

HALF YEARLY REVIEWED FINANCIAL STATEMENTS DECEMBER - 2019



ALI ASGHAR TEXTILE MILLS LTD.

Ali Asghar Textile Mills Limited

Half Yearly Report December 2019

CONTENTS

	Page No
Company Information	1
Vision Statement and Logo	2
Directors Report	4
Auditor Review Report	6
Statement of Financial Position	8
Statement of Profit and Loss Accounts	9
Statement of Comprehensive Income	10
Statement of Changes in Equity	11
Cash Flow Statements	12
Notes to the Accounts	13

Ali Asghar Textile Mills Limited

Half Yearl Accounts December 2019

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 (Non-Executive Director)
Mr. Muhammad Suleman (Executive Director)
Mr. Sultan Mehmood (Non-Executive Director)
Mr. Muhammad Zubair (Independent Director)

Audit Committee

Mr. Muhammad Zubair Chairman
Mr. Sultan Mehmood Member
Mr. Muhammad Afzal Member

Human Resources & Remuneration (HR&R) Committee

Mr. Ahmed Ali Chairman
Mr. Muhammad Afzal Member
Mr. Muhammad Zubair Member

CFO

Mr. Muhammad Suleman

Company Secretary

Mr. Abdullah Moosa

Auditor

M/s. Mushtaq & Co. Chartered Accountants

Banker

Habib Bank Ltd, Soneri Bank Ltd.
Habib Metropolitan Bank Limited
Bank Al-Habib Ltd, MCB Bank Limited

Shares Registrar

C. & K. Management Associates (Pvt) Ltd
404- Trade Tower, Abdullah Haroon Road
Metropole Hotel, Karachi-75530
Phone: 35687839, 3568593

Registered Office

Plot No. 6, Sector No. 25, Korangi Industrial
Area, Karachi. 74900

Website Mills

www.aatml.com.pk
Plot 6, Sector No. 25 Korangi Industrial Area
Karachi. 74900

Vision Statement

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

Mission Statement

Operate state of the Art spinning machinery capable of producing high quality cotton and blended yarn for knitting and weaving



DIRECTOR REPORT

The Directors are pleased to present the six monthly accounts to the shareholders for the period ended December 2019.

The management tireless efforts have led to the company turning a profit of Rs. 90 million. Most qualifications of the auditors on the last year annual accounts have also been addressed. Auditor qualification regarding non revaluation of building is not valid as revaluation was carried out by SBP Approved valuation Anderson Consulting on 18th Feb 2020. In spite of it been a significant event which should have been included in the accounts for the December 2019, the auditor choose to disregard it.

By the grace of God, the management of the company was able to carry out the wishes of the shareholders as per their resolutions passed in the previous AGM's.

I am pleased to announce that AATML management has signed an agreement for a prefabricated building of 90,000 sq. ft. with world renowned supplier "M/S Kirby International Kuwait.

In order to provide support services for the FMCG/3 PL operators, e-commerce companies, that management will target as potential customer a 20,000 sq. ft. state of the art office and information technology block is being considered to be build. Power will be supplied to the building from Solar panels and KEL.

In view of the above there can be no doubt on AATML continuing as a profitable concern.

Mr. Nadeem Ellahi

Chief Executive

Ali Asghar Textile Mills Limited

ڈائریکٹر کی رپورٹ

ڈائریکٹرز دسمبر 2019 کو ختم ہونے والی مدت کے لئے شیئر ہولڈرز کو چھ ماہانہ اکاؤنٹس پیش کرنے پر خوش ہیں۔

انتظامیہ کی انتھک کوششوں کے نتیجے میں کمپنی نے 90 ملین روپے کا منافع کمایا۔ پچھلے سال کے سالانہ اکاؤنٹس میں آڈیٹرز کی زیادہ تر قوالیفیکیشنز پر بھی توجہ دی گئی ہے۔ عمارت کی قیمت کا اندازہ نہ لگانے کے بارے میں آڈیٹر کی قوالیفیکیشن درست نہیں ہے کیونکہ عمارت کی قیمت کا اندازہ اسٹیٹ بینک کی منظور شدہ اینڈرسن کنسلٹنگ نے 18 فروری 2020 کو کیا تھا۔ اس کے باوجود یہ کہ یہ ایک اہم واقعہ تھا جسے دسمبر 2019 کے اکاؤنٹس میں شامل کیا جانا چاہئے تھا آڈیٹر نے اس کو نظر انداز کیا۔

خدا کے فضل و کرم سے ، کمپنی کی انتظامیہ 'حصص یافتگان کی جیسا کہ گذشتہ اے جی ایم میں منظور کی گئی قراردادوں کے مطابق خواہشات کو پوری کرنے میں کامیاب ہو گئی۔

مجھے یہ خوشی محسوس ہوتی ہے کہ اے اے ٹی ایم ایل انتظامیہ نے دنیا کے معروف سپلائر "ایم / ایس کربی انٹرنیشنل کویت" کے ساتھ 90,000 مربع فٹ کی پری فیبریکیٹڈ عمارت کے معاہدے پر دستخط کیے ہیں۔

ایف ایم سی جی / 3 پی ایل آپریٹرز ، ای کامرس کمپنیوں کے لئے معاون خدمات فراہم کرنے کے انتظامیہ ممکنہ صارف کے کو ہدف بنائے گی جس کے لیے 20,000 مربع فٹ آرٹ آفس اور انفارمیشن ٹکنالوجی کا بلاک بنانے پر غور کیا جا رہا ہے۔ شمسی پینل اور کے ایل ای سے عمارت کو بجلی فراہم کی جائے گی۔

مذکورہ بالا کی نظر میں ، AATML کو منافع بخش ادارہ کے طور پر جاری رہنے میں کوئی شک نہیں ہو سکتا ہے۔



جناب ندیم الہی

چیف ایگزیکٹو

علی اصغر ٹیکسٹائل ملز لمیٹڈ

REVIEW REPORT ON CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS FOR THE PERIOD ENDED DEC 31, 2019

Introduction

We have reviewed the accompanying condensed interim balance sheet of **Ali Asghar Textile Mills Limited** as at December 31, 2019, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flow and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the "interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended December 31, 2019 and December 31, 2018 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2019.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of the persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

The following observations come to our knowledge during our review of interim financial information:

- a. The company has not carried out revaluation of building, plant and equipment under International Accounting Standard (IAS) 16 "Property, Plant and Equipment" since June 2011. In the absence of latest revaluation figures, it is not possible to perform impairment test as suggested in the International Accounting Standards (IAS) 36 "Impairment of assets". Hence impact of the same on financial statement cannot be determined.

MUSHTAQ & CO.

CHARTERED ACCOUNTANTS

407, Commerce Centre, Hasrat Mohani Road, Karachi. Tel: 32638521-3

Branch Office: 19-B, Block-G, Gulberg III, Lahore. Tel: 35858624

Email Address: mushtaqco@hotmail.com



- b. The company has made provision for staff gratuity on the basis of one month salary of the employee after every one year rather than on the basis of actuarial valuation by professional valuer, which is in contradiction to International Accounting Standard (IAS-19 Employee Benefits). The quantification of the difference in provision made and required as per IAS-19 cannot be made due to non-availability of actuarial valuation.
- c. The company has unclaimed dividend amounting Rs.239,589. 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.

Qualified Conclusion

Based on our review, except for the effects of the matters described in basis for qualified conclusion paragraph, this interim financial information gives a true and fair view of the financial position of the company as at 31 December, 2019, and of its financial performance and its cash flows for the half year ended December 31, 2019 in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

Engagement partner on audit resulting in this independent auditors' report is **Mushtaq Ahmed Vohra, FCA.**


Karachi:

Date: 27 February, 2020




ALI ASGHAR TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

	Note	Un-Audited 31-Dec-19 Rupees	Audited 30-Jun-19 Rupees Restated	Audited 30-Jun-18 Rupees Restated
Assets				
Non Current Assets				
Property plant & equipment	8	795,318,266	357,730,691	353,347,473
Capital Work in Progress		479,001	-	11,202,138
Long term Investment		-	8,884	14,652
Long term Deposits		2,370,567	2,336,169	2,336,169
Long Term Loans and advances		3,755,381	2,887,194	1,465,976
		801,923,215	362,962,938	368,366,408
Current Assets				
Inventory		-	-	1,980,000
Loans and advances		44,889,047	7,803,087	5,947,499
Investment		743,346,007	-	-
Trade deposits and short term prepayments		1,611,230	1,611,230	1,611,230
Other Receivables		-	21,362,358	21,362,358
Tax refunds and due from govt.		2,664,059	2,494,277	3,538,344
Cash and bank balances		19,642,994	381,286	235,350
		812,153,337	33,652,238	34,674,782
Total Assets		1,614,076,552	396,615,177	403,041,190
Equity and Liabilities				
Share capital and reserves				
Authorised share capital		250,000,000	250,000,000	250,000,000
Issued and paid up capital		222,133,470	222,133,470	222,133,470
Interest free directors & others loan		54,090,745	80,898,745	66,067,055
Surplus on revaluation of fixed assets		696,905,111	257,293,537	258,185,303
Unappropriated profit/ (loss)		519,214,422	(256,944,813)	(241,434,831)
		1,492,343,748	303,380,939	304,950,997
Non-Current liabilities				
Long term financing		87,896,512	58,508,315	58,508,315
Long term deposits		662,850	833,850	833,850
Deferred liabilities		1,351,248	1,725,717	1,544,717
		89,910,610	61,067,882	60,886,882
Current liabilities				
Trade and other payables		10,413,537	13,011,250	15,405,424
Unclaimed Dividends		239,589	239,589	239,589
Accrued interest		7,330,250	4,930,250	4,930,250
Bank overdraft		5,286,370	5,432,819	8,075,600
Current portion of non current liabilities		8,552,448	8,552,448	8,552,448
		31,822,194	32,166,356	37,203,311
Contingencies and commitments	9	-	-	-
Total equity and Liabilities		1,614,076,552	396,615,177	403,041,190


NADEEM E. SHAIKH
 Chief Executive


ABDULLAH MOOSA
 Director

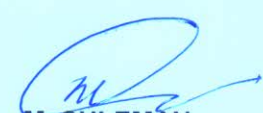

M. SULEMAN
 Chief Finance Officer

ALI ASGHAR TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Six months period ended		Quarter Ended	
	31-Dec 2019 Rupees	31-Dec 2018 Rupees	31-Dec 2019 Rupees	31-Dec 2018 Rupees
	Restated			
Rental Income	2,335,760	5,396,560	(1,664,240)	2,096,560
Directly attributable cost	(7,166,333)	(6,333,273)	(4,536,526)	(4,095,122)
Gross Profit/ (Loss)	(4,830,573)	(936,713)	(6,200,766)	(1,998,562)
Administrative Expenses	(9,834,730)	(4,110,466)	(9,106,626)	(3,128,890)
Othe Expenses	(21,362,358)	-	-	-
Other Income/(Loss)	158,218,022	(2,253)	158,218,022	(2,253)
	127,020,934	(4,112,719)	149,111,396	(3,131,143)
Profit / (Loss) from Operation	122,190,361	(5,049,433)	142,910,630	(5,129,705)
Finance Cost	(31,831,129)	(3,644)	(31,829,019)	6,356
(Loss) / Profit before Taxation	90,359,232	(5,053,077)	111,081,611	(5,123,349)
Taxation Capital gain tax	(355,810)	(61,737)	(9,237)	(9,237)
Profit/ (Loss) after Taxation -Restated	90,003,422	(5,114,814)	111,072,374	(5,132,586)
Earning / (loss) per share - Basic	2.03	(0.12)	2.50	(0.12)


NADEEM E. SHAIKH
 CHIEF EXECUTIVE


ABDULLAH MOOSA
 Director


M. SULEMAN
 Chief Finance Officer

ALI ASGHAR TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Six Months Period Ended		Quarter Ended	
	Dec 31,2019	Dec 31,2018	Dec 31,2019	Dec 31,2018
	Rupees	Rupees Restated	Rupees	Rupees Restated
Profit / (Loss) after taxation	90,003,422	(5,114,814)	111,072,374	(5,132,586)
Other Comprehensive Income-				
Unrealized gain on remeasurement of available for sale investment	2,928,387	-	-	-
Total comprehensive income/ (Loss)	92,931,809	(5,114,814)	111,072,374	(5,132,586)



NADEEM E. SHAIKH
Chief Executive



ABDULLAH MOOSA
Director



M. SULEMAN
Chief Finance Officer

ALI ASGHAR TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Share Capital	Interest free Directors' and others loan	Revaluation Surplus on P,P&E	Unappropriated Loss	Total Equity
	Rupees				
Balance as at July 01, 2018 (Audited) Restated	222,133,470	66,067,055	258,185,303	(241,434,831)	304,950,997
Loss for the period- Restated	-	-	-	(5,114,814)	-
Other comprehensive income for the period	-	-	-	-	-
Transfer from surplus on revaluation-incremental	-	-	(445,883)	445,883	-
	-	-	-	-	-
Transfer from long term loan	-	3,287,681	-	-	3,287,681
	-	-	-	-	-
Balance as at Dec 31, 2018 (Unaudited) Restated	222,133,470	69,354,736	257,739,420	(246,103,762)	308,238,678
Loss for the period-Restated	-	-	-	(11,286,934)	(11,286,934)
Other comprehensive income for the period	-	-	-	-	-
	-	-	-	-	-
Transferred from long term loan	-	11,544,009	(445,883)	445,883	11,544,009
Balance as at June 30, 2019 (Audited) Restated	222,133,470	80,898,745	257,293,537	(256,944,813)	303,380,939
Profit for the period	-	-	-	90,003,422	-
Other comprehensive income for the period	-	-	-	2,928,387	-
	-	-	-	-	-
Surplus on revaluation of land	-	-	1,122,839,000	-	1,122,839,000
Transfer from surplus on account of incremental dep on Building	-	-	(419,926)	419,926	-
Transfer from surplus on revaluation of Land disposed off	-	-	(682,807,500)	682,807,500	-
	-	-	-	-	-
Transferred from long term loan	-	(26,808,000)	-	-	(26,808,000)
Balance as at Dec 31, 2019 (Unaudited)	222,133,470	54,090,745	696,905,111	519,214,422	1,492,343,748

NADEEM E. SHAIKH
Chief Executive

ABDULLAH MOOSA
Director

M. SULEMAN
Chief Finance Officer

ALI ASGHAR TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	31-Dec 2019 Rupees	31-Dec 2018 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation Restated	90,359,232	(5,053,077)
Adjustments for:		
Depreciation	3,764,964	3,683,556
Bad Debt Expense	21,362,358	
Gain on disposal of PPE	(156,293,133)	
Unrealized Gain/(Loss) on Trading Securities	2,928,387	2,253
Staff retirement benefits-gratuity	-	122,705
Finance cost	31,831,129	3,644
	(96,406,295)	3,812,158
Loss before working capital changes	(6,047,063)	(1,240,919)
(Increase)/decrease in current assets		
Inventory	-	-
Capital work in Progress	(479,001)	11,202,138
Other receivables	-	-
Loan and advances	(37,085,960)	2,726
	(37,564,961)	11,204,864
Increase in current liabilities		
Trade and other payables	(2,597,713)	1,152,042
Cash used in operation	(46,209,737)	11,115,987
Finance cost paid	(42,932)	(3,644)
Taxes refund/(paid)	(525,592)	(43,617)
Staff retirement benefits gratuity paid	(374,469)	-
	(942,993)	(47,261)
Net cash used in operating activities	(47,152,730)	11,068,726
CASH FLOWS FROM INVESTING ACTIVITIES		
Long term deposits	(34,398)	(11,687,146)
Long term investments	8,884	-
Investment in Mutual Funds	(743,346,007)	
Fixed capital expenditure	(1,321,038)	(100,205)
Net cash flows from investing activities	(744,692,559)	(11,787,351)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans received from directors and sponsors	-	-
Proceeds from Disposal of PPE	839,100,633	
Interest free directors and other loan	(26,808,000)	3,287,681
Loan repaid	-	-
Loans and advances	(868,187)	(291,956)
Deposits received	(171,000)	-
Book overdraft	(146,449)	(72,384)
Net cash flow from financing activities	811,106,997	2,923,341
Net increase in Cash and Cash equivalents	19,261,708	2,204,716
Cash and cash equivalent at the beginning of the period	381,286	235,350
Cash and cash equivalent at the end of the period	19,642,994	2,440,066

NADEEM E. SHAIKH
Chief Executive

ABDULLAH MOOSA
Director

M. SULEMAN
Chief Finance Officer

ALI ASGHAR TEXTILE MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2019

1 THE COMPANY AND IT'S OPERATIONS

- 1.1 Ali Asghar Textile Mills Limited (the Company) was incorporated in Pakistan on February 9, 1967 as a public limited company having its registered office at Uni Towers, I. I. Chundrigar Road, Karachi in the province of Sindh. Its shares are quoted on Karachi Stock Exchange (Guarantee) Limited. The principal activity of the Company is to manufacture and sale of yarn. However, in a proposed EOGM, to be held in March 2018, the objective clause is proposed to be changed to incorporate logistic hub and warehousing business as a principal activity. The facilities of the Company are located at Korangi Industrial Area, Karachi in the province of Sindh.
- 1.2 The Company has temporarily suspended its textile operation since September, 2011 and has sold a substantial portion of its Property Plant & Equipment. 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.
- 1.3 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 company has rented out its surplus property to companies. The directors of the company in a board of directors meeting held in year 2016, approved the business of logistics and warehousing. This year the company entered into contracts with leading companies for rentals. The cash flow is coming in regular installments and marketing teams are pitching to new customers and warehousing agents.

b Support of Directors and Sponsors

Directors 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

- (a) These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- (i) International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and
- (ii) Provisions of and directives issued under the Companies Act, 2017.

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

- (b) This condensed interim financial statement is unaudited and is being submitted to the shareholders as required under Section 237 of the Companies Act, 2017. This condensed interim financial statement does not contain all the information required for a complete set of financial statements, and should be read in conjunction with the published audited financial statements of the company for year ended 30 June 2019.

1 SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and methods of computation adopted for the preparation of the financial statements for the half year ended December 31, 2019 on the same as those applied in the preparation for the annual audited statement for the year ended June 30, 2019 except for the following:

3.2 IFRS 16 Leases

Effectively July 1, 2019, the Company has adopted IFRS 16, "Leases" which replaces existing guidance on accounting for leases, including IAS 17 "Leases", IFRIC 4 "Determining whether an arrangement contains a Lease", SIC-15 "Operating Leases-Incentive and SIC-27 "Evaluating the substance of transactions involving the legal form of a Lease". IFRS 16 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right-of-use of the underlying asset and a lease liability representing its obligations to make lease payments. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. The adoption of IFRS 16 does not have any material impact on the company due to being the lessor.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 4.1 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.
- 4.2 Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June, 2019.
- 4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2019

5 PRIOR PERIOD ERROR

Prior period error in financial statements has been corrected and accounted for retrospectively in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and comparative figures have been restated. The effect has been summarized below:

	Property, Plant and Equipment
	Rupees
2018	
As at reported on 30 June 2018-Original	365,563,394
As at reported on 30 June 2018-Restated (decrease)	353,347,473
2019	
As at reported on 30 June 2019-Original	373,462,286
As at reported on 30 June 2019-Restated (decrease)	357,730,691
	Unappropriated Loss
2018	
As at reported on 30 June 2018-Original	229,218,910
As at reported on 30 June 2018-Restated (increase)	241,434,831
2019	
As at reported on 30 June 2019-Original	241,213,218
As at reported on 30 June 2019-Restated (increase)	256,944,813

6 ACCOUNTING CONVENTION

These financial statements have been prepared under the historical cost convention except for measurement of certain financial assets and financial liabilities at fair value and recognition of employee benefits at present value.

7 FUNCTIONAL AND PRESENTAIONT CURRENCY

These financial information 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.

8 PROPERTY PLANT AND EQUIPMENT

	31-Dec-19	30-Jun-19
	Rupees	
Net book value at the beginning of the period/year	357,730,691	353,347,473
Additions / Surplus on revaluation during the period/year		
Leasehold land	1,122,839,000	-
Building on leasehold land	1,002,500	12,208,957
Office equipment	318,538	113,555
Vehicles	-	49,000
Net book value of assets disposed during the period/year	(682,807,500)	-
Depreciation for the period/year	(3,764,964)	(4,472,620)
Impact of Restatement	-	(3,515,674)
Net book value at the end of the period/year	795,318,266	357,730,691

9 CONTINGENCIES AND COMMITMENTS

Contingencies

- 9.1 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 along with 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 management believes that there won't 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.
- 9.2 The company has suit No. B-102 of 13. First Dawood Investment Bank Versus Ali Asghar Textile Mills Limited pending before Honorable Highcourt of Sindh at Karachi. The company trying to settle its TFCs amounting to Rs.89.609 million with First Dawood Bank Limited. The First Dawood Investment Bank has filed suit for the recovery of 89.609 million against lease finance which was converted to TFC's. The company has counter filed case against First Dawood Investment and defending the case and in the opinion of Legal advisor, the management of the company is trying to settle its TFCs with First Dawood Bank Limited at its earliest and is taking all the steps to conclude the aforementioned case.
- 9.3 The company has CP no. D-1009 of 12. Ali Asghar Textile Mills Limited Versus Fed. of Pakistan pending before Honorable Highcourt 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.

9.4 Guarantees issued by banks on behalf of the Company Rs.1,611,230 (June 30, 2019: Rs.1,611,230).

Commitments

There are no commitments of the company as at December 31, 2019.

10 GENERAL

The figures have been rounded of to the nearest Rupee.

All significant changes since June 30, 2019 affecting the interim financial information have been disclosed in the relevent notes.

11 DATE OF AUTHORIZATION FOR ISSUE

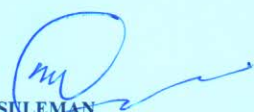
These financial statements were authorized for issue on **27th February, 2020** by the board of directors of the Company.



NADEEM E. SHAIKH
Chief Executive



ABDULLAH MOOSA
Director



M. SULEMAN
Chief Finance Officer

www.jamapunji.pk



**Be aware, Be alert,
Be safe**

**Learn about investing at
www.jamapunji.pk**

Key features:

- Licensed Entities Verification
- Scam meter*
- Jamapunji games*
- Tax credit calculator*
- Company Verification
- Insurance & Investment Checklist
- FAQs Answered
- Online Quizzes

- Stock trading simulator
(based on live feed from KSE)
- Knowledge center
- Risk profiler*
- Financial calculator
- Subscription to Alerts (event
notifications, corporate and
regulatory actions)
- Jamapunji application for
mobile device



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

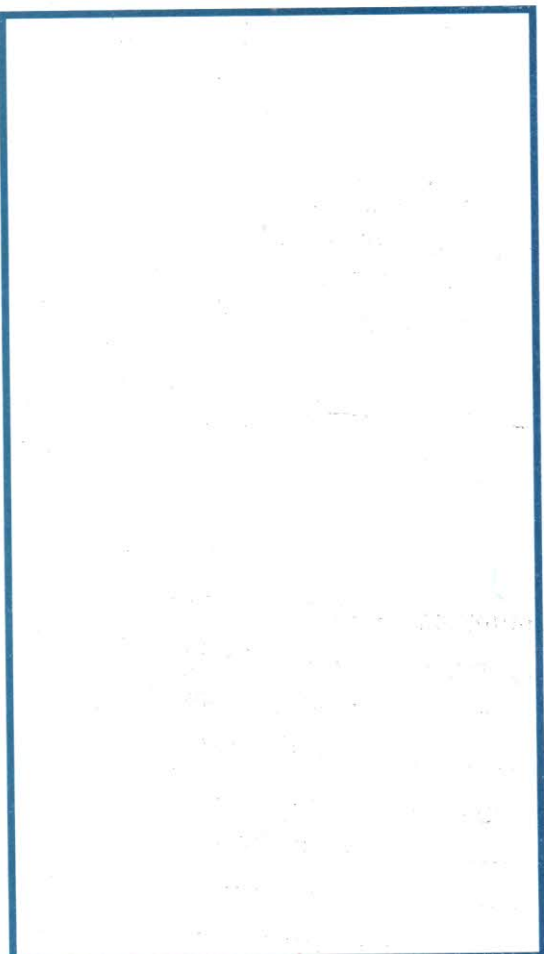
jamapunji.pk

@jamapunji_pk

*Mobile apps are also available for download for android
and ios devices

BOOK POST

PRINTED MATTER



If undelivered please return to:-

ALI ASGHAR TEXTILE MILLS LTD.

306-8, Third Floor, Uni Tower Building,
I.I.Chundrigar Road, Karachi.