration: Company has a formal policy and transparent procedure for the remuneration of its Directors in accordance with the Companies Act 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The CEO and Directors remuneration is disclosed in Note 29 of the financial statements.

Board of Directors as at June 30, 2024 consists of:
Number of Directors:

a) Male 07
b) Female 0

Composition of Board:

Independent Directors:	03
Other Non-Executive Directors:	01
Executive Directors:	03

Board of Directors meetings: A total of 04 meetings of the board of directors held during the year from 1st July 2023 to 30th June 2024.

Committee of Board of Directors:

Audit Committee	Mr. Muhammad Zubair	Chairman
	Mr. Sultan Mehmood	Member
	Mr Muhammad Afzal	Member
Human Resources & Remuneration (HR&R) Committee	Mr. Muhammad Zubair	Chairman
	Mr. Muhammad Afzal	Member
	Mr. Ahmed Ali	Member
	Mr. Nadeem Ellahi	Member

The Board of Directors is committed to maintaining high standards of Corporate Governance.

The board of directors is pleased to report that:

- The financial statements prepared by the management present fairly its state of affairs, the results of its operations, cash flows, and changes in equity
- Proper books of accounts have been maintained
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
- The company does not have any female employees. Due to the nature of the business, finding female employees is not easy but management is striving to add female employees to the employee mix.

By order of the Board
NADEEM ELLAHI SHAIKH
CHIEF EXECUTIVE

KARACHI DATED 5TH OCTOBER 2024

ڈائریکٹر رپورٹ

کمپنی نے روپے کے فرسودگی کے اخراجات کی کٹوتی کے بعد 99,824,929 روپے کا بعد از ٹیکس منافع کمایا۔ 24.6 ملین فی حصص آمدنی 2.25 روپے تھی۔

یہ کمپنی کی تاریخ میں سب سے زیادہ منافع میں سے ایک تھا اور درج ذیل اہم عوامل کی وجہ سے تھا۔
1. کمپنی کے اسٹریٹجک پورٹ فولیو سے ڈیویڈنڈ کے بہاؤ میں بے مثال اضافہ۔ ڈیویڈنڈ کا بہاؤ پچھلے سال کے مقابلے میں تقریباً 4 گنا زیادہ تھا کیونکہ سرمایہ کاری کرنے والی کمپنیوں کے منافع میں اضافہ ہوا۔
2. کمپنی لاجسٹک سینٹر اور فراہم کردہ ذیلی خدمات کا ہموار آپریشن۔ زیادہ آمدنی کا باعث۔
3. گزشتہ سال 22% کی افراط زر کے باوجود اخراجات/ملازمین کی گنتی پر سخت کنٹرول۔
30 جون 2024 کو ختم ہونے والے مالی سال میں معیشت کے تمام اہم شعبوں میں میکرو اکنامک استحکام دیکھنے میں آیا۔ GOP کی طرف سے بیلٹ ٹائیٹنگ مالیاتی خسارے میں بنیادی سرپلس کی طرف لے جاتی ہے، جو 20 سال کے بعد پہلی مرتبہ ہے۔ آئی ایم ایف نے لازمی "سست نمو - توازن" ماڈل ایک مستحکم شرح مبادلہ کی قیادت کرتا ہے اور روپیہ سال کے بیشتر عرصے میں USD میں 278-281 روپے کی تنگ بینڈ میں تجارت کرتا ہے۔
پورٹ فولیو میں کمپنی کا بڑا حصہ ان بینکوں میں لگایا جاتا ہے جنہوں نے سب سے زیادہ شرح سود کی وجہ سے غیر معمولی منافع کمایا۔
گزشتہ سال کی AGM میں منظور کی گئی قراردادوں پر عمل درآمد کیا گیا اور کمپنی کی ذیلی کمپنی فضل سولر (پرائیویٹ) لمیٹڈ میں 1000 کلو واٹ کے سولر روف ٹاپ پروجیکٹ کو لاگو کرنے کے لیے جزوی سرمایہ کاری کی گئی۔ اس منصوبے کے لیے نیپرا کی جانب سے جنریشن لائسنس کا حصول ایک اہم سنگ میل مکمل ہوا۔
انتظامیہ کو امید ہے کہ یہ منصوبہ بہت جلد کام شروع کر دے گا اور مثبت طور پر نیچے کی لکیر میں اضافہ کرے گا۔
کمپنی کے نام کی تبدیلی کے لیے SECP سے رابطہ کیا گیا جیسا کہ گزشتہ AGM میں شیئر ہولڈرز نے منظور کیا تھا۔
یہ عمل جاری ہے اور بہت سی قانونی کارروائیوں کی وجہ سے کچھ وقت لگے گا۔
مستقبل کا آؤٹ لک
اس رپورٹ پر دستخط کے وقت، مالی سال 25 کا منظر نامہ امید افزا نظر آتا ہے۔ میکرو اسٹیبلائزیشن اقدامات کی وجہ سے مہنگائی گزشتہ ماہ کی ریڈنگ کے مطابق 7.9 فیصد تک گر گئی ہے۔ افراط زر میں کمی کی وجہ سے، ٹی بلز پر سود کی شرحیں گر گئی ہیں جس سے کمپنی کے پورٹ فولیو میں ایکوئٹی بہتر قیمتوں تک پہنچ رہی ہے اور مستقبل میں ممکنہ طور پر بہتر خالص منافع حاصل کر سکتی ہے۔ 10-12 فیصد کی تاریخی سطح پر شرح سود کے ساتھ، نجی شعبہ 3 سال قبل ترک کر دیا گیا سرمایہ کاری سائیکل دوبارہ شروع کر سکتا ہے۔ اگر آئی ایم ایف پروگرام کو خطوط پر لاگو کیا جاتا ہے تو عام معیشت بہت اچھی طرح سے کثیر سالہ ترقی کے چکر میں داخل ہوسکتی ہے۔

مسلسل منافع اور کمپنی کے اثاثوں میں اضافے کی وجہ سے، کمپنی کے سرمائے کی بنیاد روپے سے تجاوز کر گئی ہے۔ 2 بلین کا نشان مستقبل میں شروع کیے جانے والے بڑے، زیادہ سرمایہ والے منصوبوں کی اجازت دیتا ہے۔ انتظامیہ 'اگلے بڑے پروجیکٹ' کے لیے بہت سے آپشنز پر غور کر رہی ہے جس میں ایک اور ہائی اینڈ لاجسٹک سینٹر کا قیام یا آئی ٹی سیکٹر سے متعلق پروجیکٹ کا قیام بھی شامل ہو سکتا ہے۔
انتظامیہ کی جانب سے کئی فزیبلٹی اسٹڈیز کیے گئے ہیں تاکہ یہ فیصلہ کیا جا سکے کہ کمپنی کی 2 بلین روپے کی ایکوئٹی بیس کا فائدہ کیسے اٹھایا جائے۔
ایکوئٹی کے ساتھ سولر پراجیکٹ کو فنڈ دینے کے لیے، بورڈ نے اس سال پیشگی ڈیویڈنڈ دینے اور فنڈ کو محفوظ کرنے کا فیصلہ کیا ہے، کیونکہ بینکوں کے فنانس کی قرض لینے کی لاگت اب بھی بہت زیادہ ہے۔
سال کے دوران مندرجہ ذیل لوگ بورڈ میں ڈائریکٹر تھے۔
مسٹرندیم الٰہی شیخ
مسٹر عبداللہ موسیٰ
مسٹر محمد سلیمان
مسٹر محمد افضل
مسٹر احمد علی
مسٹر محمد زبیر
مسٹر سلطان محمود (23 اگست 2024 کو مستعفی ہوئے اور ان کی جگہ مسٹر انور علی نے لے لی۔

کمپنی کا مالی کنٹرول مناسب اور اندرونی آڈٹ کی شرائط باقاعدگی سے معائنہ کرتا ہے۔
آڈٹ رپورٹ میں اٹھائے گئے آڈیٹر کے نکات کے بارے میں، میں درج ذیل بیان کرنا چاہتا ہوں۔
براہ کرم آڈیٹر کی اہلیت کا پیرا وار جواب تلاش کریں:
a فریق ثالث کی تصدیق بھیجنا اور وصول کرنا (اس معاملے میں، بینک آف پنجاب سے بیلنس کی تبدیلی) زیر التواء بیلنس کی تصدیق کے لیے آڈیٹرز کے ذریعے لاگو کردہ طریقہ کار میں سے ایک ہے۔ انتظامیہ نے نوٹ نمبر 17.2، 17.3، 17.4، 23.1 اور 23.2 کے تحت نہ صرف ان واجبات کے بارے میں ہر ایک مادی حقیقت کو ظاہر کیا ہے بلکہ بینک آف پنجاب کی ذمہ داری سے متعلق تمام دستاویزات بھی فراہم کی ہیں جو انہیں دوسرے متبادل آڈٹ طریقہ کار کے ذریعے اس طرح کے توازن کی تصدیق کرنے میں مدد کر سکتے ہیں لیکن آڈیٹرز پھر بھی ان ذمہ داریوں کو اہل بنانے کا انتخاب کرتے ہیں کیونکہ وہ اپنے فیصلے کی بنیاد پر خود کو مطمئن نہیں کر سکتے تھے۔
ب انتظامیہ کا خیال ہے کہ ذمہ داری کو اقتصادی فائدے کے ممکنہ اخراج سے زیادہ ریکارڈ نہیں کیا جانا چاہیے اور اس معاملے میں، جیسا کہ نوٹ نمبر 23.1 میں بتایا گیا ہے، انتظامیہ اور قانونی مشیر کا پختہ یقین ہے کہ اخراج پہلے سے درج کیے گئے اخراجات سے زیادہ نہیں ہوگا۔ کمپنی کی کتابوں اور اس کی بنیاد پر، انتظامیہ کی رائے ہے کہ بینک آف پنجاب کا مارک اپ اور اس کی زیر التواء ذمہ داری کو مالیاتی گوشواروں میں درست طریقے سے درج کیا گیا ہے اور مناسب طریقے سے ظاہر کیا گیا ہے۔
239,589 روپے کے بقایا ڈیویڈنڈ کے حوالے سے انتظامیہ متعلقہ شیئر ہولڈر کی شناخت کے لیے شیئر رجسٹر کے ساتھ کوشش کر رہی ہے۔ کم از کم 15 سال یا اس سے زیادہ ہونے والے غیر دعویدار منافع کی وجہ سے، شیئر ہولڈرز کی شناخت نہیں کی گئی ہے۔
: کارپوریٹ گورننس کے نکات کے بارے میں کمپنی نے کمپنیز ایکٹ 2017 کی ضرورت کے مطابق CFO اور کمپنی سیکرٹری کے دفتر کو الگ کر دیا ہے، CFO اور کمپنی سیکرٹری کے پاس مناسب سرٹیفکیشن نہ ہونے کے بارے میں نوٹ کیا گیا ہے۔ تاہم میں یہ شامل کرنا چاہوں گا کہ دونوں افراد کمپنی میں 15 سال سے زیادہ عرصے سے اعلیٰ عہدوں پر کام کر رہے ہیں اور انہوں نے تمام مالی معاملات اور بینکوں اور SECP، PSX کے ساتھ گفت و شنید کو تندہی سے نمٹا ہے۔
جیسے جیسے کمپنی کی مالی حالت مزید بہتر ہوتی ہے اور وہ زیادہ تنخواہیں برداشت کرنے کی پوزیشن میں ہے۔ یہ اعلیٰ تعلیم یافتہ افراد کی تقرری کرے گا۔ ڈائریکٹر ٹریننگ کے لیے انتظامیہ ڈائریکٹرز کی تربیت مکمل کرنے کے لیے مناسب اداروں سے رابطہ کر رہی ہے۔
آپ کی کمپنی ہمیشہ ماحول کے تحفظ کو یقینی بناتی ہے اور ماحول کے تحفظ کے لیے تمام ممکنہ ذرائع اختیار کرتی ہے۔
آپ کی کمپنی اپنی کارپوریٹ سماجی ذمہ داری سے پوری طرح آگاہ ہے اور ملک کے تعلیمی، صحت اور ماحولیاتی معیار کو بالعموم اور مقامی کمیونٹیز کو بالخصوص بلند کرنے کے لیے مثبت طریقے سے کام کر رہی ہے۔
متعلقہ فریق کے لین دین کو IAS24 کے مطابق مالی بیانات کے متعلقہ نوٹ میں دکھایا گیا ہے۔
مالیاتی رسک اور رسک مینجمنٹ
لیکویڈیٹی رسک: پروڈنٹ لیکویڈیٹی رسک مینجمنٹ معاہدہ کے وعدوں کو پورا کرنے کے لیے کافی فنڈز کی دستیابی کو یقینی بناتا ہے۔ کمپنی کی فنڈ مینجمنٹ کی حکمت عملی کا مقصد اندرونی نقدی پیدا کرنے اور مالیاتی اداروں کے ساتھ پابند کریڈٹ لائنوں کے ذریعے لیکویڈیٹی رسک کا انتظام کرنا ہے۔ ڈائریکٹرز کا معاوضہ: کمپنی کے پاس کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے مطابق اپنے ڈائریکٹرز کے معاوضے کے لیے ایک باضابطہ پالیسی اور شفاف طریقہ کار ہے۔
سی ای او اور ڈائریکٹرز کے معاوضے کا انکشاف مالی بیانات کے نوٹ 29 میں کیا گیا ہے۔

30 جون 2024 تک بورڈ آف ڈائریکٹرز پر مشتمل ہے:
ڈائریکٹرز کی تعداد:
a) مرد 07
ب) خاتون 0
بورڈ کی تشکیل:
آزاد ڈائریکٹرز: 03
دیگر غیر ایگزیکٹو ڈائریکٹرز: 01
ایگزیکٹو ڈائریکٹرز: 03

بورڈ آف ڈائریکٹرز کے اجلاس: یکم جولائی 2023 سے 30 جون 2024 تک بورڈ آف ڈائریکٹرز کی کل 04 میٹنگیں ہوئیں۔
بورڈ آف ڈائریکٹرز کی کمیٹی:
آڈٹ کمیٹی جناب محمد زبیر چیئرمین
جناب سلطان محمود ممبر
محمد افضل ممبر

انسانی وسائل اور جناب محمد زبیر چیئرمین
معاوضہ (HR&R) جناب محمد افضل ممبر
کمیٹی جناب احمد علی ممبر
جناب ندیم الٰہی ممبر

بورڈ آف ڈائریکٹرز کارپوریٹ گورننس کے اعلیٰ معیار کو برقرار رکھنے کے لیے پرعزم ہے۔
بورڈ آف ڈائریکٹرز کو یہ اطلاع دیتے ہوئے خوشی ہوتی ہے کہ:
* انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات اس کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ، اور ایکویٹی میں ہونے والی تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔
* کھاتوں کی مناسب کتابیں رکھی گئی ہیں۔
* مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
* بین الاقوامی اکاؤنٹنگ معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالیاتی گوشواروں کی تیاری میں پیروی کی گئی ہے اور وہاں سے کسی بھی روانگی کا مناسب طور پر انکشاف کیا گیا ہے۔

بورڈ کے حکم سے

ندیم الٰہی شیخ
چیف ایگزیکٹو

PATTERN OF SHAREHOLDING, HELD BY SHAREHOLDERS AS ON JUNE-30,2024

CATEGORIES OF SHAREHOLDERS	SHAREHOLDERS	SHARE HELD	PARCENTAGE
Directors and their spouse (s) and minor childern Named.			
1. Nadeem Ellahi	Nadeem Ellahi	18,293,275	41%
2. Muhammad Suleman	Muhammad Suleman	1,000	0.0023%
3. Abdullah Moosa	Abdullah Moosa	1,000	0.0023%
4. Muhammad Afzal	Raja Gazanfar Ali	1,000	0.0023%
5. Sultan Mehmood	Sultan Mehmood	1,000	0.0023%
6. Ahmed Ali	Muhammad Azad	1,000	0.0023%
7. Muhammad Zubair	Marium Humayun	40,940	0.0922%
	Naveed Ellahi	19,973,331	45%
Associated Comppanies, undertakings and related parties	-	-	0.0000%
Executives	-	-	0%
Other Institutions		171,499	0.0386%
Banks, development finance institutions, non- banking finance companies, insurance companies, takaful, modarabas and pension funds	-	4,800	0.0108%
Others		5,937,849	13.3655%
Total		**44,426,694**	**100%**

Shareholers holding 5% or more

	Nadeem Ellahi		41%
	Naveed Ellahi		45%
	Mrs. Gulnar Humayun		8%

ALI ASGHAR TEXTILE MILLS LTD

KEY OPERATING AND FINANCIAL RESULTS
FROM 2018-2019 TO 2023-2024

ACCOUNTING YEAR	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
	'000	'000	'000	'000	'000	'000
OPERATING RESULTS						
Logistic Center Service Reveune	66,402	63,796	52,586	8,892	3,855	11,173
Gross Profit (Loss)	18,521	31,325	18,207	116,523	(17,066)	(7,558)
Net Profit (Loss) After Tax	99,825	14,235	33,029	105,109	134,532	(4,858)
FINANCIAL POSITION						
Assets Employed:						
Operating Assets	1,232,692	953,094	968,946	839,417	768,161	373,462
Current Assets	1,284,822	694,860	669,839	800,169	899,279	33,652
Other Assets	-	-	-	63,266	15,146	5,232
Deferred Cost	-	-	-	-	-	-
Assets Financed By:						
Shareholders Equity	1,613,524	1,613,524	1,613,524	1,613,524	1,453,622	319,112
Directors Loan	31,649	15,639	2,837	6,686	10,590	80,898
Surplus on revaluation of Fixed Assets	947,795	682,474	682,474	682,474	682,474	257,293
Long term Loan	19,058	20,993	60,903	60,864	60,701	60,886
Other Deferred Liability	127,524	1,935	2,108	2,069	1,906	1,725
Current Maturity	-	-	8,552	8,552	8,552	8,552
Other Current Liabilities	152,244	78,620	43,328	19,911	159,711	23,614
Key Ratios						
E.P.S	2.25	0.32	0.74	2.37	3.03	(0.29)
Current Ratio	8.84	8.84	12.91	28.11	5.34	1.05

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Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019
FOR THE YEAR ENDED JUNE-30, 2024

The Company has complied with the requirement of the Regulation in the following manager.

1. The total number of Directors are Seven (7) as per the following:

   a. Male. 7
   b. Female.

   The regulation related to representation of female director the Board finding a female director, hopefully female director will appoint in future.

2. **The composition of board is as follows:**

Non-Executive Directors	Executive Directors	Independent Directors
Mr. Muhammad Afzal	Mr. Nadeem Ellahi	Mr. Anwar Ali
	Mr. Muhammad Suleman	Mr. Muhammad Zubair
	Mr. Abdullah Moosa	Mr. Ahmed Ali

3. The Directors have confirmed that none of them are serving as a director in more than seven listed companies, including this Company.

4. The Company has prepared a code of conduct and ensures that appropriate steps have been taken to disseminate it through the company along with its supporting policies and procedure.

5. The Board has developed a vision and mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/Shareholders as empowered by the relevant provisions of the Companies Act, 2019 (the Act) and these regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for his purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

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8. The Board of Directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The board arranged in house orientation courses for its directors during the year to appraise them of their duties and responsibilities and to brief them regarding amendments in the companies ordinance/corporate laws.

10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. CFO and CEO duly endorsed the financial statements of the Company before approval of the Board.

12. The Board has formed committees comprising of members given below:

a) Audit Committee

Name of Director	Designation
Mr. Muhammad Zubair.	Chairman
Mr. Anwar Ali	Member
Mr. Muhammad Afzal	Member

b) HR and Remuneration Committee:

Name of Director	Designation
Mr. Muhammad Zubair	Chairman
Mr. Ahmed Ali	Member
Mr. Muhammad Afzal	Member
Mr. Nadeem Ellahi	Member

c) Risk Management Committee

Mr. Anwar Ali	Chairmen
Mr. Nadeem Ellahi	Member
Mr. Ahmed Ali	Member
Mr. Abdullah Moosa	Member

d) Nomination Committee

Mr. Ahmed Ali	Chairmen
Mr. Abdullah Moosa	Member
Mr. Nadeem Ellahi	Member
Mr. Muhammad Suleman	Member

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Audit Committee	Quarterly
HR & Remuneration Committee	Yearly

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the Committee for compliance.

14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:
    a) Audit Committee — Quarterly Meeting
    b) HR and Remuneration Committee — Annual Meeting

15. The Board has set-up an effective Internal Audit Function, the chief internal auditor is suitable qualified and experienced person.

16. The Statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan(ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with the International Federation of Accountants(IFAC) guidelines on the Code of Ethics as adopted by the ICAP and that and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non dependent children) of the chief executive officer, chief finance officer, head of internal audit, company secretary or director of the company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except n accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the Regulations have been complied with.

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19. Board had constituted following committee and disclosure of significant policies under regulation of 29(1), 30 (1) and 35 of code of Corporate governance of regulation-2019

S.No	Committee's	Reg. No.	Date
1	Nominations Committee	29(1)	30 June-2024
2	Risk Management Committee	30(1)	30 June-2024
3	Disclosure of Significant policies on website	35	30 June-2024

Nadeem Ellahi

Chief Executive

Muhammad Afzal

Chairman

August 16, 2024 at Karachi

ALI ASGHAR TEXTILE MILLS LIMITED
CHAIRMAN REVIEW

I am pleased to present to the shareholders chairman review of the company performance for FY24. As chairman of the board, the board committee overseeing various functions carried out their duties and decisions were reported in time to the stock exchange and SECP. Board committees were monitored to ensure they provided stability to company functions and adhered to all regulations. All shareholder queries were answered promptly.

The board performance was evaluated a satisfactory as all rules of code of corporate governance were applied.

During the year the board considered and approved may things, including quarterly and annual financial statement appointment of external auditors and other financial matter.

I wish to thank the board of members for all their valuable input and time they gave.

CHAIRMAN OF THE BAORD

MUHAMMAD AFZAL.

KARACHI

Dated: October 04, 2024

علی اصغر ٹیکسٹائل ملز لمیٹڈ
چیئر مین کا جائزہ

مجھے شیئر ہولڈرز کو مالی سال 2024 کے لیے کمپنی کی کارکردگی پر چیرمین جائزہ پیش کرنے پر خوشی ہے۔ بورڈ کے چیئرمین کی حیثیت سے ، بورڈ کی کمیٹی مختلف کاموں کی نگرانی کرتی تھی اور اپنے فیصلوں سے اسٹاک ایکسچینج اور ایس ای سی پی کو بروقت رپورٹ کیا گیا۔ بورڈ کمیٹیوں کی نگرانی کی گئی تاکہ یہ یقینی بنایا جا سکے کہ وہ کمپنی کے افعال کو استحکام فراہم کرے اور تمام قواعد و ضوابط پر عمل پیرا رہے۔
تمام شیئر ہولڈرز کے سوالات کا فوری جواب دیا گیا۔

بورڈ کی کارکردگی کو تسلی بخش قرار دیا گیا کیونکہ کارپوریٹ گورننس کے کوڈ کے تمام قواعد لاگو تھے۔

سال کے دوران بورڈ نے کہی چیزوں پر غور کیا اور ان کی منظوری دی ، بشمول سہ ماہی اور سالانہ مالیاتی سٹیٹمنز بیرونی آڈیٹرز کی کی تقرری اور دیگر مالی معاملات۔

مین بورڈ کے ممبران کے تمام قیمتی ان پٹ اور وقت کے لیے ان کا شکریہ ادا کرنا چاہتا ہوں۔

بورڈ کا چیئرمین۔

محمد افضل

کراچی مورخہ 04 اکتوبر 2024

ALI ASGHAR TEXTILE
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ALI ASGHAR TEXTILE MILLS LIMITED
Notice of 58th Annual General Meeting

Notice is hereby given that the 57th annual general meeting of Ali Asghar Textile Mills Limited will be held at Plot # 6 , Sector 25, Korangi Industrial Area, Karachi on October 28, 2024 at 11 A.M. sharp to transact the following business:

ORDINARY BUSINESS

1. To confirm minutes of the last Annual General Meeting held on 26th October 2023.

2. To receive, consider and adopt audited accounts for the year ended 30th June 2024 together with Auditor's and Director Report thereon.

3. To appoint auditors for the year ended June 30, 2025 and to fix their remuneration.

4. To elect seven (07) directors as fixed by the Board of Director in accordance with Section 159 of the Companies Act 2017 for a term of three years commencing from the date of the AGM i.e., 28TH October 2024. The names of the retiring directors are Mr. Nadeem Ellahi Shaikh, Mr. Abdullah Moosa, Mr. Muhammad Suleman, Mr. Anwar Ali, Mr. Muhammad Afzal, Mr. Muhammad Zubair, and Mr. Ahmed Ali.

SPECIAL BUSINESS:

5. To consider and if deemed fit, ratify and approve (as the case may be), the following resolutions, as special resolutions, with respect to related party transactions / arrangements conducted / to be conducted, in terms of Sections 207 and / or 208 of the Companies Act, 2017 (to the extent applicable), with or without modification:

FURTHER RESOLVED THAT the Company be and is hereby authorized to enter into arrangements or carry out transactions from time to time including, but not limited to, for **working capital required**, commodities and materials including cement, chemicals, vehicles, or availing or rendering of services or share subscription, with different related parties to the extent deemed fit and / or approved by the Board of Directors, during the financial year ending June 30, 2025. The members have noted that for the aforesaid arrangements and transactions some or a majority of the Directors may be interested. Notwithstanding the same, the members hereby grant an advance authorization and approval to the Board Audit Committee and the Board of Directors of the Company, including under Sections 207 and / or 208 of the Companies Act, 2017 (to the extent

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applicable) to review and approve all related party transactions as per the quantums approved by the Board of Directors from time to time.

FURTHER RESOLVED THAT the related party transactions, for the period ending June 30, 2025, shall be deemed to have been approved by the members, and shall subsequently be placed before the members in the next Annual General Meeting for ratification and confirmation.

ANY OTHER BUSINESS

To Transact any other business with the permission of their.

(Attached to this Notice is the Statement of Material Facts convering the above-mentioned Special Business, as required under Section 134(3) of the companies Act 2017)

By the order of Board
Abdullah Moosa
Company Secretary

Dated: October 5th October 2024

STATEMENT OF MATERIAL FACTS UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017

Agenda Item Number 4 - Election of Directors

This Statement sets out the material facts pertaining to the Ordinary Business as described in the Notice of the AGM of the Company.

The term of office of the current directors of the Company has expired. In accordance with Section 159(1) of the Act, the Board of Directors have fixed the number of Directors to be elected at the AGM at seven (07) to hold the office of director for a period of three (3) years commencing from the date of the AGM.

Independent Directors shall be selected in accordance with the provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

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Accordingly, in compliance with the provisions of Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019, Election of Directors will be held separately for the following three categories:

S. No.	Categori es	No. of Seats
1	The regulation related to representation of female director. The Board is finding a female director, hopefully a female director will appointed in the future.	0
2	Independent Directors	3
3	Other Directors	4

In order to safeguard the interest of the minority shareholders, any member can send his/her nomination for contesting the election in any of above-mentioned categories.

Any person who seeks to contest the election of the office of director, whether they are a retiring director or otherwise, shall submit to the Company Secretary at the Registered Office address Ellahi Tower Plot No. 6, Sector No. 25,Shah Muhammad Road, Korangi Industrial Area, Karachi. not later than fourteen (14) days before the date of AGM, the following documents:

1. Notice of his/her intention to offer himself/herself for the election of directors as per Section 159(3) of the Act, and consent to act as a director on Form 9 as prescribed under the Act, and the Companies Regulations, 2024. (Any person contesting the election of directors must be a Member of the Company at the time of filing his/her consent unless such person is representing a Member which is not a natural person.)

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2. A signed declaration confirming that:

   a. He/she is aware of his/her duties and powers under the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Rule Book of Pakistan Stock Exchange Limited, Memorandum and Articles of Association of the Company and other relevant laws and regulations.

   b. He/she is not ineligible to become a director of a listed company under the provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other applicable laws/regulations.

3. A detailed profile along with his/her office address for placement on the Company's website as requiredunder SRO 1196 (I)/2019 dated October 03, 2019.

4. Detail of other directorships held.

5. Copy of valid CNIC or Passport (in case of a foreign national) along with NTN and Folio Number/CDC Account or Sub Account number.

6. The following additional documents are required to be submitted by the candidates intending to contestthe election as an independent director:

   a. Declaration of independence under Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations,2019.

   b. Undertaking on non-judicial stamp paper that he/she meets the requirements of Regulation 4(1) of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

All the notices received for the category of Independent Director, shall be subject to due diligence by the Company as prescribed under Section 166 of the Act and 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The final list of candidates contesting the election will be circulated not later than seven (7) days before the date of the AGM in terms of Section 159(4) of the Act. The website of the Company will be updated with the

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required information and Directors' profile.

1) To approve by way of special resolution with or without modification the following resolution in respect of related party transaction in terms of Section 208 of the Companies ACT. 2017.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This Statement sets out the material facts pertaining to the Special Business items to be transacted at the Annual General Meeting of Ali Asghar Textile Mills Ltd., (the "Company"). **Agenda Item Number** 4 of the notice - Ratification and approval (to the extent applicable) of the related party transactions / arrangements conducted / to be conducted by the Company The Company routinely enters into arrangements and carries out transactions with its related parties in accordance with its policies and the applicable laws and regulations. Certain related party transactions, in which a majority of the Directors are interested, would require members' approval under Sections 207 and / or 208 (to the extent applicable) of the Companies Act, 2017, read with Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019. As some/majority of the Directors of the Company may be deemed to be interested in certain arrangements / transactions with related parties, including due to their shareholding or common directorships in related entities/parties, and to promote transparency, an approval from the members was sought during the 57th AGM of the Company, where the members authorized the Board of Directors to approve such related party transactions conducted by the Company from time to time (and on a case to case basis) during the financial year ended June 30, 2024, and such transactions were deemed to be approved by the members. All the related party transactions have been disclosed in Note 32 to the unconsolidated financial statements for the year ended June 30, 2024. Such transactions were to be placed before the members in next AGM for their ratification / confirmation. Accordingly, these transactions are being placed before the AGM for ratification / confirmation by the members

Party-wise details of such related party transactions are given below

Name of Related Party	Transaction type	Rupees in PKR
Ellahi Capital Pvt Ltd	Principal loan Receivable	399,575,000
	Interest Receivable	83,872,649
	Total	**483,447,649**
Name of Subsidiary		
Fazal Solar Energy (Pvt) Ltd	Principal Loan	93,650,727
	Interest Receivable	3,646,023
	Total Receivable	**97,296,750**

Notes:

ALI ASGHAR TEXTILE MILLS LTD. KARACHI

Mills : Plot No. 6, Sector No. 25, Korangi, Industrial Area, Karachi.
Phone : 35062797, 35059726 . 35062796

ALI ASGHAR TEXTILE MILLS LIMITED

ELLAHI TOWER
Plot No. 6, Sector No. 25
Korangi Industrial Area, Karachi
Tel: 021- 35059726
021-35062797
E-mail: aatml@cyber.net.pk
Website: www.aatml.com.pk

The Share Transfer Books will remain closed and no transfer of shares will be accepted for registration from 22th October 2024 to 28th October 2024 (both days inclusive).

1. **Participation in the annual general meeting:**

A member entitled to attend and vote at this meeting is entitled to appoint another member/any other person as his/her proxy to attend and vote.

2. Duly completed instrument of proxy, and the other authority under which it is signed, thereof, must be lodged with the secretary of the company at the company's registered office at least 48 hours before the time of the meeting.

3. **Necessary Provision of email and physical mailing address and other material information**:

As per SRO 787(I)/2014 of SECP, each TRE Holder/Shareholder who desire to receive soft copy of accounts is requested to update his/her email address with the share registrar and opt for the soft copy of financial results of The Company, so all the results and material information could be transferred in more quicker and better way and any change of address of TRE Certificate holder should be immediately notified to the company's share registrars, C&K Management Associates (PVT) Limited, Address: 404- Trade Tower, Abdullah Haroon Road Near, Metro pole Hotel, Karachi-75530, Phone: 35687839, 3568593

4. The CDC account holders will further have to follow the under-mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

A. For attending the meeting:

i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original computerized national identity card (CNIC) or original passport at the time of attending the meeting.

ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

B. For appointing proxies:

i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form accordingly.

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Phone : 35062797, 35059726 , 35062796

ELLAHI TOWE
Plot No. 6, Sector No.
Korangi Industrial Area, Kara
Tel: 021-350597
021-350627
E-mail: aatml@cyber.net.
Website: www.aatml.com

ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
iii) Attested copies of CNIC or the passport
iv) The proxy shall produce his/her original CNIC or original passport at the time of meeting.
v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the company.

5. Accounts of the company and other material information should be provided on the website www.aatml.com.pk

6. COVID 19 Related Contingency Planning for AGM:
In view of the prevailing and worsening situation and ensuring the health safety of our shareholder due to pandemic COVID-19 and in line with the direction issued to listed companies by the Securities & Exchange Commission of Pakistan vide is Circular No.4 of 2021 dated February 15, 2021 and subsequent Circular No.6 of 2021 dated March 03, 2021, the company intend to convene this AGM virtually via video conference facility which ensuring compliance with the quorum requirements and request to the Members to consolidate their attendance and voting at the AGM through proxy To special arrangement for attending the AGM through electronic means will be as under:
a) AGM will be held through Zoom application via video link facility.
b) Shareholder/proxy holders interested in attending the AGM through Zoom application are hereby requested to get themselves registered with the Company Secretary office by sending an e-mail with subject: "Registration for AGM" at the earliest but not later than 24th October 2024 on email (abdullahmoosa@aatml.com.pk) along with a valid copy of both side of CNIC.

Shareholder/Proxy holders are advice to mention their Name, Folio/CDC Account Number, CNIC Number and Cell number.
Upon receipt of the above information from the interested shareholders, the Company will send the login credentials at their email address. On the date of AGM, shareholders will be able to login and participate in the AGM proceedings through their smart phones/computer devices. The login facility will be opened from 10:00 am 10:30 a.m. on October 28, 2023 enabling the participants to join the proceedings which will start at 11:00 p.m. sharp.

TILE MILLS LTD. KARACHI ALI ASGHAR

Mills : Plot No. 6, Sector No. 25, Korangi, Industrial Area, Karachi.
Phone : 35062797, 35059726 , 35062796

ALI ASGHAR TEXTILE MILLS LIMITED

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ALI ASGHAR TEXTILE MILLS LTD. KARACHI

Mills : Plot No. 6, Sector No. 25, Korangi, Industrial Area, Karachi.
Phone : 35062797, 35059726 , 35062796

Ali Asghar Textile Mills Limited

UNCONSOLIDATED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2024

MUSHTAQ & CO.
CHARTERED ACCOUNTANTS

KARACHI OFFICE:
407-Commerce Centre,
Hasrat Mohani Road,
Karachi-74200.
PH: 32638521-3
E-mail: audit.khi@mushtaqadco.com

LAHORE OFFICE:
19-B, Block-G,
Gulberg III
Lahore-54660
PH: 35858624 -6
E-mail: audit.khi@mushtaqadco.com

ISLAMABAD OFFICE:
Apartment No. 407,
Second Floor, Millennium
Sector F-11/1, Islamabad.
PH: 051-2224970

MUSHTAQ & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REVIEW REPORT
TO THE MEMBERS OF ALI ASGHAR TEXTILE MILLS LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulation, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Ali Asghar Textile Mills Limited** ("the Company") for the year ended 30 June 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, except for the below mentioned instances of non-compliance, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

Following instances of non-compliance with the requirements of the Code were observed which are stated as under:

Requirement	Regulation	Non-Compliances
Independent Director	06	Independent directors are not meeting the criteria as required Code of Corporate Governance Regulation 2019 and Companies Act, 2017.
Female Director	07	The company has no female director.

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Role of board to address sustainability risk and opportunities.	10A	Newly introduced regulation by SECP during June, 2024. Being reviewed by the board for compliance in future.
Requirement to attain DTP Certification.	19	Except two directors, all other directors are not meeting the requirement of training.
Qualification of CFO & Company Secretary	22 & 24	The Chief Financial Officer and Company Secretary are not meeting the qualification criteria as prescribed by the Regulation.
Disclosure of significant policies on website.	35	The company has not disclosed significant policies on its website.

Mushtaq & Co
MUSHTAQ & CO.
Chartered Accountants
Engagement Partner:
Nouman Arshad, ACA

Lahore:
Date: 03 OCT 2024
UDIN: CR20241072tKkJ1pHW7

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Independent Auditors' Report
To the Members of Ali Asghar Textile Mills Limited
Report on the Audit of the Financial Statements
Qualified Opinion

We have audited the annexed financial statements of **Ali Asghar Textile Mills Limited**, which comprise the statement of financial position as at **June 30, 2024**, and the statement of profit or loss and statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in basis for qualified opinion paragraph , the statement of financial position, statement of profit or loss and statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

a) As disclosed in note 17.1 Bank of Punjab amounting to Rs.18.77 million in respect of long-term financing remains unconfirmed. We were also unable to satisfy ourselves as to the correctness of the reported balances by performing other alternate auditing procedures.

b) The company has not accounted for markup amounting Rs.3.37 million approximately on outstanding balance in respect of long-term loan from the Bank of Punjab. Had the company been accounted for markup, the profit for the current year would have been reduced by the same amount. Consequently, the aggregate amount of accrued markup would have been increased to Rs.15.80 million approximately and aggregate accumulated profit would have been reduced by the same amount.

c) The company has unclaimed dividend amounting Rs.239,589 as disclosed in note 21. The company has not complied with the requirement of Section 244 of the Companies Act, 2017 which states that the shares along with any dividend which remained unclaimed for a period of three years or more, are to vest with the Federal Government.

d) The Securities and Exchange Commission of Pakistan vide its order dated September 06, 2023 has imposed a penalty of Rs. 250,000 on the company for violating the provisions of Section 199 of Companies Act, 2017. The amount of penalty was payable within 30 days of the order but the company has not made any payment of the same till the close of financial year.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the*

Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion and after due verification we report as above.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following is the key audit matters:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	**REVENUE FROM LOGISTIC SERVICES & OTHER INCOME** (Refer note 3.14, 26 and 29 to the financial statements) The Company recognizes rental income as revenue at straight line basis over the lease term. The Company also recognizes other income which is described in above mentioned notes to the financial statements. During the year, revenue from logistics service and other income have increased significantly. We considered the above as a key audit matter as it has significantly increased as compared to the last year. In addition, we consider this as an area of significant audit risk as part of the audit process.	Our audit procedures amongst others included the following: • Assessed the design, implementation and operating effectiveness of key internal controls involved in recognition of revenue and other income; • Understood and evaluated the accounting policy with respect to recognition of revenue and other income; • Performed testing of revenue and other income on a sample basis with underlying documentation including rental agreements, invoices dividend warrants, bank statements; • Performed cut-off procedures on sample basis to ensure revenue and other income has been recorded in the correct period; and • Ensured that presentation and disclosures related to revenue and other income are being addressed appropriately.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard, except mentioned in basis for opinion paragraph.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, in our opinion except for the effects of the matters discussed in the basis for qualified opinion section of our report, we further report that;

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Engagement partner on the audit resulting in this independent auditor's report is **Nouman Arshad, ACA.**

Mushtaq & Co.

MUSHTAQ & CO.
Chartered Accountants

Lahore.
Dated: 03-OCT-2024
UDIN: AR202410724HSU8KBxdh

ALI ASGHAR TEXTILE MILLS LIMITED

STATEMENT OF UNCONSOLIDATED FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,226,074,243	952,070,018
Capital Work in Progress	5	975,305	1,024,742
Long Term Deposits	6	2,640,217	2,630,217
Long Term Investments	9	98,000	-
Long Term loans and advances	7	3,174,515	3,608,084
		1,232,962,280	959,333,061
CURRENT ASSETS			
Loans and advances	8	649,000	3,666,190
Short Term Investments	9	690,795,005	255,132,710
Trade deposits and short term prepayments	10	11,279,696	20,950,639
Other receivables	11	580,745,400	-
Tax refunds due from Government	12	-	12,346,494
Cash and bank balances	13	1,353,289	402,764,296
		1,284,822,390	694,860,329
TOTAL ASSETS		2,517,784,670	1,654,193,390
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
50,000,000 (2023: 50,000,000) ordinary shares of Rs. 5 each		250,000,000	250,000,000
Issued, subscribed and paid-up capital	14	222,133,470	222,133,470
Interest free Loan from directors	15	-	15,639,785
Surplus on Revaluation of Fixed Assets	16	947,795,142	682,474,489
Unappropriated Profit/ (Loss)		788,253,320	706,435,548
Un-realised gain/loss on Investment		260,776,131	(72,103,832)
		2,218,958,063	1,554,579,460
NON-CURRENT LIABILITIES			
Long term financing	17	18,770,615	18,770,615
Long term Deposits		287,000	287,000
Deferred Liabilities	18	127,524,882	1,935,401
		146,582,497	20,993,016
CURRENT LIABILITIES			
Loan from directors	19	31,649,785	-
Trade and other payables	20	46,831,989	72,854,649
Unclaimed Dividends	21	239,589	239,589
Accrued Mark-up	22	12,008,446	4,930,250
Book overdrafts	23	-	596,396
Short Term Running Finance	24	56,385,177	-
Current portion of long term borrowings	17	-	-
Income Tax Payable	12	5,129,124	-
		152,244,110	78,620,914
CONTINGENCIES AND COMMITMENTS	25	-	-
TOTAL EQUITY AND LIABILITIES		2,517,784,670	1,654,193,390

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

NADEEM ELLAHI SHAIKH
Chief Executive

ABDULLAH MOOSA
Director

MOHAMMAD SULEMAN
Chief Financial Officer

ALI ASGHAR TEXTILE MILLS LTD. KARACHI

ALI ASGHAR TEXTILE MILLS LIMITED

STATEMENT OF UNCONSOLIDATED PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Revenue-Logistic Center Service	26	66,402,000	63,796,495
Logistic Center Service Charges	27	(47,880,358)	(32,470,676)
Gross Profit		**18,521,642**	**31,325,819**
Administrative expenses	28	(35,565,245)	(19,747,733)
Other income	29	226,544,265	35,641,553
Other Operating expenses	30	(7,007,792)	(36,319,870)
		183,971,228	(20,426,050)
Profit from operations		**202,492,869**	**10,899,769**
Finance cost	31	(11,540,316)	(211,036)
Profit before levies and taxation		**190,952,553**	**10,688,733**
Levies		(17,241,945)	(5,677,274)
Profit before taxation		**173,710,608**	**5,011,459**
Taxation			
Current Tax		(19,346,828)	-
Prior Year Tax and tax provision		(2,091)	9,224,024
Deferred Tax		(54,536,760)	-
Profit after taxation		**99,824,929**	**14,235,483**
Earning per share - basic and diluted	32	**2.25**	**0.32**

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

NADEEM ELLAHI SHAIKH	ABDULLAH MOOSA	MOHAMMAD SULEMAN
Chief Executive	Director	Chief Financial Officer

ALI ASGHAR TEXTILE MILLS LIMITED
STATEMENT OF UNCONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Profit after taxation		99,824,929	14,235,483
Other comprehensive income / (loss)			
Items that may be reclassified subsequently to profit or loss account:			
Revaluation surplus on property, plant and equipment-net of tax		268,330,477	-
Unrealized Gain/(loss) on remeasurement of available for sale investment during the year-net of tax		281,001,324	(5,478,589)
Realized gain for sale investment during the year		30,675,353	-
Items that cannot be reclassified subsequently to profit or loss account:			
Unrealized gain on remeasurement of staff retirement benefits	18.1	262,399	297,565
Less: Deferred Tax		(76,096)	-
Total comprehensive Profit for the year		680,018,386	9,034,459

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

NADEEM ELLAHI SHAIKH
Chief Executive

ABDULLAH MOOSA
Director

MOHAMMAD SULEMAN
Chief Financial Officer

ALI ASGHAR TEXTILE MILLS LIMITED
STATEMENT OF UNCONSOLIDATED CHANGES IN EQUITY
AS AT JUNE 30, 2024

	Issued, subscribed and Paid up Capital	Loan from directors and others	Reserves: Revenue Reserve Unappropriated Profit/ (Loss)	Reserves: Revaluation Surplus on Property Plant and Equipment	Reserves: Unrealised gain/loss on fairvalue	Total Equity
	Rupees					
Balance as at July 1, 2022	222,133,470	2,837,047	692,927,915	682,474,489	(67,650,656)	1,532,722,265
Profit for the year	-	-	14,235,482	-	-	14,235,482
Other comprehensive Income/ (loss) for the year	-	-	-	-	-	-
Unrealized loss on remeasurement of available for sale investment	-	-	-	-	(5,478,589)	(5,478,589)
Gain on remeasurement of staff retirement benefits- gratuity	-	-	297,565	-	-	297,565
Interest free Loan from directors (Note 15)	-	12,802,738	-	-	-	12,802,738
Tranfer to retained earnings			(1,025,413)		1,025,413	-
Balance as at June 30, 2023	**222,133,470**	**15,639,785**	**706,435,548**	**682,474,489**	**(72,103,832)**	**1,554,579,460**
Balance as at July 1, 2023	222,133,470	15,639,785	706,435,548	682,474,489	(72,103,832)	1,554,579,460
Profit for the year	-	-	99,824,930	-	-	99,824,930
Other comprehensive Income for the year:						
Unrealized Gain/(loss) on remeasurement of available for sale investment during the year-net of tax	-	-	-	-	281,001,324	281,001,324
Realized gain for sale investment during the year			30,675,353			30,675,353
Gain on remeasurement of staff retirement benefits- gratuity Net of Tax	-	-	186,303	-	-	186,303
Revaluation surplus on property, plant and equipment-net of tax		-		268,330,477		268,330,477
Interest free Loan from directors (Note 15)	-	(15,639,785)	-	-	-	(15,639,785)
Transferred from surplus on revaluation of property, plant & equipment			3,009,824	(3,009,824)		
Transfer to retained earnings	-	-	(51,878,639)	-	51,878,639	-
Balance as at June 30, 2024	**222,133,470**	**-**	**768,253,320**	**947,795,142**	**260,776,131**	**2,218,958,063**

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

NADEEM ELLAHI SHAIKH
Chief Executive

ABDULLAH MOOSA
Director

MOHAMMAD SULEMAN
Chief Financial Officer

ALI ASGHAR TEXTILE MILLS LIMITED
STATEMENT OF UNCONSOLIDATED CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxation		190,952,553	10,688,733
Adjustments for:			
Depreciation		24,696,838	21,581,194
Damages loss on building		-	15,078,430
Staff retirement benefits - gratuity		582,978	567,542
Loss on disposal of PPE		2,875,284	-
Unrealized Gain on remeasurement of trading securities		348,930,410	(5,478,589)
Finance cost		11,540,316	211,036
		388,625,826	31,959,613
Profit before working capital changes		579,578,380	42,648,346
(Increase) / decrease in current assets			
Loans and advances		3,017,190	(89,053)
Investment in Mutual Funds and Shares		(435,760,298)	12,262,482
Other Receivables		(580,745,400)	369,433,861
Trade deposits and short term prepayments		9,670,943	(768,000)
		(1,003,817,565)	380,839,290
(Decrease) / increase in current liabilities			
Trade and other payables		(26,022,660)	42,550,031
Accrued Mark-up		7,078,196	(11,143)
Income Tax Payable		5,129,124	-
Cash generated from operations		(438,054,525)	466,026,524
Finance cost paid		(11,540,316)	(211,036)
Taxes paid		(24,244,403)	(114,212)
Staff retirement benefits gratuity paid		(551,439)	(442,750)
		(36,336,158)	(767,998)
Net cash (used in)/generated from operating activities		(474,390,682)	465,258,526
CASH FLOWS FROM INVESTING ACTIVITIES			
Long term Loans and Advances		433,569	462,925
Long Term Deposits		(10,000)	20,030
Capital Work in Progress		49,440	(1,024,742)
Fixed capital expenditure		(795,000)	(19,783,573)
Net cash used in investing activities		**(321,991)**	**(20,325,360)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Disposal of PPE		1,502,883	-
Loan From Directors		16,010,000	12,802,738
Payment of Long term loans		-	(48,290,147)
Short term borrowing		56,385,177	-
Book overdraft		(596,396)	(7,245,982)
Net cash generated from/(used in) financing activities		73,301,664	(42,733,391)
Net (decrease)/increase in cash and cash equivalents		(401,411,008)	402,199,773
Cash and cash equivalents at the beginning of the year		402,764,296	564,520
Cash and cash equivalents at the end of the year	13	1,353,289	402,764,296

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

NADEEM ELLAHI SHAIKH	**ABDULLAH MOOSA**	**MOHAMMAD SULEMAN**
Chief Executive Officer	Director	Chief Financial Officer

1 THE COMPANY AND IT'S OPERATIONS

1.1 The Ali Asghar Textile Mills Limited (the Company) was incorporated in Pakistan on February 9, 1967 as a public limited company under the Companies Act, 1913(Now Companies Act 2017). Registered office of the company is located at Plot 6, Sector 25, Korangi Industrial Area, Karachi, Sindh. Its shares are quoted on Pakistan Stock Exchange Limited. The principal line of business is to provide the services of logistics, warehouse, construction, rental and allied business. The business premises of the Company is located at plot no.6, Korangi Industrial Area, Karachi, in the province of Sindh.

1.2 In the AGM held in October 2016 presented shareholders with a new business plan and detailed cash flows. After approval the management has started hiring new employees and started business activities. A state of the art automated logistic hub is been constructed with the help of kirby international Kuwait designed to provide modern support sources to e-commerce oriented companies,

1.3 In the last AGM on October 26, 2023 Shareholders Approved the change of name from Ali Asghar Textile Mills Limited to Ellahi Holdings Limited subject to the approval of secp but did not process it further.

1.4 Management assesses the reliability of going concern assumption in preparation of these financial statements and concluded that, it is still in going concern based on following mitigating factors. Accordingly, these financial statements have been prepared on going concern

a) Logistic Hub and Warehousing Business

The directors of the company in a board of directors meeting held in year 2016, approved the business of logistics and warehousing. Equipment for prefabricated building has been installed and completed.

b) Support of Directors and Sponsors

Directors and sponsors of the company have committed that if in case any additional funds are required for running the business of the company; it will be provided by the sponsors and directors.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting Convention

These financial statements have been prepared under the historical cost convention except as otherwise stated in respective policies.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the Company's functional currency. All financial information presented in Pakistan Rupees has been rounded off to the nearest rupee.

2.4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

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

2.5 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING

2.5.1 **Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:**

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of financial statements (Amendments)	1-Jan-24
IAS 7	Statement of cash flows (Amendments)	1-Jan-24
IFRS 16	Leases (Amendments)	1-Jan-24
IAS 21	The Effects of Changes in Foreign Exchange Rates (Amendments)	1-Jan-25
IFRS 17	Insurance contracts	1-Jan-26
IFRS 7	Financial Instruments Disclosures(Amendments)	1-Jan-26
IFRS 9	Financial Instruments-classification and measurement of financial intruments(Amendments)	1-Jan-26

The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2024

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 18	Presentation and Disclosure in Financial Statements
IFRS 19	Subsidiaries without Public Accountability : Disclosures

2.5.2 **Accounting guidance issued by Institute of Chartered Accountants of Pakistan (ICAP) on accounting for minimum taxes and final**

ICAP issued a guidance "Application Guidance on Accounting for Minimum Taxes and Final Taxes" through circular No. 07/2024 dated May 15, 2024. In light of the said guidance, as the minimum taxes and final taxes are not calculated on the 'taxable profit' as defined in IAS - 12 but calculated on turnover or other basis (as per relevant sections of the Income Tax Ordinance, 2001 (ITO, 2001)), accordingly minimum taxes and final taxes should be accounted for under IAS 37/ IFRIC 21 as levies (though these are charged under tax law) and not under IAS - 12 as income taxes. Based on the guidance, the minimum taxes under ITO, 2001 are hybrid taxes which comprise of a component within the scope of IAS 12 (Income Tax) and a component within the scope of IFRIC 21 (Levies) and final taxes fall under levy within the scope of IAS 37/ IFRIC 21.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from July 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements. The amendments require disclosure of 'material' rather than 'significant' accounting policies.The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Property, plant and equipment

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation except leasehold land, which is stated at revalued amount less impairment loss, if any. Building on leasehold land is stated at revalued amount less accumulated depreciation and impairment loss, if any. Cost comprises acquisition and other directly attributable costs.

Depreciation is provided on a reducing balance method and charged to profit or loss account to write off the depreciable amount of each asset over its estimated useful life at the rates specified in relevant note. Depreciation on addition to property, plant and equipment is charged from the month of addition while no depreciation is charged in the month of disposal.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized, if any. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the profit or loss account.

The Company reviews the useful life and residual value of property, plant and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on depreciation charge.

Leased assets subject to finance lease

Assets subject to finance lease are initially recorded at the lower of present value of minimum lease payment under the lease agreement and the fair value of the leased asset. The related obligations under the lease less financial charges allocated to future period are shown as a liability. Financial charges are allocated to accounting period in a manner to provide constant periodic rate of charge on the outstanding liability. Capitalized or leased assets are depreciated on the same basis and on the same rate as owned assets. Income arising from sales and lease back transaction, if any, is deferred and is amortized equally over the lease period.

Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments received under operating leases are charged to the statement of profit or loss on a straight-line basis over the period of the lease.

Derecognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the profit and loss account in the year the asset is de-recognized.

3.2 Capital work-in-progress

Capital work in progress is stated at cost less any identified impairment loss and represents expenditure incurred on fixed assets in the course of construction and installation. Transfers are made to relevant fixed assets category as and when assets are available for use.

3.3 Investments

Investments intended to be held for less than twelve months from the statement of financial position date or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

3.4 Trade debts and other receivables

Trade debts are initially recognized at fair value and subsequently measured at cost less provision for doubtful debts. A provision for doubtful debts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the trade debts. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy of financial reorganization, and default or delinquency in making payments are considered indicators that the trade debt is doubtful and the provision is recognized in the profit and loss account. When a trade debt in uncollectible, it is written off against the provision.

3.5 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

3.6 Borrowings

Borrowings are initially recorded at the proceeds received. In subsequent periods, borrowings are stated at amortized cost using the effective yield method. Finance costs are accounted for on an accrual basis and are included in current liabilities to the extent of the amount remaining unpaid.

3.7 Staff Retirement Benefit

The Company operates an unfunded gratuity scheme (defined benefit plan) for all its permanent employees who have completed minimum qualifying period of service as defined under the respective scheme. Liability is adjusted annually to cover the obligation and the adjustment is charged to profit or loss. The determination of the Company's obligation under the scheme requires assumptions to be made of future outcomes, the principal ones being in respect of increases in remuneration, expected average remaining working lives of employees and discount rate used to derive present value of defined benefit obligation.

There is risk that the final salary at the time of cessation of service is greater than what the entity has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.
Amounts recognized in the balance sheet represent the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost.

Actuarial gains and losses are recognized in comprehensive income for the period in which these arise.

3.8 Trade and other payables

Liabilities for creditors and other amounts payable are carried at the fair value of the consideration to be paid in the future for the goods and/or services received whether or not billed to the Company.

3.8.1 Contract liabilities

Contract liability is an obligation of the Company to transfer goods and services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If the customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when payment is made or due whichever is earlier. Contract liabilities are recognised in revenue when Company fulfils the performance obligation under the contract.

3.9 Taxation

Current year

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous years arising from assessments framed during the year for such years.

3.10 Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in statement of profit or loss account. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is then recognized as a levy

3.11 Deferred tax

Deferred tax is accounted for using the statement of financial position liability method in respect of all temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax is calculated at the rates (enacted rate applicable as on balance sheet date) that are expected to apply to the period when the differences reverse based on the tax rates that have been enacted. Deferred tax is charged or credited to profit or loss except to the extent that it relates to items recognised in other prehensive income or directly in the equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.
Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity but they intend to settle current tax liabilities and assets on a net basis or these tax assets and liabilities will be realised simultaneously.

3.12 Dividend

Dividend is recognized as a liability in the period in which it is approved by shareholders.

3.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

3.14 Revenue recognition

Revenue is recognized to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable ,excluding discounts, rebates, and sales tax or duties . The company assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or an agent. The Company has concluded that it is acting as a principal in all its revenue

The following are the specific recognition criteria that must be met before revenue is recognized:

i. Rental income is recognized on straight-line basis over the lease term except for contingent rental income which is recognized when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognized as an expense over the lease term on the same basis as the lease income. Incentives for lease to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease ,where , at the inception of the lease, the directors are reasonably certain that the tenant will exercise the option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognized in the statement of comprehensive income when the right to receive them arises.

ii. The Company is providing building management service to tenants. Such services include maintenance services, security services and provision of utilities. Revenue from these services is recognized over the period when the service to the customer at an amount that reflects the consideration to which the Company expects to be entitles in exchange of services. Revenue from rendering of services is recognized over the time when the services are rendered to the tenant.

iii. Bank Profits/Interest income is recognized as it accrues using the effective interest rate method.

iv. Revenue from Service income is recognized when service are rendered.

3.15 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognized as an expense in the profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.16 Restatement

During the year the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax (which is not adjustable against future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) — 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the statement of financial position, the statement of changes in equity, the statement of cash flows and earning per share as a result of this change.

	Amount in Rupees		
	Had there been no change in accounting policies	Impact of Change in Accounting Policies	After Incorporating effect of change in accounting policies
Effect on Statement of Profit or Loss 2023			
Profit/ (loss) before levies and income tax	10,688,733	-	10,688,733
Levies	-	(5,677,274)	(5,677,274)
Profit/ (loss) before income tax	10,688,733	(5,677,274)	5,011,459
Income tax expense	(14,901,298)	5,677,274	(9,224,024)
Profit/(loss) for the year	(4,212,565)	-	(4,212,565)

3.17 Other income

Other Income comprises Dividend income is recognized in profit or loss on the date that the Company's receive payment is established .Similary gain on disposal of financial assets.Scrap Sale and Net metering benefit.

3.18 Finance Cost

Finance costs comprise markup on borrowing, late payment charges, unwinding of lease liabilities and bank charges. Mark up payable on delayed payment is recognised on accrual basis. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using effective interest method.

3.19 IFRS 9 "Financial Instruments"

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement bringing together aspects of the accounting for financial instruments: classification and measurement and impairment.

Classification and measurement

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables, held for trading and available for sale. IFRS 9, classifies financial assets in the following three categories:
-fair value through other comprehensive income (FVOCI);
-fair value through profit or loss (FVTPL); and
-measured at amortized cost.

IFRS 9 permits either a full retrospective or a modified retrospective approach for adoption. The Company has adopted the standard using the modified retrospective approach for classification, measurement and impairment. This means that the cumulative impact, if any, of the adoption is recognized in unappropriated profit as of July 1, 2018 and comparatives are not restated. Details of these new requirements as well as their impact on the Company's financial statements are described below:

This new standard requires the Company to assess the classification of financial assets in its statement of financial position in accordance with the cash flow characteristics of the financial assets and the relevant business model that the Company has for a specific class of financial asset.

IFRS 9 no longer has an "Available for Sale" classification for financial assets. IFRS 9 has different requirements for debt and equity financial assets.
Debt instrument should be classified and measured at either:
(i) amortized cost, where the effective interest rate method will apply;
(ii) fair value through other comprehensive income (FVTOCI), with subsequent recycling to the profit or loss upon disposal of the financial asset; or
(iii)fair value through profit or loss (FVTPL).
Investment in equity instruments, other than those to which consolidation or equity accounting applies should be classified and measured at:
(i) fair value through other comprehensive income (FVTOCI), with no subsequent recycling to the profit or loss upon disposal of the financial

Financial instruments

All financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instruments. All the financial assets are derecognized at the time when the Company losses control of the contractual rights that comprises the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specific in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

Financial assets

Classification

a) Amortized cost where the effective interest rate method will apply;
b) fair value through profit or loss;
c) fair value through other comprehensive income.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash follows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading ,this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transection costs that are directly attributable to the acquisition of the financial asset. Transection costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirely when determining whether their cash flows are solely payment of principal and interest.

De-recognition of financial assets

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks an rewards of the assets, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the assets.

In that case, the Company also recognizes an associated liability. The transferred asset and the associated lability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to reply.

Impairment of financial assets

Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments there are subject to the ECL model:

- Trade debts
- Loans, advances, deposits, prepayments and other receivables
- Short term investments
- Cash and bank balance

Simplified approach for trade debts

The Company recognizes life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of further economic conditions.

Trade debts are separately assessed for ECL measurement. The lifetime expected credit losses are estimated using the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Recognition of loss allowance

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Regardless of the analysis above , a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making a contractual payment.

Write off

The company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to reply the amount.

3.20 Foreign currency transactions and translation

These financial statements are presented in Pak Rupees, which is the Company's functional currency. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the balance sheet date, while the transactions in foreign currencies during the year are initially recorded in functional currency at the rates of exchange prevailing at the transaction date. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined. Exchange gains and losses are recorded in profit or loss account.

3.21 Earnings per share - basic and diluted

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.22 Related party transactions

All transactions with related parties are carried out by the Company at arms' length price using the method prescribed under the Companies Act, 2017. Nature of the related party relationship as well as information about the transactions and outstanding balances are disclosed in the relevant notes to the financial statements.

3.23 Capital Management

The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors monitors the return on capital and level of dividends to ordinary shareholders. The company seeks to keep a balance between the higher return that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position. There were no changes in the company's approach to capital management during the year. Further, the company is not subject to externally imposed capital requirements.

3.24 Revaluation

Revaluation of freehold land are based on periodic, but atleast triennial, valuation by external independent valuer. Increase in the carrying amount arising on revaluation of freehold land are recognised in other comprehensive income and accumulated in shareholders' equity under the heading "Surplus on Revaluation of PPE". To the extent that the increase reverses a decrease previously recognised in statement of changes in equity, the increase is first recognised in statement of changes in equity. Decreases that reverse previous increases are first recognised in statement of changes in equityto the extent of the remaining surplus attributable to the asset; all other decreases are charged to statement of profit or loss.

The Company carries out revaluations, considering the change in circumstances and assumptions from latest revaluation. The fair value of the Company's free hold land is assessed by management based on independent valuation performed by an external property valuation expert as at year end after every reasonable years. For valuation of free hold land, the current market prices are used which requires significant judgment as to estimating the revalued amount in terms of property size, location and layout etc.

3.25 Unclaimed dividend

The Company recognises unclaimed dividend which was declared and remained unclaimed by the shareholder from the date it was due and payable.

3.26 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to setoff the recognized amount and the company intends either to settle on a net basis or to realize the assets and to settle the liabilities

4 PROPERTY, PLANT AND EQUIPMENT

	Note	2024 Rupees	2023 Rupees
Operating fixed assets	4.1	1,226,074,243	952,070,018
Capital work in progress	5	975,305	1,024,742
		1,226,074,243	952,070,018

4.1 Operating fixed assets

2024

2,295,000 755,114

	Cost as at July 01, 2023	Additions/ Transferred from CWIP	Adjustments	Revaluation surplus/ (loss)	(Disposal)	Cost as at June 30, 2024	Accumulated depreciation as at July 01, 2023	Depreciation charge for the year	Adjustments/ (Disposal)	Accumulated depreciation as at June 30, 2024	Book value as at June 30, 2024	Annual depreciation rate %
	Rupees											
Owned Assets												
Leasehold land	682,807,500			182,192,500	-	865,000,000	-	-	-	-	865,000,000	-
Building on leasehold land-Mill	1,541,886	-		753,114	-	2,295,000	337,833	134,291	-	472,124	1,822,876	7%
Building on leasehold land-others	148,964,215	-		119,338,615	-	268,302,830	13,744,450	9,744,454	-	23,488,904	244,813,926	5%
Plant and machinery	255,351,999	-			(21,132,800)	234,219,199	198,329,616	4,333,995	(16,754,633)	185,908,979	48,310,220	7%
Electric Fittings	10,075,650	486,000		-	-	10,561,650	2,849,233	525,694	-	3,374,927	7,186,723	7%
Solar System	22,995,620	119,050	-	-	-	23,114,670	1,530,787	1,507,400	-	3,038,187	20,076,483	7%
Generator	6,000,565	-		-	-	6,000,565	1,152,542	339,362	-	1,491,904	4,508,661	7%
Office Equipments	7,898,413	189,950	-	-	-	8,088,363	5,404,428	181,365	-	5,585,793	2,502,570	7%
Furniture & Fixture	2,240,174	-		-	-	2,240,174	2,037,605	14,180	-	2,051,785	188,389	7%
Vehicle	53,668,736		-	-	-	53,668,736	14,088,245	7,916,098	-	22,004,343	31,664,393	20%
30.06.2024	1,191,544,758	795,000	-	302,284,229	(21,132,800)	1,473,491,187	239,474,740	24,696,838	(16,754,633)	247,416,944	1,226,074,243	

	2023											
	Cost as at July 01, 2022	Additions	Adjustments	Revaluation surplus	(Disposal)	Cost as at June 30, 2023	Accumulated depreciation as at July 01, 2022	Depreciation charge for the year	Adjustments /(Disposal)	Accumulated depreciation as at June 30, 2023	Book value as at June 30, 2023	Annual depreciation rate %
	Rupees											
Owned Assets												
Leasehold land	682,807,500	-		-	-	682,807,500	-	-	-	-	682,807,500	-
Building on leasehold land-Mill	1,541,886	-	-	-	-	1,541,886	247,205	90,628	-	337,833	1,204,053	7%
Building on leasehold land-others	164,042,645		(15,078,430)	-	-	148,964,215	6,627,620	7,116,830	-	13,744,450	135,219,765	5%
Plant and machinery	255,351,999	-		-	-	255,351,999	194,037,609	4,292,007	-	198,329,616	57,022,383	7%
Electric Fittings	9,528,777	546,873		-	-	10,075,650	2,336,181	513,052	-	2,849,233	7,226,417	7%
Solar System	18,855,420	4,140,200				22,995,620	70,969	1,459,819	-	1,530,787	21,464,833	7%
Generator	6,000,565			-	-	6,000,565	787,637	364,905	-	1,152,542	4,848,023	7%
Office Equipments	7,839,913	58,500		-	-	7,898,413	5,219,491	184,937	-	5,404,428	2,493,985	7%
Furniture & Fixture	2,240,174	-		-	-	2,240,174	2,022,358	15,247	-	2,037,605	202,569	7%
Vehicle	38,630,736	15,038,000		-	-	53,668,736	6,544,476	7,543,769	-	14,088,245	39,580,491	20%
30.06.2023	1,186,839,615	19,783,573	(15,078,430)	-	-	1,191,544,738	217,893,546	21,581,194	-	239,474,740	952,070,018	

4.2 Depreciation for the period has been allocated as under.

	Note	2024 Rupees	2023 Rupees
Directly Attributable Cost	27	16,059,501	34,905,383
Administrative expenses	28	8,637,337	(13,324,189)
		24,696,838	21,581,194

4.3 Particular of Immovable Asset in the name of the Company are as follows;

Location	Address	Total Area (Square yards)
Karachi	Sector 25, Korangi Industrial Area Karachi.	15173.61

4.4 Disposal of property, plant and equipment

Particulars	Particulars of buyer	Cost	Accumulated depreciation	Written down value	Gain/(Loss)	Proceeds	Mode of disposal
2024		21,132,800	(16,754,633)	4,378,167	(2,875,284)	1,502,883	Negotiation
		21,132,800	(16,754,633)	4,378,167	(2,875,284)	1,502,883	

		Note	2024 Rupees	2023 Rupees
5	**CAPITAL WORK IN PROGRESS**	5.1	975,305	1,024,742
			975,305	1,024,742
5.1	**Movement in Capital work in progress as follows:**			
	Opening balance		1,024,742	-
	Addition during the year:			
	Building- Mill		-	1,024,742
			1,024,742	1,024,742
	Transfer to expense		(49,437)	-
	Closing balance		975,305	1,024,742
6	**LONG TERM DEPOSITS**			
	Utilities		1,190,217	1,180,217
	Leasing Companies	6.1	1,450,000	1,450,000
			2,640,217	2,630,217

6.1 Refer to note 24.1

		Note	2024 Rupees	2023 Rupees
7	**LONG TERM LOANS AND ADVANCES**			
	Considered good-secured			
	Loan to staff		3,823,515	4,048,084
	Less: Current Portion	8	(649,000)	(440,000)
			3,174,515	3,608,084

7.1 Loan to staff is secured against gratuity.

		Note	2024 Rupees	2023 Rupees
8	**LOANS AND ADVANCES**			
	Considered good-unsecured			
	Advance to suppliers		2,269,424	3,226,190
	Less: Write Off		(2,269,424)	-
	Current portion of loan to staff		649,000	440,000
			649,000	3,666,190

	Note	2024 Rupees	2023 Rupees
9 INVESTMENTS			
Short Term Investment	9.1	690,795,005	-
Long Term Investment	9.2	98,000	
		690,893,005	-

9.1 Short term Investment

	No. of Shares/ Units	Cost	Fair value adustment	Fair value 2024	Book value 2023
a) Fair Value through Profit or Loss					
Investments in Equity shares					
TPI Reit	14,000	246,262	(36,264)	209,998	-
LUCKY CEMENT	3,300	2,833,382	158,822	2,992,204	-
	17,300	3,079,644	122,558	3,202,202	-
b) Fair Value through Other Comprehensive Income					
Investments in Equity shares					
Adamjee Insurance Company Limited.			-	-	2,998,475
Altern Energy Limited.	99,000	1,900,595	418,965	2,319,560	1,433,520
Agriauto Industries Limited.	5,875	10,524,325	(9,921,552)	602,773	9,175,644
Fauji Cement Company Limited.	356,625	7,036,443	1,133,837	8,170,280	4,193,910
Habib Metropolitan Bank Limited.	421,500	16,562,170	12,382,235	28,944,405	10,833,870
United Bank Limited.	157,919	29,121,979	11,343,183	40,465,162	49,249
Bank Al Habib Limited.	2,182,753	90,313,348	154,547,884	244,861,232	96,262,350
Habib Bank Limited.	20,000	2,336,266	144,334	2,480,600	33,988,606
Nishat Power Limited.	-	-	-	-	144,075
Fauji Fertilizer Company Limited.	301,305	35,378,926	13,848,285	49,227,211	1,437,716
BANK AL FALAH	1,473,061	59,315,300	40,882,309	100,197,609	64,201,217
Cherat packages	-	-	-	-	2,362,194
Descon Oxchem Limited	-	-	-	-	16,336,390
First Dawood	500	1,015	130	1,145	800
K-Electric	-	-	-	-	909,020
Meezan Bank Limited	-	-	-	-	3,454,800
Synthetic Polymer	680	1,513,667	(1,502,842)	10,825	2,201,472
Hub power	-	-	-	-	2,365,720
MCB	906,144	131,242,013	74,470,792	205,712,805	-
Aisha steel	-	-	-	-	896,400
Airlink comuunication Limited	35,000	3,020,656	88,395	3,109,051	1,109,786
	5,960,362	388,266,702	297,835,956	686,102,658	254,355,214
	5,977,662	391,346,346	297,958,514	689,304,860	254,355,214
Investments in AMC's					
NBP money market fund	26,847	242,026	26,665	268,691	224,951
UBL Government securities fund	1,949	175,765	30,742	206,507	175,149
MCB cash management optimizer	1,336	135,471	742	136,213	57,631
UBL stock advantage fund	1,680	104,282	107,896	212,178	111,489
UBL Cash fund fund	344	30,535	3,884	34,419	29,034
JS cash fund	922	95,060	1,848	96,908	81,242
Ijara sukak	60	251,116	24,442	275,558	
MCB Soverign Fund	4,807	261,982	(2,311)	259,671	
	37,945	1,296,237	193,908	1,490,145	679,496
MCB term deposit receipt (TDR).	-	-	-	-	-
9.2 Fazal Solar Energy Pvt. Ltd. (Subsidiary)	9,800	98,000	-	98,000	98,000
	6,025,407	392,740,583	298,152,422	690,893,005	255,132,710

9.2.1 Short term investment Rupees 98,000/- pertains to Fazal Solar Energy Pvt. Ltd has been reclassified to long term investment in this year.

9.3 The initial investment is recorded at a historical cost.

	Note	2024 Rupees	2023 Rupees
10 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Infrastructure fee	10.1	1,611,230	1,611,230
Other Prepayments		9,956,843	19,339,409
Less: Write Off		(288,378)	-
		11,279,696	20,950,639

10.1 This represent 50% payment made to Excise and Taxation Department of Government of Sindh against levy of Infrastructure Fee. (refer note 20.4)

	Note	2024 Rupees	2023 Rupees
11 OTHER RECEIVABLES			
Ellahi Capital	11.1	483,447,649	-
Fazal Solar energy	11.2	97,297,751	-
		580,745,400	-

11.1 The company has a receivable of 483.44 million from Ellahi Capital , which is due to be repaid on October 31, 2026. The receivable will be repaid with markup charged on three months KIBOR plus 3% above the average borrowing cost invested.

11.2 The company has a receivable of 99.3 million from Fazal Solar Energy, which is due to be repaid in five years. The receivable will be repaid with markup charged on three months KIBOR plus 3% above the average borrowing cost.

	Note	2024 Rupees	2023 Rupees
12 TAX REFUND DUE FROM GOVERNMENT			
Income tax (payable) / refundable	12.1	(6,229,898)	7,576,196
Sales tax refundable		1,030,779	4,700,303
FED receivable		69,995	69,995
		(5,129,124)	**12,346,494**
12.1 Income tax (payable) / refundable			
Opening balance		7,576,196	(2,743,251)
Tax deducted during the period		22,784,769	6,772,697
		30,360,965	4,029,446
Less: Provision for current year		(36,588,772)	(5,677,274)
Prior year tax adjustment		(2,091)	9,224,024
		(36,590,863)	3,546,750
Closing balance		**(6,229,898)**	**7,576,196**
13 CASH AND BANK BALANCES			
Cash in Hand			
-at Mill		25,848	131,371
-at Head office		40,000	707,683
		65,848	839,054
Cash at Banks - Current Accounts		1,287,441	401,925,242
		1,353,289	**402,764,296**

14 Issued, subscribed and paid-up capital

2024	2023		2024	2023
Number of shares			Rupees	Rupees
38,298,874	38,298,874	Ordinary shares of Rs. 5 each allotted for consideration paid in cash.	191,494,370	191,494,370
6,127,820	6,127,820	Ordinary shares of Rs. 5 each issued as right shares.	30,639,100	30,639,100
44,426,694	**44,426,694**		**222,133,470**	**222,133,470**

14.1 The shareholders' are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry "one vote" per share without restriction.

		Note	2024 Rupees	2023 Rupees
15	**INTEREST FREE LOAN FROM DIRECTORS**			
	Loan from directors and others	15.1	-	15,639,785

15.1 These are unsecured and interest free loans repayable on the discretion of the company. In compliance with TR-32 issued by The Institute of Chartered Accountatnts of Pakistan, these loans have been treated as part of equity.

16 SURPLUS ON REVALUATION OF FIXED ASSETS

	2024	2023
Balance as at July 01,2023	682,474,489	-
Surplus on revaluation of land,building-mill and others		
Land	182,192,500	682,474,489
Building - Mill	753,114	-
Building - Other	119,338,615	-
	984,758,718	682,474,489
Less: Incremental depreciation		
Building - Others	(2,983,465)	-
Building - Mill	(26,359)	-
Less: Deferred Tax	(33,953,752)	
Balance as at June 30,	947,795,142	682,474,489

16.1 The company revalued its Land & Building on market value basis on 20th December 2023 by Anderson Consulting (Pvt) Ltd , an independent valuer which result in upward valuation of Rs 302.284 million. Previously it was carried out on 18th January 2020 by Anderson Consulting (Pvt) Ltd.and before that on June 30, 2011 by M/s Asif Associates (Pvt.) Ltd and before that on June 30, 2006 by M/s Consultancy Support and Services. Revaluation of Land was carried out on March 14, 2005 by Consultancy Support and Services, and revaluation was carried out on April 1, 1994 on the basis of market value determined by Eastern Surveyors.

17 LONG TERM FINANCING

	Note	2024	2023
Loans from banking companies and redeemable capital	17.1	18,770,615	18,770,615

17.1 Loans from banking companies and Redeemable Capital - secured

	Note	2024	2023
Bank of Punjab	17.2	18,770,615	18,770,615
		18,770,615	18,770,615
Less: Current portion shown under current liabilities		-	
		18,770,615	18,770,615

17.2 This liability is against leasing facility. Case filed by the bank of punjab, See Note 25.1

	Note	2024 Rupees	2023 Rupees
18 DEFFERED LIABILITIES			
Staff retirement benefits - gratuity	18.1	1,704,541	1,935,401
Deferred Taxation	18.2	125,820,341	-
		127,524,882	**1,935,401**

18.1 Staff retirement benefits

	Note	2024 Rupees	2023 Rupees
Movement in the net liability recognized in balance sheet			
Opening net liability		1,935,401	2,108,173
Expense for the year	18.1.1	582,978	567,543
Remeasurement (Gains) recognized in OCI	18.1.2	(262,399)	(297,565)
		2,255,980	2,378,151
Benefits paid during the year		(551,439)	(442,750)
Closing net liability		**1,704,541**	**1,935,401**
Movements in present value of defined benefits			
PVDBO - opening		1,935,401	2,108,173
Past service cost		-	-
Current service cost		417,548	345,265
Interest cost		165,431	222,277
Remeasurements (gains)/losses		(262,399)	(297,565)
Benefits paid in the year		(551,439)	(442,750)
PVDBO - closing		**1,704,542**	**1,935,400**

18.1.1 Expense recognized in profit or loss account

	2024 Rupees	2023 Rupees
Current service cost	417,548	345,265
Interest cost	165,431	222,277
	582,979	**567,542**

18.1.2 Expense recognized in other comprehensive income

	2024 Rupees	2023 Rupees
Net acturial loss/(gain) recognized	(262,399)	(297,565)
Total	**320,580**	**269,977**

General description

The scheme provides for terminal for all its permanent employees who attain the minimum qualifying period. Annual charge is made using the acturial technique of Projected Unit Credit Method.

Principal actuarial assumption

	2024	2023
Discount rate	14.75%	16.25%
Average Rate of increment in salary	10.00%	10.00%
Expected year of services (years)	10	9

Estimated charge to P&L for June 30, 2025 Rs. 657,030

The weighted average duration of defined benefit obligation is 8 years.

	Note	2024 Rupees	2023 Rupees

Sensitivity analysis for actuarial assumptions

The below information summarizes how the defined benefit obligation at the end of the reporting period would have increased / decreased as a result of change in respective assumptions by 100 basis point.

	Increase in assumptions	Decrease in assumptions
	-------- Rupees --------	
Discount rate	75,446	(80,305)
Future salaries	(83,107)	79,298

Historical information

	2024	2023	2022	2021	2020
Present value of defined benefit obligation	1,704,541	1,935,401	2,108,173	2,069,150	1,880,956

18.2 Deferred Taxation

18.2.1 Temporary / Deductable differences arising due to:

	2024	2023
Accelerated depreciation	55,015,757	-
Revaluation Surplus	33,953,752	-
Staff retirement benefits	(418,221)	(10,815,575)
Un-realised Gain/loss on Investment-OCI	37,269,053	-
	125,820,341	(10,815,575)
Temporary Difference Taxable / (Deductible)	**125,820,341**	**(10,815,575)**

18.2.3 Reconciliation:

	2024	2023
Charged during the year - profit and loss account	54,536,760	-
Charged during the year - other comprehensive income	71,283,581	-
	125,820,341	-

19 LOAN FROM DIRECTORS

	Note	2024	2023
Loan from directors and sponsors	19.1	31,649,785	-

19.1 The Company has obtained unsecured, interest-bearing loans from Mr.Nadeem Ellahi(director) and Naveed Ellahi (Sponsor). The loans bear an annual interest rate of 18%.

	Note	2024 Rupees	2023 Rupees
20 TRADE & OTHER PAYABLES			
Other creditors	20.1	299,590	32,676,054
Accrued liabilities	20.2	23,256,106	21,824,969
Advance from customers	20.3	17,532,555	16,742,426
Excise and Taxation	20.4	1,611,230	1,611,230
WWF		4,132,508	-
		46,831,989	72,854,679

20.1 Accrued liabilities include previuos supplier payables

20.2 Accrued liabilities include loan from Mrs. Gulnar Humayun, sponsor, Rs.1.88m (2023: Rs.1.9m)

20.3 Advance received from customer is recognised as revenue when the performance obligation in accordance with the policy is satisfied. Revenue for an amount of Rs. Nill has been recognised in current year in respect of advance from customers at the beginning of the year.

20.4 The Company has filed a suit against levy of Infrastructure fee, decision of the Honourable Sindh High Court dated 17 September 2008 in which the imposition of levy of infrastructure cess before 28 December 2006 has been declared as void and invalid. However, the Excise and Taxation Department has filed an appeal before the Honourable Supreme Court of Pakistan against the order of the Honourable Sindh High Court. During the current year, the Honourable Supreme Court of Pakistan has disposed off the appeal with a joint statement of the parties that during the pendency of the appeal, another law i.e. fifth version came into existence which was not the subject matter of in the appeal hence the case was referred back to High Court of Sindh with right to appeal to Supreme Court. On May 31, 2011, the High Court of Sindh has granted an interim relief on an application of petitioners on certain terms including discharge and return of bank guarantees / security furnished on consignment released up to December 27, 2006 and any bank guarantee / security furnished on consignment released after December 27, 2006 shall be encashed to extent of 50% of the guaranteed or secured amount only with balance kept intact till the disposal of petition. In case the High Court upholds the applicability of fifth version of the law and its retrospective application the authorities are entitled to claim the amounts due under the said law with the right to appeal available to petitioner.

	Note	2024 Rupees	2023 Rupees
21 UNCLAIMED DIVIDENDS			
Unclaimed Interim Dividend 1995-1996		27,875	27,875
Unclaimed Interim Dividend 1996-1997		95,664	95,664
Unclaimed Interim Dividend 1999-2000		116,050	116,050
		239,589	239,589
22 ACCRUED MARK-UP			
Accrued mark-up on short term financing	22.1	2,033,147	
Accrued mark-up on long term financing	22.2	4,930,250	4,930,250
Accrued mark-up on loan from Director	22.3	5,045,049	
		12,008,446	4,930,250

22.1 This balance includes markup payable to JS Bank on running finance facilty of RS. 100 Million (2023: Rs. 50 Million)

22.2 This balance includes markup payable to Bank of Punjab amounting to Rs. 4,930,250 (2023: Rs. 4,930,250).

22.3 This balance includes markup payable to Directors on Short Term Loan From Directors (2023: Nil)

	Note	2024 Rupees	2023 Rupees
23 BOOK OVERDRAFT			
Book overdraft	23.1	-	(596,396)

23.1 This represents Cheques issued in excess of bank balance. Since there was no banking facility, this has been grouped under Book overdraft.

	Note	2024 Rupees	2023 Rupees
24 Short Term Running Finance			
Short Term Running Finance	24.1	56,385,177	-

24.1 The company has arranged short term borrowing facilities from JS bank on markup basis to the extent of Rs.100 Million(2023:Nil) which can be utilized as running Finance Facilities. These Facility was available from july 2023 till June 2024. These arrangements were secured investment (Pledge of Shares). The Markup on this facility was ranges from 3 Months Kibor Plus 5.5% and 3 Months Kibor Plus 2.5%.

25 CONTIGENCIES & COMMITMENTS

Contingencies

25.1 The Bank of Punjab has filed Suit 62 of 12 before Honorable Banking Court NO. V, Karachi against the company for recovery of Rs. 42.35 million (Principal Rs. 17.1 million alongwith Markup Rs. 25.241 million) as outstanding dues against the leasing facilities provided by the bank. The company has filed an application for leave to defend on 07.02.2013. The company has also provided liabilities amounting to Rs. 18.77 million along with markup Rs. 4.93 million.The company had paid security deposit of Rs1.45Million as recorded in long term deposits.The management believes that there wont be any outflow of economic benefit more than what it has already recorded and disclosed. In the opinion of Legal advisors of the company, the aforementioned amount of Rs. 42.35 million is exaggerated and is not supported by the statement of account filed by the Bank of Punjab before the learned banking court.

25.2 The company has CP no. D-1009 of 12. Ali Asghar Textile Mills Limited Versus Fed. of Pakistan pending before Honorable High Court of Sindh at Karachi. The company trying to settle it at its earliest and in the opinion of Legal advisor, The merits of the case pending are in the favor of the company as it is taking all the steps to conclude the aforementioned case.

25.3 With reference to FBR Notice 138(1)(notice to pay overdue tax payable) it was established that the sum of Rs.121.5 million due from AATML on account of tax. However,the management of the company through a tax consultant is pursuing the case rectification appeal at FBR Appellate Tribunal .The matter is sub judice before tht Appellate tribunal for rectification purpose. On 14.09.2023, the appellate tribunal decided the case against the company. The Company then prefered income tax appeal (ITRA 400 of 2023) before the Honorable High Court of Sindh which after hearing the parties remanded back the case to the appellate tribunal to decide the issue of limitation afresh. The case is currently pending before Appellate Tribunal.

25.4 With reference to SRB Notice SRB-COM-III/AC-8/WH/2023-24/357639(notice for assesment of input tax claimed and adjustment from April 2021 till date) it is established that the sum of Rs.20.83 million input sales tax paid by the company is adjustable against SST payable Rs. 18.68million by AATML on account of sales and services tax .The management of the company through a tax consultant is pursuing the case .The matter is sub judice before tht AC of SRB unit- 8 for allowing of adjustment to be made.

25.5 There were no commitments as on year end (2023: Nil).

	2024	2023
25.6 Guarantees issued by banks on behalf of the Company	1,611,230	1,611,230

	Note	2024 Rupees	2023 Rupees
26 REVENUE-LOGISTIC CENTER SERVICE			
Gross revenue		75,034,260	72,090,039
Less:Sales tax		(8,632,260)	(8,293,544)
Net revenue		66,402,000	63,796,495
27 LOGISTIC CENTER SERVICE CHARGES			
Salaries, wages and benefits	27.1	13,861,340	12,812,369
Power		7,288,598	5,541,997
Repairs and maintenance		7,138,250	588,539
Depreciation	4.2	16,059,501	13,324,188
Printing and stationery		-	5,770
Conveyance charges		2,500	2,700
Security expenses		274,398	153,783
Entertainment		18,180	41,330
Vehicle runnung and maintenance		47,480	-
Insurance Expense		627,809	-
Legal and professional charges		4,500	-
Write off		2,557,802	-
		47,880,358	32,470,676

27.1 Salaries, wages and benefits include Rs. 283,000/- (2023:567,542) in respect of staff retirement benefits gratuity.

	Note	2024 Rupees	2023 Rupees
28 ADMINISTRATIVE EXPENSES			
Directors' remuneration and other benefits		1,500,000	1,500,000
Travelling and conveyance		1,583,774	439,060
Rent expenses		468,270	624,360
Utilities		46,538	500,902
Postage and telephone		745,261	537,582
Printing and stationery		572,434	407,658
Vehicles running and maintenance		3,686,541	2,778,422
Fees and subscription		4,089,750	287,791
Entertainment		754,483	512,737
Legal and professional		2,653,648	679,810
Auditors' remuneration	28.1	300,000	255,000
Repairs and maintenance		3,634,739	899,522
Depreciation	4.2	8,637,337	8,257,005
Advertisement		72,500	85,750
Insurance		1,581,485	1,592,730
Miscellaneous expenses		824,498	119,381
Brokerage		2,862,043	214,332
Others		1,551,944	55,691
		35,565,245	19,747,733
28.1 Auditors' remuneration			
Annual audit		250,000	210,000
Half yearly review		50,000	45,000
		300,000	255,000

	Note	2024 Rupees	2023 Rupees
29 OTHER INCOME			
Scrap sales		53,000	-
Gain on disposal of trading securities		24,004,345	-
Interest income on Other Receivables		87,518,673	
Unrealized gain on remeasurement of available for sale investment		122,558	-
Dividend income		106,361,485	26,216,000
Relief From Bank on Settlement		-	7,636,398
Relief on Electricity Consumption		6,389,440	1,656,603
CGT Refund Adjustment		1,376,764	132,552
RENTAL		718,000	-
		226,544,265	35,641,553
30 OTHER OPERATING EXPENSES			
Loss on disposal of trading securities		-	(36,319,870)
Loss on disposal of Fixed asset		(2,875,284)	-
WWF-Provision for the year		(4,132,508)	-
		(7,007,792)	(36,319,870)
31 FINANCE COST			
Bank charges		166,654	61,929
Markup Charges on Loan from Bank		6,328,615	149,107
Markup Charges on Loan from Director		5,045,047	-
		11,540,316	211,036
32 EARNING PER SHARE-BASIC AND DILUTED			
Basic Earning Per Share			
Earning for the year		99,824,929	14,235,482
Weighted average number of ordinary shares		44,426,694	44,426,694
Earning per share - basic and diluted		2.25	0.32
Dilutive Earning Per Share			

32.1 There were no convertible dilutive potential ordinary shares in issue as at June 30, 2024 and June 30, 2023.

33 REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

	Chief Executive 30-06-2024	Director 30-06-2024	Executives 30-06-2024	Chief Executive 30-06-2023	Director 30-06-2023	Executives 30-06-2023
Remuneration	1,440,000	-	60,000	1,440,000	-	60,000
Allowances	2,312,342	-	-	1,431,062	-	-
	3,752,342	-	60,000	2,871,062	-	60,000

33.1 The chief executive of the company is provided with company maintained car and utilities.

	Note	2024 Rupees	2023 Rupees

34 RELATED PARTY DISCLOSURE

The related parties comprises directors and key management personnel. Amounts due to related parties are shown in the relevant notes to the financial statements. Transactions with related parties are disclosed below:

Name of the Related Party	Nature of the Relationship	Nature of the Transactions	Transactions
NADEEM ELLAHI	Director	Loan repaid	250,000Dr
		Loan received	500,000 Cr.
NAVEED ELLAF	Sponsor	Loan repaid	978,657 Dr.
		Loan received	16,738,657 Cr.
ELLAHI CAPITAL/PREMIUM EXPORT	Associated and other related parties	Loan provided	813,552,264 Dr.
		Loan received	408,977,264 Cr.
MRS. GULNAR HUMAYUN	Major Shareholder	Rental Agreement	1,033,501 Dr
		Rental Agreement	468,270 Cr.
FAZAL SOLAR ENERGY (PVT.) LTD	Subsidiary	Investment and loan in subsidiary	93,650,727 Dr

Name of the Related Party	2024	2023
MR. NADEEM ELLAHI	(15,906,972)	(9,860,382)
MR. NAVEED ELLAHI	(15,742,813)	(5,742,813)
ELLAHI CAPITAL/PREMIUM EXPORT	399,575,000	(5,000,000)
MRS. GULNAR HUMAYUN	(1,880,179)	(1,945,410)
FAZAL SOLAR ENERGY (PVT.) LTD	98,000	98,000

Company Name	Basis of Relationship	% of Shareholding
ELLAHI CAPITAL PVT. LTD	Associated and other related party	0%
FAZAL SOLAR ENERGY (PVT.) LTD	Subsidiary	98%

35 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURE

The company has exposure to the following risks from its use of financial instruments

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk

The board of directors has overall responsibility for the establishment and oversight of company's risk management framework. The board is also responsible for developing and monitoring the company's risk management policies.

35.1 Credit risk

Credit risk represents the accounting loss that would be recognized at reporting date if counter-parties failed completely to perform as contracted. Company does not have significant exposure to any individual counter-party. To reduce exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. Management also continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery. To mitigate the risk, company has a system of assigning credit limits to its customers based on an extensive evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of inland letters of credit, cash security deposit, bank guarantees and insurance guarantees.

35.2 Exposure to credit risk

The maximum exposure to credit risk at the reporting date was as follows:

	30th June 2024	30th June 2023
	PKR	
Long term deposits	2,640,217	2,630,217
Loans and advances	649,000	3,666,190
Trade deposits and short term prepayments	11,279,696	20,950,639
Other receivables	580,745,400	-
Cash and bank balances	1,353,289	402,764,296
	596,667,601	430,011,342

Credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit rating (if available) or to historical information about counterparty default rate.

Due to Company's long standing business relationship with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company.

35.3 The aging of trade debtors at the close of the balance sheet date is as follows:-

Not past due	-	-
0 - 30 days past due	-	-
31 - 90 days past due	-	-
90 - 1 year past due	-	-
Over one year	-	-
Impairment	-	-
	-	-

35.4 Based on the past experience, sales volume, consideration of financial position, past track records and recoveries, economic conditions of particularly the textile sectors and generally the industry, the company believes that it is prudent to provide trade.

35.5 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities. The Company manages liquidity risk by maintaining sufficient cash and availability of funding through an adequate amount of committed credit facilities. Management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the table are undiscounted cash flows.

Contractual maturities of financial liabilities as at June 30, 2024:

	June 30, 2024					
	Carrying amount	Contractual cash flow	Six months or less	Six to twelve months	Two to five years	More than five years
	PKR					
Non derivative financial liabilities:-						
Long term financing	18,770,615	-	-	-	18,770,615	-
Long term loans from directors	31,649,785	-	-	-	31,649,785	
Long Term Deposits	287,000	-	-	-	287,000	-
Trade and other payables	45,220,759	-	-	45,220,759		-
Accrued mark up	12,008,446	-	-	12,008,446		-
	107,936,605	-	-	57,229,205	50,707,400	-

Contractual maturities of financial liabilities as at June 30, 2023:

	June 30, 2023					
	Carrying amount	Contractual cash flow	Six months or less	Six to twelve months	Two to five years	More than five years
	PKR					
Non derivative financial liabilities:-						
Long term financing	18,770,615	-	-	-	18,770,615	-
Long term loans from directors	-	-	-	-	-	-
Long Term Deposits	287,000	-	-	-	287,000	-
Trade and other payables	71,243,419	-	-	71,243,419		-
Accrued mark up	4,930,250	-	-	4,930,250		-
	95,231,284	-	-	76,173,669	19,057,615	-

35.6 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark up rates effective as at June 30. The rates of mark up have been disclosed in relevant notes to these financial

35.7 Market Risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instruments, changes in market sentiments, speculative.

35.8 Currency risk

Currency risk is the risk that the fair value or the future cash flows of the financial instrument will fluctuate because of the changes in the foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is not exposed to any currency risk arising from various currency exposures

35.9 Other Price Risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate of changes in market price (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to commodity price.

35.10 Interest Rate Risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. Majority of the interest rate arises from short and long term borrowings from bank.

	2024	2023
Fixed rate instruments	RUPEES	
Financial assets	-	-
Financial liabilities	-	-
Variable rate instruments		
Financial assets	690,795,005	255,132,710
Financial liabilities	18,770,615	18,770,615

Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit and loss account.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss		Equity	
	100 bp Increase	100 bp Decrease	100 bp Increase	100 bp Decrease
	PKR			
Cash sensitivity analysis Variable rate instruments 2024	6,720,244	(6,720,244)	-	-
Cash sensitivity analysis Variable rate instruments 2023	(2,363,621)	(187,706)	-	-

35.11 Fair value of financial assets and liabilities

The carrying value of all financial instruments reflected in the financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

35.12 Fair value of financial assets and liabilities

The carrying value of all financial instruments reflected in the financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

35.13 Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to 3 based on the degree to which the fair value is observed.

Level 1 fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 fair value measurement are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 fair value measurement are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

35.14 Capital risk management

The company's prime object when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost
In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.
Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. The ratio is calculated as total borrowings divided by total capital employed. Borrowings represent long term financing, long term financing from directors and others and short term borrowings. Total capital employed includes total equity as shown in the balance sheet plus borrowings.

36 NUMBER OF	2024	2023
Total number of employees as at June 30	28	28
Average number of employees during the year	27	27

37 SUBSEQUENT EVENT

No subsequent events were identified during the period.

38 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison, the effects of which are not material.

39 RECLASSIFICATION

Corresponding figures have been rearranged and reclassified to reflect more appropriate presentation of events and transactions of the purposes of comparison. Significant reclassifications made the as following:

Note	From	Note	To	Reason	Rupees
15	Interest free Loan from directors	19	Loan from directors	Better presentation	31,649,785
8	Loans and advances	10	Trade deposits and short term prepayments	Better presentation	9,956,843

40 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on **October 03,2024** by the Board of Directors of the Company.

41 GENERAL

The figure have been rounded off to the nearest Rupee.

NADEEM ELLAHI SHAIKH	ABDULLAH MOOSA	MOHAMMAD SULEMAN
Chief Executive	Director	Chief Finance Officer

Ali Asghar Textile Mills Limited

CONSOLIDATED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2024

MUSHTAQ & CO.
CHARTERED ACCOUNTANTS

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Independent Auditors' Report
To the Members of Ali Asghar Textile Mills Limited
Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the annexed consolidated financial statements of **Ali Asghar Textile Mills Limited** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at **June 30, 2024**, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, except for the effects of the matters described in basis for qualified opinion paragraph, consolidated financial statements give a true and fair view of the consolidated financial position of the group as at June 30, 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

a) As disclosed in note 17.1 Bank of Punjab amounting to Rs.18.77 million in respect of long-term financing remains unconfirmed. We were also unable to satisfy ourselves as to the correctness of the reported balances by performing other alternate auditing procedures.

b) The group has not accounted for markup amounting Rs.3.37 million approximately on outstanding balance in respect of long-term loan from the Bank of Punjab. Had the group been accounted for markup, the profit for the current year would have been reduced by the same amount. Consequently, the aggregate amount of accrued markup would have been increased to Rs.15.80 million approximately and aggregate accumulated profit would have been reduced by the same amount.

c) The group has unclaimed dividend amounting Rs.239,589 as disclosed in note 21. The group has not complied with the requirement of Section 244 of the Companies Act, 2017 which states that the shares along with any dividend which remained unclaimed for a period of three years or more, are to vest with the Federal Government.

d) The Securities and Exchange Commission of Pakistan vide its order dated September 06, 2023 has imposed a penalty of Rs. 250,000 on the group for violating the provisions of Section 199 of Companies Act, 2017. The amount of penalty was payable within 30 days of the order but the group has not made any payment of the same till the close of consolidated financial year.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional*

Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion and after due verification we report as above.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following is the key audit matters:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	**REVENUE FROM LOGISTIC SERVICES & OTHER INCOME** (Refer note 3.18, 26 and 29 to the consolidated financial statements) The group recognizes rental income as revenue at straight line basis over the lease term. The group also recognizes other income which is described in above mentioned notes to the financial statements. During the year, revenue from logistics service and other income have increased significantly. We considered the above as a key audit matter as it has significantly increased as compared to the last year. In addition, we consider this as an area of significant audit risk as part of the audit process.	Our audit procedures amongst others included the following: • Assessed the design, implementation and operating effectiveness of key internal controls involved in recognition of revenue and other income; • Understood and evaluated the accounting policy with respect to recognition of revenue and other income; • Performed testing of revenue and other income on a sample basis with underlying documentation including rental agreements, invoices dividend warrants, bank statements; • Performed cut-off procedures on sample basis to ensure revenue and other income has been recorded in the correct period; and • Ensured that presentation and disclosures related to revenue and other income are being addressed appropriately.

Information Other than the Consolidated financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and unconsolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard, except mentioned in basis for qualified opinion paragraph.

Responsibilities of Management and Board of Directors for the consolidated financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the consolidated financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Engagement partner on the audit resulting in this independent auditor's report is **Nouman Arshad, ACA.**

Mushtaq & co.

MUSHTAQ & CO.
Chartered Accountants

Mushtaq & Co. Chartered Accountants

Lahore.
Dated: 07-OCT-2024
UDIN: AR2024107242DQxV31kL

ALI ASGHAR TEXTILE MILLS LIMITED
STATEMENT OF CONSOLIDATED FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,226,074,243	952,070,018
Capital Work in Progress	5	975,305	1,024,742
Long Term Deposits	6	2,640,217	2,630,217
Long Term loans and advances	7	3,174,515	3,608,084
Long Term Investments	9	98,000	-
		1,232,962,280	959,333,061
CURRENT ASSETS			
Loans and advances	8	649,000	3,666,190
Investments	9	690,795,005	255,132,710
Trade deposits and short term prepayments	10	11,279,696	20,950,639
Other receivables	11	580,430,781	-
Tax refunds due from Government	12	-	12,346,494
Cash and bank balances	13	1,460,873	402,764,296
		1,284,615,355	694,860,329
TOTAL ASSETS		**2,517,577,635**	**1,654,193,390**
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
50,000,000 (2023: 50,000,000) ordinary shares of Rs. 5 each		250,000,000	250,000,000
Issued, subscribed and paid-up capital	14	222,133,470	222,133,470
Interest free Loan from directors	15	-	15,639,785
Surplus on Revaluation of Fixed Assets	16	947,795,142	682,474,489
Unappropriated Profit/ (Loss)		788,025,279	706,435,548
Un-realised gain/loss on Investment		260,776,131	(72,103,832)
Atrributable to the owners of the holding company		2,218,730,022	-
Non-Controlling interest		(6,169)	-
		2,218,723,853	1,554,579,460
NON-CURRENT LIABILITIES			
Long term financing	17	18,770,615	18,770,615
Long term Deposits		287,000	287,000
Deferred Liabilities	18	127,525,668	1,935,401
Non-current liabilites			
		146,583,283	20,993,016
CURRENT LIABILITIES			
Loan from directors	19	31,649,785	-
Trade and other payables	20	46,938,788	72,854,649
Income tax payable	12	5,048,716	-
Unclaimed Dividends	21	239,589	239,589
Accrued Mark-up	22	12,008,444	4,930,250
Book overdrafts	23	-	596,396
Short Term Running Finance	24	56,385,177	-
		152,270,499	78,620,914
CONTINGENCIES AND COMMITMENTS	25	-	-
TOTAL EQUITY AND LIABILITIES		**2,517,577,635**	**1,654,193,390**

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

NADEEM ELLAHI SHAIKH	**ABDULLAH MOOSA**	**MOHAMMAD SULEMAN**
Chief Executive	Director	Chief Financial Officer

ALI ASGHAR TEXTILE MILLS LIMITED
STATEMENET OF CONSOLIDATED PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Revenue-Logistic Center Service	26	66,402,000	63,796,495
Logistic Center Service Charges	27	(47,880,358)	(32,470,676)
Gross Profit		**18,521,642**	**31,325,819**
Administrative expenses	28	(35,565,245)	(19,747,733)
Other income	29	226,544,265	35,641,553
Other Operating expenses	30	(7,316,242)	(36,319,870)
		183,662,778	(20,426,050)
Profit from operations		**202,184,420**	**10,899,769**
Finance cost	31	(11,540,316)	(211,036)
Profit before levies and taxation		**190,644,104**	**10,688,732**
Levies		(17,241,945)	(5,677,274)
Profit before taxation		**173,402,159**	**5,011,458**
Taxation			
Current Tax		(19,266,419)	-
Prior Year Tax and tax provision		(2,091)	9,224,024
Deferred Tax		(54,536,760)	-
Profit after taxation		**99,596,889**	**14,235,482**
Earning per share - basic and diluted	32	**2.24**	**0.32**
Attributable to:			
Owners of the holding company		99,603,058	-
Non-controlling interest		(6,169)	-
		99,596,889	-

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

NADEEM ELLAHI SHAIKH
Chief Executive

ABDULLAH MOOSA
Director

MOHAMMAD SULEMAN
Chief Financial Officer

ALI ASGHAR TEXTILE MILLS LIMITED
STATEMENT OF CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Profit after taxation		99,596,889	14,235,482
Other comprehensive (loss) / income			
Items that may be reclassified subsequently to profit or loss account:			
Revaluation surplus on property, plant and equipment-net of tax		268,330,477	-
Unrealized Gain/(loss) on remeasurement of available for sale investment during the year-net of tax		281,001,324	(5,478,589)
Realized gain for sale investment during the year		30,675,353	-
Items that cannot be reclassified subsequently to profit or loss account:			
Unrealized gain on remeasurement of staff retirement benefits	18.1	262,399	297,565
Less: Deferred Tax		(76,096)	-
Total comprehensive Profit for the year		679,790,345	9,054,458
Attributable to:			
Owners of the holding company		679,796,514	-
Non-controlling interest		(6,169)	-
		679,790,345	-

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

NADEEM ELLAHI SHAIKH	**ABDULLAH MOOSA**	**MOHAMMAD SULEMAN**
Chief Executive	Director	Chief Financial Officer

ALI ASGHAR TEXTILE MILLS LTD. KARACHI

ALI ASGHAR TEXTILE MILLS LIMITED
STATEMENT OF CONSOLIDATED CHANGES IN EQUITY
AS AT JUNE 30, 2024

	Issued, subscirbed and Paid up Capital	Loan from directors and others	Reserves Revenue Reserve Unappropriated Profit/ (Loss)	Reserves Revaluation Surplus on Property Plant and Equipment	Reserves Unrealised gain/loss on fairvalue	Non-Controlling Interest	Total Equity
	Rupees						
Balance as at July 1, 2022	222,133,470	2,837,047	692,927,915	682,474,489	(67,650,656)	-	1,532,722,265
Profit for the year	-	-	14,235,482	-	-		14,235,482
Other comprehensive income/ (loss) for the year	-	-	-	-	-		-
Unrealized loss on remeasurement of available for sale investment	-	-	-	-	(5,478,589)		(5,478,589)
Gain on remeasurement of staff retirement benefits- gratuity	-	-	297,565	-	-		297,565
Interest free Loan from directors (Note 15)	-	12,802,738	-	-	-		12,802,738
Tranfer to retained earnings			(1,025,413)		1,025,413		-
Balance as at June 30, 2023	**222,133,470**	**15,639,785**	**706,435,548**	**682,474,489**	**(72,103,832)**	**-**	**1,554,579,460**
Balance as at July 1, 2023	222,133,470	15,639,785	706,435,548	682,474,489	(72,103,832)	-	1,554,579,460
Profit for the year	-	-	99,596,890	-	-	(6,169)	99,590,721
Other comprehensive Income for the year:							
Unrealized Gain/(loss) on remeasurement of available for sale investment during the year-net of tax	-	-	-	-	281,001,324	-	281,001,324
Realized gain for sale investment during the year			30,675,353	-	-	-	30,675,353
Gain on remeasurement of staff retirement benefits- gratuity Net of Tax	-	-	186,303	-	-	-	186,303
Revaluation surplus on property, plant and equipment-net of tax		-		268,330,477		-	268,330,477
Interest free Loan from directors (Note 15)	-	(15,639,785)	-	-	-	-	(15,639,785)
Transferred from surplus on revaluation of property, plant & equipment			3,009,824	(3,009,824)	-	-	-
Transfer to retained earnings	-	-	(51,878,639)	-	51,878,639	-	-
Balance as at June 30, 2024	**222,133,470**	**-**	**788,025,279**	**947,795,142**	**260,776,131**	**(6,169)**	**2,218,723,853**

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

NADEEM ELLAHI SHAIKH
Chief Executive

ABDULLAH MOOSA
Director

MOHAMMAD SULEMAN
Chief Financial Officer

ALI ASGHAR TEXTILE MILLS LTD.
KARACHI

ALI ASGHAR TEXTILE MILLS LIMITED
STATEMENT OF CONSOLIDATED CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxation		190,644,104	10,688,732
Adjustments for:			
Depreciation		24,696,838	21,581,194
Damages loss on building		-	15,078,430
Staff retirement benefits - gratuity		582,978	567,542
Loss on disposal of PPE		2,875,284	-
Unrealized Gain on remeasurement of trading securities		348,930,410	(5,478,589)
Finance cost		11,540,316	211,036
		388,625,826	31,959,613
Profit before working capital changes		579,269,930	42,648,345
(Increase) / decrease in current assets			
Loans and advances		3,017,190	(89,053)
Investment in Mutual Funds and Shares		(435,760,295)	12,262,482
Other Receivables		(580,430,781)	369,433,861
Trade deposits and short term prepayments		9,670,943	(768,000)
		(1,003,502,943)	380,839,290
(Decrease) / increase in current liabilities			
Trade and other payables		(25,922,030)	42,550,031
Accrued Mark-up		7,078,194	(11,143)
Income tax payable		5,048,716	-
Cash generated from operations		(438,028,132)	466,026,523
Finance cost paid		(11,540,316)	(211,036)
Taxes paid		(24,163,994)	(114,212)
Staff retirement benefits gratuity paid		(551,439)	(442,750)
		(36,255,750)	(767,998)
Net cash (used in)/generated from operating activities		(474,283,883)	465,258,525
CASH FLOWS FROM INVESTING ACTIVITIES			
Long term Loans and Advances		433,569	462,925
Long Term Deposits		(10,000)	20,030
Capital Work in Progress		49,440	(1,024,742)
Fixed capital expenditure		(795,000)	(19,783,573)
Net cash used in investing activities		**(321,991)**	**(20,325,360)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Disposal of PPE		1,503,670	-
HOLDING COMPANY LOAN		-	12,802,738
Loan From Directors		16,010,000	12,802,738
Payment of Long term loans		-	(48,290,147)
Short term borrowing		56,385,177	-
Book		(596,396)	(7,245,982)
Net cash generated from/(used in) financing activities		**73,302,451**	**(29,930,653)**
Net (decrease)/increase in cash and cash equivalents		(401,303,422)	415,002,510
Cash and cash equivalents at the beginning of the year		402,764,295	564,520
Cash and cash equivalents at the end of the year	13	1,460,873	415,567,033

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

NADEEM ELLAHI SHAIKH
Chief Executive Officer

ABDULLAH MOOSA
Director

MOHAMMAD SULEMAN
Chief Financial Officer

1 THE GROUP AND IT'S OPERATIONS

1.1 ALI ASGHAR TEXTILE MILLS LIMITED

The Ali Asghar Textile Mills Limited (the Holding Company) was incorporated in Pakistan on February 9, 1967 as a public limited company under the Companies Act, 1913(Now Companies Act 2017). Registered office of the company is located at Plot 6, Sector 25, Korangi Industrial Area, Karachi, Sindh. Its shares are quoted on Pakistan Stock Exchange Limited. The principal line of business is to provide the services of logistics, warehouse, construction, rental and allied business. The business premises of the Company is located at plot no.6, Korangi Industrial Area, Karachi, in the province of Sindh.

1.2 FAZAL SOLAR ENERGY PVT LTD

Fazal Solar energy (Pvt.) Ltd (the Company) subsidiray of Ali Asghar textile mills acquired in 2023 with 98% holding was incorporated in Pakistan under under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) on March 03, 2016 as a private limited company having its registered office in Plot 6, Sector 25, Korangi Industrial Area, Karachi, Sindh. The company is engaged in the business of power generation, as independent power producer of thermal, hydel, nuclear, solar, wind, steam, and/or any other alternative/renewable energy sources and bio-energy.

1.3 In the AGM held in October 2016 presented shareholders with a new business plan and detailed cash flows. After approval the management has started hiring new employees and started business activities. A state of the art automated logistic hub is been constructed with the help of kirby international Kuwait designed to provide modern support sources to e-commerce oriented companies, FMCG/Pharma.

1.4 Management assesses the reliability of going concern assumption in preparation of these financial statements and concluded that, it is still in going concern based on following mitigating factors. Accordingly, these financial statements have been prepared on going concern assumption.

a) Logistic Hub and Warehousing Business

The directors of the company in a board of directors meeting held in year 2016, approved the business of logistics and warehousing. Equipment for prefabricated building has been installed and completed.

b) Support of Directors and Sponsors

Directors and sponsors of the company have committed that if in case any additional funds are required for running the business of the company; it will be provided by the sponsors and directors.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting Convention

These financial statements have been prepared under the historical cost convention except as otherwise stated in respective policies.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the Company's functional currency. All financial information presented in Pakistan Rupees has been rounded off to the nearest rupee.

2.4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

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

2.5 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING

2.5.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of financial statements (Amendments)	1-Jan-24
IAS 7	Statement of cash flows (Amendments)	1-Jan-24
IFRS 16	Leases (Amendments)	1-Jan-24
IAS 21	The Effects of Changes in Foreign Exchange Rates (Amendments)	1-Jan-25
IFRS 17	Insurance contracts	1-Jan-26
IFRS 7	Financial Instruments Disclosures(Amendments)	1-Jan-26
IFRS 9	Financial Instruments-classification and measurement of financial intruments(Amendments)	1-Jan-26
IFRS 10	Consolidated Financial Statements	1-Jan-24
IFRS 12	Discolsure of interests in other entities Separate financial statements	1-Jan-24

The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2024

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 18	Presentation and Disclosure in Financial Statements
IFRS 19	Subsidiaries without Public Accountability : Disclosures

2.5.2 Accounting guidance issued by Institute of Chartered Accountants of Pakistan (ICAP) on accounting for minimum taxes and final

ICAP issued a guidance "Application Guidance on Accounting for Minimum Taxes and Final Taxes" through circular No. 07/2024 dated May 15, 2024. In light of the said guidance, as the minimum taxes and final taxes are not calculated on the 'taxable profit' as defined in IAS - 12 but calculated on turnover or other basis (as per relevant sections of the Income Tax Ordinance, 2001 (ITO, 2001)), accordingly minimum taxes and final taxes should be accounted for under IAS 37/ IFRIC 21 as levies (though these are charged under tax law) and not under IAS - 12 as income taxes. Based on the guidance, the minimum taxes under ITO, 2001 are hybrid taxes which comprise of a component within the scope of IAS 12 (Income Tax) and a component within the scope of IFRIC 21 (Levies) and final taxes fall under levy within the scope of IAS 37/ IFRIC 21.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from July 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements. The amendments require disclosure of 'material' rather than 'significant' accounting policies.The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Principle of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.The acquisition method of accounting is used to account for business combinations by the Group. Theacquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary
comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with
limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any noncontrolling interest in the acquired entity on an acquisition-by-acqutsition basis either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets.

3.2 Subsidiaries

Subsidiaries are those entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has: – power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); – exposure, or rights, to variable returns from its involvement with the investee; and – the ability to use its power over the investee to affect its returns

3.3 Intangible assets and Goodwill

These are stated at cost less accumulated amortisation and impairment loss, if any. Costs in relation to intangible assets are only capitalised when it is probable that future economic benefits attributable to that asset will flow to the Group and the same is amortised applying the straight line method at the rate disclosed in note 6 to these consolidated financial statements. Research and development expenditure that do not meet the criteria mentioned in IAS 38 'Intangible Assets' are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Such expenses are charged to the consolidated statement of profit or loss, as and when incurred. The assets' residual values, useful lives and amortisation methods are reviewed at each reporting date, and adjusted if material.

3.4 Property, plant and equipment

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

3.4.1 Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation except leasehold land, which is stated at revalued amount less impairment loss, if any. Building on leasehold land is stated at revalued amount less accumulated depreciation and impairment loss, if any. Cost comprises acquisition and other directly attributable costs.

Depreciation is provided on a reducing balance method and charged to profit or loss account to write off the depreciable amount of each asset over its estimated useful life at the rates specified in relevant note. Depreciation on addition to property, plant and equipment is charged from the month of addition while no depreciation is charged in the month of disposal.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized, if any. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the profit or loss account.

The Company reviews the useful life and residual value of property, plant and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on depreciation charge.

3.4.2 Leased assets subject to finance lease

Assets subject to finance lease are initially recorded at the lower of present value of minimum lease payment under the lease agreement and the fair value of the leased asset. The related obligations under the lease less financial charges allocated to future period are shown as a liability. Financial charges are allocated to accounting period in a manner to provide constant periodic rate of charge on the outstanding liability. Capitalized or leased assets are depreciated on the same basis and on the same rate as owned assets. Income arising from sales and lease back transaction, if any, is deferred and is amortized equally over the lease period.

3.4.3 Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments received under operating leases are charged to the statement of profit or loss on a straight-line basis over the period of the lease.

3.4.4 Derecognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the profit and loss account in the year the asset is de-recognized.

3.5 Capital work-in-progress

Capital work in progress is stated at cost less any identified impairment loss and represents expenditure incurred on fixed assets in the course of construction and installation. Transfers are made to relevant fixed assets category as and when assets are available for use.

3.6 Investments

Investments intended to be held for less than twelve months from the statement of financial position date or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

3.7 Trade debts and other receivables

Trade debts are initially recognized at fair value and subsequently measured at cost less provision for doubtful debts. A provision for doubtful debts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the trade debts. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy of financial reorganization, and default or delinquency in making payments are considered indicators that the trade debt is doubtful and the provision is recognized in the profit and loss account. When a trade debt in uncollectible, it is written off against the provision.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

3.9 Borrowings

Borrowings are initially recorded at the proceeds received. In subsequent periods, borrowings are stated at amortized cost using the effective yield method. Finance costs are accounted for on an accrual basis and are included in current liabilities to the extent of the amount remaining unpaid.

3.10 Staff Retirement Benefit

The Company operates an unfunded gratuity scheme (defined benefit plan) for all its permanent employees who have completed minimum qualifying period of service as defined under the respective scheme. Liability is adjusted annually to cover the obligation and the adjustment is charged to profit or loss. The determination of the Company's obligation under the scheme requires assumptions to be made of future outcomes, the principal ones being in respect of increases in remuneration, expected average remaining working lives of employees and discount rate used to derive present value of defined benefit obligation.

There is risk that the final salary at the time of cessation of service is greater than what the entity has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.
Amounts recognized in the balance sheet represent the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost.

Actuarial gains and losses are recognized in comprehensive income for the period in which these arise.

3.11 Trade and other payables

Liabilities for creditors and other amounts payable are carried at the fair value of the consideration to be paid in the future for the goods and/or services received whether or not billed to the Company.

3.12 Contract liabilities

Contract liability is an obligation of the Company to transfer goods and services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If the customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when payment is made or due whichever is earlier. Contract liabilities are recognised in revenue when Company fulfils the performance obligation under the contract.

3.13 Taxation

Current year

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous years arising from assessments framed during the year for such years.

3.14 Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in statement of profit or loss account. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is then recognized as a levy

3.15 Deferred tax

Deferred tax is accounted for using the statement of financial position liability method in respect of all temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax is calculated at the rates (enacted rate applicable as on balance sheet date) that are expected to apply to the period when the differences reverse based on the tax rates that have been enacted. Deferred tax is charged or credited to profit or loss except to the extent that it relates to items recognised in other prehensive income or directly in the equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity but they intend to settle current tax liabilities and assets on a net basis or these tax assets and liabilities will be realised simultaneously.

3.16 Dividend

Dividend is recognized as a liability in the period in which it is approved by shareholders.

3.17 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

3.18 Revenue recognition

Revenue is recognized to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable ,excluding discounts, rebates, and sales tax or duties . The company assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or an agent. The Company has concluded that it is acting as a principal in all its revenue

The following are the specific recognition criteria that must be met before revenue is recognized:

i. Rental income is recognized on straight-line basis over the lease term except for contingent rental income which is recognized when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognized as an expense over the lease term on the same basis as the lease income. Incentives for lease to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease ,where , at the inception of the lease, the directors are reasonably certain that the tenant will exercise the option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognized in the statement of comprehensive income when the right to receive them arises.

ii. The Company is providing building management service to tenants. Such services include maintenance services, security services and provision of utilities. Revenue from these services is recognized over the period when the service to the customer at an amount that reflects the consideration to which the Company expects to be entitles in exchange of services. Revenue from rendering of services is recognized over the time when the services are rendered to the tenant.

iii. Bank Profits/Interest income is recognized as it accrues using the effective interest rate method.

iv. Revenue from Service income is recognized when service are rendered.

3.19 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognized as an expense in the profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.20 Share capital and reserves

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Reserves comprise of capital and revenue reserves. Capital reserves represent share premium while revenue reserves comprise of general reserves and unappropriated profit.

3.21 Dividends and appropriation to reserve

Dividend and appropriation to reserve are recognised in the consolidated financial statements in the period in which these are approved. Transfer between reserves made subsequent to the statement of financial position date is considered as a nonadjusting event and is recognised in the consolidated financial statements in the period in which such transfers are made.

3.22 Restatement

During the year the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax (which is not adjustable against future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) — 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the statement of financial position, the statement of changes in equity, the statement of cash flows and earning per share as a result of this change.

Amount in Rupees

	Had there been no change in accounting policies	Impact of Change in Accounting Policies	After Incorporating effect of change in accounting policies
Effect on Statement of Profit or Loss 2023			
Profit/ (loss) before levies and income tax	10,688,733		10,688,733
Levies	-	(5,677,274)	(5,677,274)
Profit/ (loss) before income tax	10,688,733	5,011,459	5,011,459
Income tax expense	(5,677,274)	(5,677,274)	(5,677,274)
Profit/ (loss) for the year	5,011,459	(5,677,274)	(665,815)

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3.23 Other income

Other Income comprises Dividend income is recognized in profit or loss on the date that the Company's receive payment is established .Similary.gain on disposal of financial assets.Scrap Sale and Net metering benefit.

3.24 Finance Cost

Finance costs comprise markup on borrowing, late payment charges, unwinding of lease liabilities and bank charges. Mark up payable on delayed payment is recognised on accrual basis. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using effective interest method.

3.25 IFRS 9 "Financial Instruments"

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement bringing together aspects of the accounting for financial instruments: classification and measurement and impairment.

Classification and measurement

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables, held for trading and available for sale. IFRS 9, classifies financial assets in the following three categories:
-fair value through other comprehensive income (FVOCI);
-fair value through profit or loss (FVTPL); and
-measured at amortized cost.

IFRS 9 permits either a full retrospective or a modified retrospective approach for adoption. The Company has adopted the standard using the modified retrospective approach for classification, measurement and impairment. This means that the cumulative impact, if any, of the adoption is recognized in unappropriated profit as of July 1, 2018 and comparatives are not restated. Details of these new requirements as well as their impact on the Company's financial statements are described below:

This new standard requires the Company to assess the classification of financial assets in its statement of financial position in accordance with the cash flow characteristics of the financial assets and the relevant business model that the Company has for a specific class of financial asset.

IFRS 9 no longer has an "Available for Sale" classification for financial assets. IFRS 9 has different requirements for debt and equity financial assets.
Debt instrument should be classified and measured at either:
(i) amortized cost, where the effective interest rate method will apply;
(ii) fair value through other comprehensive income (FVTOCI), with subsequent recycling to the profit or loss upon disposal of the financial asset; or
(iii)fair value through profit or loss (FVTPL).
Investment in equity instruments, other than those to which consolidation or equity accounting applies should be classified and measured at:
(i) fair value through other comprehensive income (FVTOCI), with no subsequent recycling to the profit or loss upon disposal of the financial

Financial instruments

All financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instruments. All the financial assets are derecognized at the time when the Company losses control of the contractual rights that comprises the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specific in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

Financial assets

Classification

a) Amortized cost where the effective interest rate method will apply;
b) fair value through profit or loss;
c) fair value through other comprehensive income.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash follows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading ,this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transection costs that are directly attributable to the acquisition of the financial asset. Transection costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirely when determining whether their cash flows are solely payment of principal and interest.

De-recognition of financial assets

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks an rewards of the assets, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the assets.

In that case, the Company also recognizes an associated liability. The transferred asset and the associated lability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to reply.

Impairment of financial assets

Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments there are subject to the ECL model:

- Trade debts
- Loans, advances, deposits, prepayments and other receivables
- Short term investments
- Cash and bank balance

Simplified approach for trade debts

The Company recognizes life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of further economic conditions.

Trade debts are separately assessed for ECL measurement. The lifetime expected credit losses are estimated using the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Recognition of loss allowance

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Regardless of the analysis above , a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making a contractual payment.

Write off

The company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to reply the amount.

3.26 Foreign currency transactions and translation

These financial statements are presented in Pak Rupees, which is the Company's functional currency. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the balance sheet date, while the transactions in foreign currencies during the year are initially recorded in functional currency at the rates of exchange prevailing at the transaction date. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined. Exchange gains and losses are recorded in profit or loss account.

3.27 Earnings per share - basic and diluted

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.28 Related party transactions

All transactions with related parties are carried out by the Company at arms' length price using the method prescribed under the Companies Act, 2017. Nature of the related party relationship as well as information about the transactions and outstanding balances are disclosed in the relevant notes to the financial statements.

3.29 Capital Management

The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors monitors the return on capital and level of dividends to ordinary shareholders. The company seeks to keep a balance between the higher return that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position. There were no changes in the company's approach to capital management during the year. Further, the company is not subject to externally imposed capital requirements.

3.30 Revaluation

Revaluation of freehold land are based on periodic, but atleast triennial, valuation by external independent valuer. Increase in the carrying amount arising on revaluation of freehold land are recognised in other comprehensive income and accumulated in shareholders' equity under the heading "Surplus on Revaluation of PPE". To the extent that the increase reverses a decrease previously recognised in statement of changes in equity, the increase is first recognised in statement of changes in equity. Decreases that reverse previous increases are first recognised in statement of changes in equityto the extent of the remaining surplus attributable to the asset; all other decreases are charged to statement of profit or loss.

The Company carries out revaluations, considering the change in circumstances and assumptions from latest revaluation. The fair value of the Company's free hold land is assessed by management based on independent valuation performed by an external property valuation expert as at year end after every reasonable years. For valuation of free hold land, the current market prices are used which requires significant judgment as to estimating the revalued amount in terms of property size, location and layout etc.

3.31 Unclaimed dividend

The Company recognises unclaimed dividend which was declared and remained unclaimed by the shareholder from the date it was due and payable.

3.32 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to setoff the recognized amount and the company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4 PROPERTY, PLANT AND EQUIPMENT

	Note	2024 Rupees	2023 Rupees
Operating fixed assets	4.1	1,226,074,243	952,070,019
Capital work in progress	5	975,305	1,024,742
		1,226,074,243	952,070,019

4.1 Operating fixed assets

	Cost as at July 01, 2023	Additions/ Transferred from CWIP	Adjustments	Revaluation surplus/ (loss)	(Disposal)	Cost as at June 30, 2024	Accumulated depreciation as at July 01, 2023	Depreciation charge for the year	Adjustments/ (Disposal)	Accumulated depreciation as at June 30, 2024	Book value as at June 30, 2024	Annual depreciation rate %
	2024											
	Rupees											
Owned Assets												
Leasehold land	682,807,500			182,192,500	-	865,000,000	-	-	-	-	865,000,000	-
Building on leasehold land-Mill	1,541,886	-		753,114	-	2,295,000	337,833	134,291	-	472,124	1,822,876	7%
Building on leasehold land-others	148,964,215	-		119,338,615	-	268,302,830	13,744,450	9,744,454	-	23,488,904	244,813,926	5%
Plant and machinery	256,351,999	-			(21,132,800)	234,219,199	198,329,616	4,333,995	(16,754,633)	185,906,979	48,310,220	7%
Electric Fittings	10,075,650	486,000		-	-	10,561,650	2,849,233	525,694	-	3,374,927	7,186,723	7%
Solar System	72,995,620	119,050	-	-	-	23,114,670	1,530,787	1,507,400	-	3,038,187	20,076,483	7%
Generator	6,000,565	-		-	-	6,000,565	1,152,542	339,362	-	1,491,904	4,508,661	7%
Office Equipments	7,898,413	189,950	-	-	-	8,088,363	5,404,428	181,365	-	5,585,793	2,502,570	7%
Furniture & Fixture	2,240,174	-		-	-	2,240,174	2,037,605	14,180	-	2,051,785	188,389	7%
Vehicle	53,668,736		-	-	-	53,668,736	14,088,245	7,916,098	-	22,004,343	31,664,393	20%
30.06.2024	1,191,544,758	795,000	-	302,284,229	(21,132,800)	1,473,491,187	239,474,740	24,696,838	(16,754,633)	247,416,944	1,226,074,243	

	2023												
	Cost as at July 01, 2022	Additions	Adjustments	Revaluation surplus	(Disposal)	Cost as at June 30, 2023	Accumulated depreciation as at July 01, 2022	Depreciation charge for the year	Adjustments /(Disposal)	Accumulated depreciation as at June 30, 2023	Book value as at June 30, 2023	Annual depreciation rate %
	Rupees											
Owned Assets												
Leasehold land	682,807,500	-		-	-	682,807,500	-	-	-	-	682,807,500	-
Building on leasehold land-Mill	1,541,886	-	-	-	-	1,541,886	247,205	90,628	-	337,833	1,204,053	7%
Building on leasehold land-others	164,042,645		(15,078,430)	-	-	148,964,215	6,627,620	7,116,830	-	13,744,450	135,219,765	5%
Plant and machinery	255,351,999	-		-	-	255,351,999	194,037,609	4,292,007	-	198,329,616	57,022,383	7%
Electric Fittings	9,528,777	546,873		-	-	10,075,650	2,336,181	513,052	-	2,849,233	7,226,417	7%
Solar System	18,855,420	4,140,200				22,995,620	70,969	1,459,819	-	1,530,787	21,464,833	7%
Generator	6,000,565			-	-	6,000,565	787,637	364,905	-	1,152,542	4,848,023	7%
Office Equipments	7,839,913	58,500		-	-	7,898,413	5,219,491	184,937	-	5,404,428	2,493,985	7%
Furniture & Fixture	2,240,174	-		-	-	2,240,174	2,022,358	15,247	-	2,037,605	202,569	7%
Vehicle	38,630,736	15,038,000		-	-	53,668,736	6,544,476	7,543,769	-	14,088,245	39,580,491	20%
30.06.2023	1,186,839,615	19,783,573	(15,078,430)	-	-	1,191,544,758	217,893,546	21,581,194	-	239,474,740	952,070,019	

4.2 Depreciation for the period has been allocated as under.

	Note	2024 Rupees	2023 Rupees
Directly Attributable Cost	27	16,059,501	34,905,383
Administrative expenses	28	8,637,337	(13,324,189)
		24,696,838	21,581,194

4.3 Particular of Immovable Asset in the name of the Company are as follows:

Location	Address	Total Area (Square yards)
Karachi	Sector 25, Korangi Industrial Area Karachi.	15173.61

4.4 Disposal of property, plant and equipment

Particulars	Particulars of buyer	Cost	Accumulated depreciation	Written down value	Gain/(Loss)	Proceeds	Mode of disposal
2024		21,132,800	(16,754,633)	4,378,167	(2,875,284)	1,502,883	Negotiation
		21,132,800	(16,754,633)	4,378,167	(2,875,284)	1,502,883	

		Note	2024 Rupees	2023 Rupees
5	**CAPITAL WORK IN PROGRESS**	5.1	975,305	1,024,742
			975,305	1,024,742
5.1	**Movement in Capital work in progress as follows:**			
	Opening balance		1,024,742	-
	Addition during the year:			
	Building- Mill		-	1,024,742
			1,024,742	1,024,742
	Transfer to expense		(49,437)	-
	Closing balance		975,305	1,024,742
6	**LONG TERM DEPOSITS**			
	Utilities		1,190,217	1,180,217
	Leasing Companies	6.1	1,450,000	1,450,000
			2,640,217	2,630,217

6.1 Refer to note 24.1

		Note	2024 Rupees	2023 Rupees
7	**LONG TERM LOANS AND ADVANCES**			
	Considered good-secured			
	Loan to staff		3,823,515	4,048,084
	Less: Current Portion	8	(649,000)	(440,000)
			3,174,515	3,608,084

7.1 Loan to staff is secured against gratuity.

		Note	2024 Rupees	2023 Rupees
8	**LOANS AND ADVANCES**			
	Considered good-unsecured			
	Advance to suppliers		2,269,424	3,226,190
	Less: Write Off		(2,269,424)	-
	Current portion of loan to staff		649,000	440,000
			649,000	3,666,190

	Note	2024 Rupees	2023 Rupees
9 INVESTMENTS			
Short term Investment	9.1	690,795,005	-
Long term Investment	9.2	98,000	-
		690,893,005	-

9.1 Short term Investment

	No. of Shares/ Units	Cost	Fair value adustment	Fair value 2024	Book value 2023
a) Fair Value through Profit or Loss					
Investments in Equity shares					
TPI Reit	14,000	246,262	(36,264)	209,998	-
LUCKY CEMENT	3,300	2,833,382	158,822	2,992,204	-
	17,300	3,079,644	122,558	3,202,202	-
b) Fair Value through Other Comprehensive Income					
Investments in Equity shares					
Adamjee Insurance Company Limited.			-	-	2,998,475
Altern Energy Limited.	99,000	1,900,595	418,965	2,319,560	1,433,520
Agriauto Industries Limited.	5,875	10,524,325	(9,921,552)	602,773	9,175,644
Fauji Cement Company Limited.	356,625	7,036,443	1,133,837	8,170,280	4,193,910
Habib Metropolitan Bank Limited.	421,500	16,562,170	12,382,235	28,944,405	10,833,870
United Bank Limited.	157,919	29,121,979	11,343,183	40,465,162	49,249
Bank Al Habib Limited.	2,182,753	90,313,348	154,547,884	244,861,232	96,262,350
Habib Bank Limited.	20,000	2,336,266	144,334	2,480,600	33,988,606
Nishat Power Limited.	-	-	-	-	144,075
Fauji Fertilizer Company Limited.	301,305	35,378,926	13,848,285	49,227,211	1,437,716
Bank Alfalah ltd	1,473,061	59,315,300	40,882,309	100,197,609	64,201,217
Cherat packages	-	-	-	-	2,362,194
Descon Oxchem Limited	-	-	-	-	16,336,390
First Dawood	500	1,015	130	1,145	800
K-Electric	-	-	-	-	909,020
Meezan Bank Limited	-	-	-	-	3,454,800
Synthetic Polymer	680	1,513,667	(1,502,842)	10,825	2,201,472
Hub power	-	-	-	-	2,365,720
MCB	906,144	131,242,013	74,470,792	205,712,805	-
Aisha steel	-	-	-	-	896,400
Airlink comuunication Limited	35,000	3,020,656	88,395	3,109,051	1,109,786
	5,960,362	388,266,702	297,835,956	686,102,658	254,355,214
	5,977,662	391,346,346	297,958,514	689,304,860	254,355,214
Investments in AMC's					
NBP money market fund	26,847	242,026	26,665	268,691	224,951
UBL Government securities fund	1,949	175,765	30,742	206,507	175,149
MCB cash management optimizer	1,336	135,471	742	136,213	57,631
UBL stock advantage fund	1,680	104,282	107,896	212,178	111,489
UBL Cash fund fund	344	30,535	3,884	34,419	29,034
JS cash fund	922	95,060	1,848	96,908	81,242
Ijara sukak	60	251,116	24,442	275,558	
MCB Soverign Fund	4,807	261,982	(2,311)	259,671	
	37,945	1,296,237	193,908	1,490,145	679,496
MCB term deposit receipt (TDR).	-	-	-	-	-
9.2 Long Term Investment					
Fazal Solar Energy Pvt. Ltd. (Subsidiary)	9,800	98,000	-	98,000	98,000
	6,025,407	392,740,583	298,152,422	690,795,005	255,132,710

9.2.1 Short term investment Rupees 98,000/- pertains to Fazal Solar Energy (pvt.) Limited has been reclassified to long term investment in this year.

9.3 The initial investment is recorded at a historical cost.

	Note	2024 Rupees	2023 Rupees
10 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Infrastructure fee	10.1	1,611,230	1,611,230
Other Prepayments		9,956,843	19,339,409
Less: Write Off		(288,378)	-
		11,279,696	20,950,639

10.1 This represent 50% payment made to Excise and Taxation Department of Government of Sindh against levy of Infrastructure Fee. (refer note 20.4)

	Note	2024 Rupees	2023 Rupees
11 OTHER RECEIVABLES			
Ellahi Capital	11.1	483,447,649	-
Subsidiary receivables	11.2	96,981,716	-
		1,416	
		580,430,781	-

11.1 The company has a receivable of 483.44 million from Ellahi Capital , which is due to be repaid on October 31, 2026. The receivable will be repaid with markup charged on three months KIBOR plus 3% above the average borrowing cost invested.

11.2 The company has a receivable of 99.3 million from Fazal Solar Energy, which is due to be repaid in five years. The receivable will be repaid with markup charged on three months KIBOR plus 3% above the average borrowing cost.

	Note	2024 Rupees	2023 Rupees
12 TAX REFUND DUE FROM GOVERNMENT			
Income tax refundable	12.1	(6,149,490)	7,576,196
Sales tax refundable		1,030,779	4,700,303
FED receivable		69,995	69,995
		(5,048,716)	12,346,494
12.1 Income tax refundable			
Opening balance		7,576,196	(2,743,251)
Tax deducted during the period		22,784,769	6,772,697
		30,360,965	4,029,446
Less: Provision for current year		(36,508,364)	(5,677,274)
Prior year tax adjustment		(2,091)	9,224,024
		(36,510,455)	3,546,750
Closing balance		(6,149,490)	7,576,196
13 CASH AND BANK BALANCES			
Cash in Hand			
-at Mill		25,848	131,371
-at Head office		40,000	707,683
		65,848	839,054
Cash at Banks - Current Accounts		1,287,441	401,925,242
		107,584	
		1,460,873	402,764,296

14 Issued, subscribed and paid-up capital

2024	2023		2024	2023
Number of shares			Rupees	Rupees
38,298,874	38,298,874	Ordinary shares of Rs. 5 each allotted for consideration paid in cash.	191,494,370	191,494,370
6,127,820	6,127,820	Ordinary shares of Rs. 5 each issued as right shares.	30,639,100	30,639,100
44,426,694	44,426,694		222,133,470	222,133,470

14.1 The shareholders' are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry "one vote" per share without restriction.

	Note	2024 Rupees	2023 Rupees
15 INTEREST FREE LOAN FROM DIRECTORS			
Loan from directors and others	15.1	-	15,639,785

15.1 These are unsecured and interest free loans repayable on the discretion of the company. In compliance with TR-32 issued by The Institute of Chartered Accountatnts of Pakistan, these loans have been treated as part of equity.

16 SURPLUS ON REVALUATION OF FIXED ASSETS

	2024	2023
Balance as at July 01,2023	682,474,489	-
Surplus on revaluation of land,building-mill and others		
Land	182,192,500	682,474,489
Building - Mill	120,091,729	-
Building - Other	-	-
	984,758,718	682,474,489
Less: Incremental depreciation		
Building - Mill	(2,983,465)	-
Building - Others	(26,359)	-
Less: Deferred Tax	(33,953,752)	
Balance as at June 30,	947,795,142	682,474,489

16.1 The company revalued its Land & Building on market value basis on 20th December 2023 by Anderson Consulting (Pvt) Ltd , an independent valuer which result in upward valuation of Rs 302.284 million. Previously it was carried out on 18th January 2020 by Anderson Consulting (Pvt) Ltd.and before that on June 30, 2011 by M/s Asif Associates (Pvt.) Ltd and before that on June 30, 2006 by M/s Consultancy Support and Services. Revaluation of Land was carried out on March 14, 2005 by Consultancy Support and Services, and revaluation was carried out on April 1, 1994 on the basis of market value determined by Eastern Surveyors.

17 LONG TERM FINANCING

	Note	2024	2023
Loans from banking companies and redeemable capital	17.1	18,770,615	18,770,615
17.1 Loans from banking companies and Redeemable Capital - secured			
Bank of Punjab	17.2	18,770,615	18,770,615
		18,770,615	18,770,615
Less: Current portion shown under current liabilities		-	
		18,770,615	18,770,615

17.2 This liability is against leasing facility. Case filed by the bank of punjab, See Note 25.1

18 DEFFERED LIABILITIES

	Note	2024	2023
Staff retirement benefits - gratuity	18.1	1,704,541	1,935,401
Deferred Taxation	18.2	125,821,127	-
		127,525,668	1,935,401

18.1 Staff retirement benefits

Movement in the net liability recognized in balance sheet	Note	2024	2023
Opening net liability		1,935,401	2,108,173
Expense for the year	18.1.1	582,978	567,543
Remeasurement (Gains) recognized in OCI	18.1.2	(262,399)	(297,565)
		2,255,980	2,378,151
Benefits paid during the year		(551,439)	(442,750)
Closing net liability		1,704,541	1,935,401
Movements in present value of defined benefits			
PVDBO - opening		1,935,401	2,108,173
Past service cost		-	-
Current service cost		417,548	345,265
Interest cost		165,431	222,277
Remeasurements (gains)/losses		(262,399)	(297,565)
Benefits paid in the year		(551,439)	(442,750)
PVDBO - closing		1,704,542	1,935,400

	Note	2024 Rupees	2023 Rupees
18.1.1 Expense recognized in profit or loss account			
Current service cost		417,548	345,265
Interest cost		165,431	222,277
		582,979	567,542
18.1.2 Expense recognized in other comprehensive income			
Net acturial loss/(gain) recognized		(262,399)	(297,565)
Total		320,580	269,977

General description

The scheme provides for terminal for all its permanent employees who attain the minimum qualifying period. Annual charge is made using the acturial technique of Projected Unit Credit Method.

Principal actuarial assumption

	2024	2023
Discount rate	14.75%	16.25%
Average Rate of increment in salary	10.00%	10.00%
Expected year of services (years)	10	9

Estimated charge to P&L for June 30, 2025 Rs. 657,030

The weighted average duration of defined benefit obligation is '8 years.

Sensitivity analysis for actuarial assumptions

The below information summarizes how the defined benefit obligation at the end of the reporting period would have increased / decreased as a result of change in respective assumptions by 100 basis point.

	Increase in assumptions	Decrease in assumptions
	-------- Rupees --------	
Discount rate	75,446	(80,305)
Future salaries	(83,107)	79,298

Historical information

	2024	2023	2022	2021	2020
Present value of defined benefit obligation	1,704,541	1,935,401	2,108,173	2,069,150	1,880,956

18.2 Deferred Taxation

18.2.1 Temporary / Deductable differences arising due to:		
Accelerated depreciation	55,008,899	-
Revaluation Surplus	33,961,396	-
Staff retirement benefits	(418,221)	(10,815,575)
Un-realised Gain/loss on Investment-OCI	37,269,053	-
	125,821,127	(10,815,575)
Temporary Difference Taxable / (Deductible)	125,821,127	(10,815,575)

18.2.3 Reconciliation:

Charged during the year - profit and loss account	54,529,902	-
Charged during the year - other comprehensive income	71,291,225	-
	125,821,127	-

There is no current income tax (in term of IAS 12), as regards deferred tax, deferred tax is not recorded as per IAS 12. Although temporary differences arise but there is no deferred tax impact on these financials as the entity is expected to be in non-tax/levy

19 LOAN FROM DIRECTORS

	Note	2024	2023
Loan from directors and sponsors	19.1	31,649,785	-

19.1 The Company has obtained unsecured, interest-bearing loans from Mr.Nadeem Ellahi(director) and Naveed Ellahi (Sponsor). The loans bear an annual interest rate of 18%.

	Note	2024 Rupees	2023 Rupees
20 TRADE & OTHER PAYABLES			
Other creditors	20.1	299,590	32,676,054
Accrued liabilities	20.2	23,362,904	21,824,969
Advance from customers	20.3	17,532,555	16,742,426
Excise and Taxation	20.4	1,611,230	1,611,230
WWF		4,132,508	-
		46,938,788	72,854,679

20.1 Accrued liabilities include previuos supplier payables

20.2 Accrued liabilities include loan from Mrs. Gulnar Humayun, sponsor, Rs.1.88m (2023: Rs.1.9m)

20.3 Advance received from customer is recognised as revenue when the performance obligation in accordance with the policy is satisfied. Revenue for an amount of Rs. Nill has been recognised in current year in respect of advance from customers at the beginning of the year.

20.4 The Company has filed a suit against levy of Infrastructure fee, decision of the Honourable Sindh High Court dated 17 September 2008 in which the imposition of levy of infrastructure cess before 28 December 2006 has been declared as void and invalid. However, the Excise and Taxation Department has filed an appeal before the Honourable Supreme Court of Pakistan against the order of the Honourable Sindh High Court. During the current year, the Honourable Supreme Court of Pakistan has disposed off the appeal with a joint statement of the parties that during the pendency of the appeal, another law i.e. fifth version came into existence which was not the subject matter of in the appeal hence the case was referred back to High Court of Sindh with right to appeal to Supreme Court. On May 31, 2011, the High Court of Sindh has granted an interim relief on an application of petitioners on certain terms including discharge and return of bank guarantees / security furnished on consignment released up to December 27, 2006 and any bank guarantee / security furnished on consignment released after December 27, 2006 shall be encashed to extent of 50% of the guaranteed or secured amount only with balance kept intact till the disposal of petition. In case the High Court upholds the applicability of fifth version of the law and its retrospective application the authorities are entitled to claim the amounts due under the said law with the right to appeal available to petitioner.

	Note	2024 Rupees	2023 Rupees
21 UNCLAIMED DIVIDENDS			
Unclaimed Interim Dividend 1995-1996		27,875	27,875
Unclaimed Interim Dividend 1996-1997		95,664	95,664
Unclaimed Interim Dividend 1999-2000		116,050	116,050
		239,589	239,589
22 ACCRUED MARK-UP			
Accrued mark-up on short term financing		2,033,147	
Accrued mark-up on long term financing	22.1	4,930,250	4,930,250
Accrued mark-up on loan from Director		5,045,047	
		12,008,444	4,930,250

22.1 This balance includes markup payable to Bank of Punjab amounting to Rs. 4,930,250 (2023: Rs. 4,930,250).

22.2 This balance includes markup payable to JS Bank on running finance facility of RS. 100m.

	Note	2024 Rupees	2023 Rupees
23 BOOK OVERDRAFT			
Book overdraft	23.1	-	(596,396)

23.1 This represents Cheques issued in excess of bank balance. Since there was no banking facility, this has been grouped under Book overdraft.

	Note	2024 Rupees	2023 Rupees
24 SHORT TERM RUNNING FINANCE			
Short Term Running Finance	24.1	56,385,177	-

24.1 The company has arranged short term borrowing facilities from JS bank on markup basis to the extent of Rs.100 Million(2023:Nil) which can be utilized as running Finance Facilities. These Facility was available from july 2023 till June 2024. These arrangements were secured investment (Pledge of Shares). The Markup on this facility was ranges from 3 Months Kibor Plus 5.5% and 3 Months Kibor Plus 2.5%.

	Note	2024 Rupees	2023 Rupees

25 CONTIGENCIES & COMMITMENTS

Contingencies

25.1 The Bank of Punjab has filed Suit 62 of 12 before Honorable Banking Court NO. V, Karachi against the company for recovery of Rs. 42.35 million (Principal Rs. 17.1 million alongwith Markup Rs. 25.241 million) as outstanding dues against the leasing facilities provided by the bank. The company has filed an application for leave to defend on 07.02.2013. The company has also provided liabilities amounting to Rs. 18.77 million along with markup Rs. 4.93 million.The company had paid security deposit of Rs1.45Million as recorded in long term deposits.The management believes that there wont be any outflow of economic benefit more than what it has already recorded and disclosed. In the opinion of Legal advisors of the company, the aforementioned amount of Rs. 42.35 million is exaggerated and is not supported by the statement of account filed by the Bank of Punjab before the learned banking court.

25.2 The company has CP no. D-1009 of 12. Ali Asghar Textile Mills Limited Versus Fed. of Pakistan pending before Honorable High Court of Sindh at Karachi. The company trying to settle it at its earliest and in the opinion of Legal advisor, The merits of the case pending are in the favor of the company as it is taking all the steps to conclude the aforementioned case.

25.3 With reference to FBR Notice 138(1)(notice to pay overdue tax payable) it was established that the sum of Rs.121.5 million due from AATML on account of tax. However,the management of the company through a tax consultant is pursuing the case rectification appeal at FBR Appellate Tribunal .The matter is sub judice before tht Appellate tribunal for rectification purpose. On 14.09.2023, the appellate tribunal decided the case against the company. The Company then prefered income tax appeal (ITRA 400 of 2023) before the *Honorable High Court of Sindh which after hearing the parties* remanded back the case to the appellate tribunal to decide the issue of limitation afresh. The case is currently pending before Appellate Tribunal.

25.4 With reference to SRB Notice SRB-COM-III/AC-8/WH/2023-24/357639(notice for assesment of input tax claimed and adjustment from April 2021 till date) it is established that the sum of Rs.20.83 million input sales tax paid by the company is adjustable against SST payable Rs. 18.68million by AATML on account of sales and services tax .The management of the company through a tax consultant is pursuing the case .The matter is sub judice before tht AC of SRB unit- 8 for allowing of adjustment to be made.

25.5 There were no commitments as on year end (2023: Nil).

25.6 Guarantees issued by banks on behalf of the Company		1,611,230	1,611,230

	Note	2024 Rupees	2023 Rupees
26 REVENUE-LOGISTIC CENTER SERVICE			
Gross Revenue		75,034,260	72,090,039
less: Sales tax		(8,632,260)	(8,293,544)
Net Revenue		66,402,000	63,796,495

27 LOGISTIC CENTER SERVICE CHARGES

	Note	2024 Rupees	2023 Rupees
Salaries, wages and benefits	27.1	13,861,340	12,812,369
Power		7,288,598	5,541,997
Repairs and maintenance		7,138,250	588,539
Depreciation	4.2	16,059,501	13,324,188
Printing and stationery		-	5,770
Conveyance charges		2,500	2,700
Security expenses		274,398	153,783
Entertainment		18,180	41,330
Vehicle runnung and maintenance		47,480	-
Insurance Expense		627,809	-
Legal and professional charges		4,500	-
Write off		2,557,802	-
		47,880,358	32,470,676

27.1 Salaries, wages and benefits include Rs. 283,000/- (2023:567,542) in respect of staff retirement benefits gratuity.

28 ADMINISTRATIVE EXPENSES

	Note	2024 Rupees	2023 Rupees
Directors' remuneration and other benefits		1,500,000	1,500,000
Travelling and conveyance		1,583,774	439,060
Rent expenses		468,270	624,360
Utilities		46,538	500,902
Postage and telephone		745,261	537,582
Printing and stationery		572,434	407,658
Vehicles running and maintenance		3,686,541	2,778,422
Fees and subscription		4,089,750	287,791
Entertainment		754,483	512,737
Legal and professional		2,653,648	679,810
Auditors' remuneration	28.1	300,000	255,000
Repairs and maintenance		3,634,739	899,522
Depreciation	4.2	8,637,337	8,257,005
Advertisement		72,500	85,750
Insurance		1,581,485	1,592,730
Miscellaneous expenses		824,498	119,381
Brokerage		2,862,043	214,332
Others		1,551,944	55,691
		35,565,245	19,747,733

28.1 Auditors' remuneration

	2024	2023
Annual audit	250,000	210,000
Half yearly review	50,000	45,000
	300,000	255,000

		Note	2024 Rupees	2023 Rupees
29	**OTHER INCOME**			
	Scrap sales		53,000	-
	Gain on disposal of trading securities		24,004,345	-
	Interest income on Other Receivables		87,518,673	
	Unrealized gain on remeasurement of available for sale investment		122,558	-
	Dividend income		106,361,485	26,216,000
	Relief From Bank on Settlement		-	7,636,398
	Relief on Electricity Consumption		6,389,440	1,656,603
	CGT Refund Adjustment		1,376,764	132,552
	RENTAL		718,000	-
			226,544,265	35,641,553
30	**OTHER OPERATING EXPENSES**			
	Loss on disposal of trading securities		-	(36,319,870)
	Loss on disposal of Fixed asset		(2,875,284)	-
	WWF-Provision for the year		(4,132,508)	-
			(7,007,792)	(36,319,870)
31	**FINANCE COST**			
	Bank charges		166,654	61,929
	Markup Charges on Loan from Bank		6,328,615	149,107
	Markup Charges on Loan from Director		5,045,047	-
			11,540,316	211,036
32	**EARNING PER SHARE-BASIC AND DILUTED**			
	Basic Earning Per Share			
	Earning for the year		99,596,889	14,235,482
	Weighted average number of ordinary shares		44,426,694	44,426,694
	Earning per share - basic and diluted		2.24	0.32
	Dilutive Earning Per Share			

32.1 There were no convertible dilutive potential ordinary shares in issue as at June 30, 2024 and June 30, 2023.

33 REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

	Chief Executive 30-06-2024	Director 30-06-2024	Executives 30-06-2024	Chief Executive 30-06-2023	Director 30-06-2023	Executives 30-06-2023
Remuneration	1,440,000	-	60,000	1,440,000	-	60,000
Allowances	2,312,342	-	-	1,431,062	-	-
	3,752,342	-	60,000	2,871,062	-	60,000

33.1 The chief executive of the company is provided with company maintained car and utilities.

	Note	2024 Rupees	2023 Rupees

34 RELATED PARTY DISCLOSURE

The related parties comprises directors and key management personnel. Amounts due to related parties are shown in the relevant notes to the financial statements. Transactions with related parties are disclosed below:

Name of the Related Party	Nature of the Relationship	Nature of the Transactions	Transactions
NADEEM ELLAHI	Director	Loan repaid Loan received	250,000Dr 500,000 Cr.
NAVEED ELLAH	Sponsor	Loan repaid Loan received	978,657 Dr. 16,738,657 Cr.
ELLAHI CAPITAL/PREMIUM EXPORT	Associated and other related parties	Loan provided Loan received	813,552,264 Dr. 408,977,264 Cr.
MRS. GULNAR HUMAYUN	Major Shareholder	Rental Agreement Rental Agreement	1,033,501 Dr 468,270 Cr.
FAZAL SOLAR ENERGY (PVT.) LTD	Subsidiary	Investment and Loan in subsidiary	93,650,727 Dr
ELAHI CAPITAL /PREMIUM EXPORT	Associate of Fazal Solar Energy Pvt ltd	Normal Course of business	93,334,692 Dr

Name of the Related Party	2024	2023
MR. NADEEM ELLAHI	(15,906,972)	(9,860,382)
MR. NAVEED ELLAHI	(15,742,813)	(5,742,813)
ELLAHI CAPITAL/PREMIUM EXPORT	399,575,000	(5,000,000)
MRS. GULNAR HUMAYUN	(1,880,179)	(1,945,410)
FAZAL SOLAR ENERGY (PVT.) LTD	98,000	98,000

Company Name	Basis of Relationship	% of Shareholding
ELLAHI CAPITAL PVT. LTD	Associated and other related party	0%
FAZAL SOLAR ENERGY (PVT.) LTD	Subsidiary	98%

35 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURE

The company has exposure to the following risks from its use of financial instruments

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk

The board of directors has overall responsibility for the establishment and oversight of company's risk management framework. The board is also responsible for developing and monitoring the company's risk management policies.

35.1 Credit risk

Credit risk represents the accounting loss that would be recognized at reporting date if counter-parties failed completely to perform as contracted. Company does not have significant exposure to any individual counter-party. To reduce exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. Management also continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery. To mitigate the risk, company has a system of assigning credit limits to its customers based on an extensive evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of inland letters of credit, cash security deposit, bank guarantees and insurance guarantees.

35.2 Exposure to credit risk

The maximum exposure to credit risk at the reporting date was as follows:

	30th June 2024	30th June 2023
	PKR	
Long term Investment	98,000	-
Long term deposits	2,640,217	2,630,217
Loans and advances	649,000	3,666,190
Trade deposits and short term prepayments	11,279,696	20,950,639
Other receivables	580,430,781	-
Cash and bank balances	1,460,873	402,764,296
	596,558,566	430,011,342

Credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit rating (if available) or to historical information about counterparty default rate.

Due to Company's long standing business relationship with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company.

35.3 The aging of trade debtors at the close of the balance sheet date is as follows:-

Not past due	-	-
0 - 30 days past due	-	-
31 - 90 days past due	-	-
90 - 1 year past due	-	-
Over one year	-	-
	-	-
Impairment	-	-
	-	-

35.4 Based on the past experience, sales volume, consideration of financial position, past track records and recoveries, economic conditions of particularly the textile sectors and generally the industry, the company believes that it is prudent to provide trade.

35.5 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities. The Company manages liquidity risk by maintaining sufficient cash and availability of funding through an adequate amount of committed credit facilities. Management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the table are undiscounted cash flows.

Contractual maturities of financial liabilities as at June 30, 2024:

	June 30, 2024					
	Carrying amount	Contractual cash flow	Six months or less	Six to twelve months	Two to five years	More than five years
	PKR					
Non derivative financial liabilities:-						
Long term financing	18,770,615	-	-	-	18,770,615	-
Long term loans from directors	31,649,785	-	-	-	31,649,785	
Long Term Deposits	287,000	-	-	-	287,000	-
Trade and other payables	45,327,558	-	-	45,327,558		-
Accrued mark up	12,008,444	-	-	12,008,444		-
	108,043,402	-	-	**57,336,002**	**50,707,400**	-

Contractual maturities of financial liabilities as at June 30, 2023:

	June 30, 2023					
	Carrying amount	Contractual cash flow	Six months or less	Six to twelve months	Two to five years	More than five years
	PKR					
Non derivative financial liabilities:-						
Long term financing	18,770,615	-	-	-	18,770,615	-
Long term loans from directors	-	-	-	-	-	-
Long Term Deposits	287,000	-	-	-	287,000	-
Trade and other payables	72,854,649	-	-	72,854,649		-
Accrued mark up	4,930,250	-	-	4,930,250		-
	96,842,514	-	-	**77,784,899**	**19,057,615**	-

35.6 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark up rates effective as at June 30. The rates of mark up have been disclosed in relevant notes to these financial

35.7 Market Risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instruments, changes in market sentiments, speculative.

35.8 Currency risk

Currency risk is the risk that the fair value or the future cash flows of the financial instrument will fluctuate because of the changes in the foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is not exposed to any currency risk arising from various currency exposures

35.9 Other Price Risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate of changes in market price (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to commodity price.

35.10 Interest Rate Risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. Majority of the interest rate arises from short and long term borrowings from bank.

	2024	2023
	RUPEES	
Fixed rate instruments		
Financial assets	2,640,217	2,630,217
Financial liabilities	-	-
Variable rate instruments		
Financial assets	690,795,005	255,132,710
Financial liabilities	18,770,615	18,770,615

Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit and loss account.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss		Equity	
	100 bp Increase	100 bp Decrease	100 bp Increase	100 bp Decrease
	PKR			
Cash sensitivity analysis Variable rate instruments 2024	6,720,244	(6,720,244)	-	-
Cash sensitivity analysis Variable rate instruments 2023	(2,363,621)	(187,706)	-	-

35.11 Fair value of financial assets and liabilities

The carrying value of all financial instruments reflected in the financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

35.12 Fair value of financial assets and liabilities

The carrying value of all financial instruments reflected in the financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

35.13 Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to 3 based on the degree to which the fair value is observed.

Level 1 fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 fair value measurement are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 fair value measurement are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

35.14 Capital risk management

The company's prime object when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. The ratio is calculated as total borrowings divided by total capital employed. Borrowings represent long term financing, long term financing from directors and others and short term borrowings. Total capital employed includes total equity as shown in the balance sheet plus borrowings.

36 NUMBER OF EMPLOYEES

	2024	2023
Total number of employees as at June 30	28	28
Average number of employees during the year	27	27

37 SUBSEQUENT EVENT

No subsequent events were identified during the period.

38 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison, the effects of which are not material.

39 RECLASSIFICATION

Corresponding figures have been rearranged and reclassified to reflect more appropriate presentation of events and transactions of the purposes of comparison. Significant reclassifications made the as following:

Note	From	Note	To	Reason	Rupees
15	Interest free Loan from directors	19	Loan from directors	Better presentation	31,649,785
8	Loans and advances	10	Trade deposits and short term prepayments	Better presentation	9,956,843

40 DATE OF AUTHORIZATION FOR ISSUE

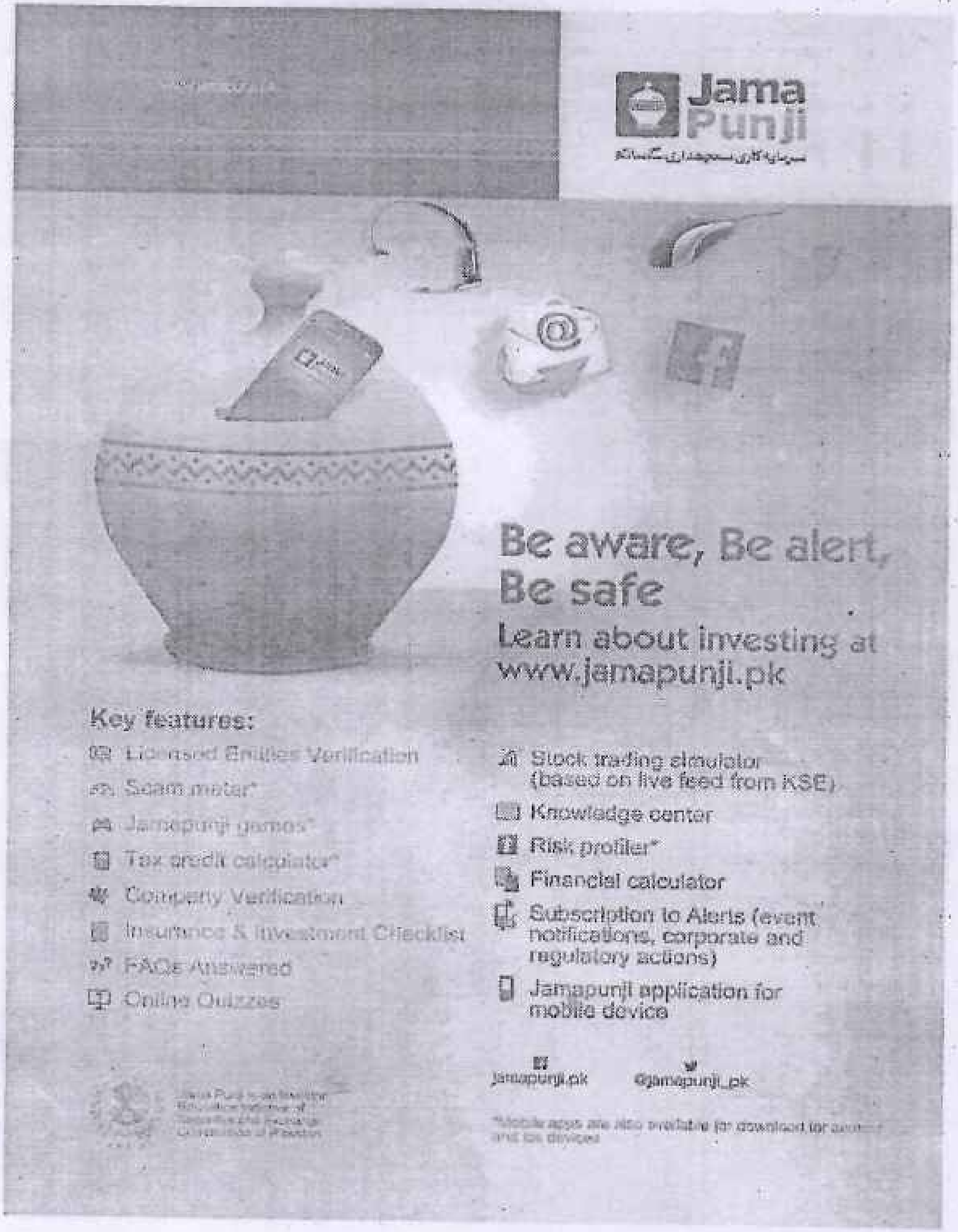
These financial statements were authorized for issue on 07 OCT 2024 by the Board of Directors of the Company.

41 GENERAL

The figure have been rounded off to the nearest Rupee.

NADEEM ELLAHI SHAIKH	ABDULLAH MOOSA	MOHAMMAD SULEMAN
Chief Executive	Director	Chief Finance Officer

ALI ASGHAR TEXTILE MILLS LTD. KARACHI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PROXY FORM

I/We ....
of .... being a member of
ALI ASGHAR TEXTILE MILLS LIMITED and a holder of .... ordinary shares
as per Share Register Folio No. ....
(In case of Central Depository System Account Holder A/c No. ....
Participant I.D.NO. ....) hereby appoint ....
of .... another member of the Company as per
Register Folio No. .... or (failing him / her) ....
of .... another member of the Company) as my / our Proxy
to attend and vote for me/us and on my/our behalf at 48th Annual General Meeting of the Company
to be held on Monday,October 28,2024 at 11:00 a.m at Plot 6 / No.25 Korangi Industrial
Area Karachi and at any adjournment thereof.

(Member's Signature)

Witness(1): ____________________

NIC #. ____________________

Address ____________________

Witness(2): ____________________

NIC #. ____________________

Address ____________________

Place ____________ Date ____________

Affix Rs. 5/-
Revenue Stamp

(Signature should agree with the specimen signature registered in the Company)

NOTE:

1. The Proxy should be deposited at the Registered Office of the Company not later than 48hours before the time for holding the meeting.
2. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy to attend and instead of him/her.
3. In case of Central Depository System Account Holder, an attested copy of identify card should be attached to this Proxy Form.
4. Proxies, in order to be effective, must be duly stamped, signed and witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned.

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