



**MUBARAK**  

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**TEXTILE MILLS LIMITED**

**FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDING  
DECEMBER 31, 2022**



## **MUBARAK TEXTILE MILLS LIMITED**

### **COMPANY PROFILE**

<b>BOARD OF DIRECTORS</b>	MR. ZULFIQAR ALI CH. NASEER AHMED MR. ABDUL SHAKOOR MR. SHAKEEL AHMED MR. NADEEM ABBAS MR. NAFEES IQBAL MR. ABDUL JABBAR MRS. SANA KHALID	CHIEF EXECUTIVE OFFICER      INDEPENDENT INDEPENDENT
<b>AUDIT COMMITTEE</b>	MR. ABDUL JABBAR MR. SHAKEEL AHMED MR. NAFEES IQBAL	CHAIRMAN MEMBER MEMBER
<b>HR AND REMUNERATION COMMITTEE</b>	MR. ZULFIQAR ALI CH. NASEER AHMED MR. ABDUL SHAKOOR	CHAIR PERSON MEMBER MEMBER
<b>COMPANY SECRETARY</b>	MR. ABDUL SHAKOOR	
<b>CHIEF FINANCIAL OFFICER</b>	M. BABAR KHAN	
<b>AUDITORS</b>	M/S Rizwan & Co. CHARTERED ACCOUNTANT	
<b>SHARE REGISTRAR</b>	HAMEED MAJEED ASSOCIATES (PVT) LTD. H.M. HOUSE, 7-BANK SQUARE, LAHORE.	
<b>BANKERS</b>	HABIB METROPOLITAN BANK LTD FAYSAL BANK LIMITED	
<b>REGISTERED OFFICE / MILLS</b>	20-KM OFF FEROZEPUR ROAD, LAHORE, PAKISTAN. TEL: 042-35950674 FAX: 042-35950675	
<b>WEB</b>	www.mtmpr.com info@mtmpr.com	
<b>E-Mail</b>	mubarak_textile@yahoo.com	



## **MUBARAK TEXTILE MILLS LIMITED**

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

### **DIRECTOR'S REVIEW**

Dear Members  
Asalam-o-Alaikum

The Directors of your Company are pleased to present before you the (reviewed) accounts alongwith Balance Sheet, Profit and Loss account, cash flow statement and statement of changes in equity alongwith Directors' and Auditors review thereon for the half year ended 31<sup>st</sup> December, 2022.

During the period under review, the Company Sustained pre-tax Loss of Rs.0.0324 (M) after providing for all the administrative and financial charges including depreciation of Rs. 0.760 (M) as compared to pre-tax Profit of Rs. 0.00786 (M) of corresponding period of the preceding year.

Due to non-favourable working condition and tight liquidity position, the management could not involved in any business activity and relying on the rental income. The management of the Company have a plane to trade in the knitted fabric and manufacturing of knitted garments on conversion basis.

#### **Acknowledgement.**

We are also thankful to our Bankers & financial institutions for their continued cooperation.

For and on behalf of the Board

Sd/-

Mr. Zulfiqar Ali  
Chief Executive

Lahore:  
Dated: 23-02-2023



## MUBARAK TEXTILE MILLS LIMITED

### ڈائریکٹرز جائزہ رپورٹ

#### معزز شیئر ہولڈرز

مبارک ٹیکسٹائل میلز لمیٹڈ کمپنی کے ڈائریکٹران ششماہی 31 دسمبر 2022

کو مالیاتی کارکردگی پر جائزہ رپورٹ پیش کرتے ہیں۔

رواں سال ششماہی 31 دسمبر 2022 میں کمپنی کو قبل از ٹیکس (M) 0.0324 کا نقصان ہوا ہے  
سارے خرچے اور فرسودگی (M) 0.760 نکالنے کے بعد جبکہ عرصہ ششماہی 31 دسمبر 2021  
میں منافع قبل از ٹیکس (M) 0.00786 رہا تھا۔

ٹیکسٹائل گارمنٹس انڈسٹری میں مندی کیوجہ اور توانائی کی قیمتیں بڑھنے کی وجہ سے  
ناسازگار حالات میں کمپنی کسی کاروبار میں ملوث نہیں ہو سکی۔ تاہم انتظامیہ نٹ ویر  
Conversion basis پر چلانے پر کام کر رہی اور اسی فیئلڈ میں ٹریڈنگ کرنے کا ہر کام  
کر رہی تاکہ کمپنی کو نفع مند بنایا جاسکے۔

#### انتظامیہ اور لیبر طبقہ میں تعلقات

انتظامیہ اور لیبر میں تعلقات پُر جوش اور ہموار رہے۔ ڈائریکٹرز۔ انتظامیہ ورکرز کی

محنت اور کوشش کو سراہتے ہیں۔

بورڈ کی طرف سے

ذوالفقار علی

چیف ایگزیکٹو آفیسر

بتاریخ 23-02-2023



## **MUBARAK TEXTILE MILLS LIMITED**

### **INDEPENDENT AUDITORS' REVIEW REPORT**

**To the members of Mubarak Textile Mills Limited**

**Report on review of Interim Financial Statements**

#### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **MUBARAK TEXTILE MILLS LIMITED** as at December 31, 2022 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the selected notes forming part thereof, for the six month period then ended (hereinafter referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of the interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures included in condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2022 and 2021 and the notes forming part thereof have not been reviewed by us, as we are required to review only the cumulative figures for the six months' period ended December 31, 2022.

#### ***Scope of Review***

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

#### ***Basis for Adverse Conclusion***

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

- a) The company has suffered a loss of Rs. 0.637 million during the period ended December 31, 2022 (2021: Rupees 0.634 million) and as on that date its accumulated losses stood at Rupees 84.966 million (Rupees 84.925 million: June 30, 2022). As on this date, the company's current liabilities exceeded its current assets by Rupees 5.599 million (Rupees 5.203 million: June 30, 2022). The Company through special resolution dated October 31, 2009 accorded approval of its shareholders for sale of its plant & machinery and to lease out factory buildings to sustain its working capital requirements; moreover, the Company's plan to enter into trading business in the near future as envisaged by the management has not yet materialized, and we were neither provided with future projections of the Company nor alternate



## **MUBARAK TEXTILE MILLS LIMITED**

business plan to revive the Company to support going concern assumption. Further, Additional Registrar of Companies, Securities and Exchange Commission of Pakistan has filed winding up petition in the Lahore High Court, Lahore in 2019 against the Company which is pending adjudication.

These conditions and events indicate material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore it may not be able to realize its assets and discharge its liabilities in normal course of business. Because of the circumstances and events as mentioned herein, we concluded that the Company cannot be considered to be a going concern and thus the preparation of these interim financial statements on a going concern basis is inappropriate.

- b) It was noted that interest free loan from sponsors amounting to Rupees 41.487 million has been shown under long term loans in these interim financial statements. As stated in audited financial statements for the year ended June 30, 2022 the terms of long term loans have not been settled. The said loan has not been classified and disclosed in these interim financial statements as per guidelines issued by the Institute of Chartered Accountants of Pakistan under TR 32 – Accounting Directors' Loan.
- c) We could not verify the unclaimed dividend payable pertaining to previous financial years amounting to Rupees 103,962/- in absence of underlying record with the Company. Moreover, the Company has not taken measures to comply with the requirements of Section 244 of the Companies Act, 2017.

### ***Adverse Conclusion***

Based on our review, because of the significance of the matter discussed in the paragraphs (a) to (c) above, these accompanying interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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

Islamabad  
23-02-2023  
UDIN: RR202210101NMHF3hu5g

Rizwan & Company  
CHARTERED ACCOUNTANTS





## MUBARAK TEXTILE MILLS LIMITED


### CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2022 (UN-AUDITED)

	Un-audited December 31, 2022	Audited June 30, 2022
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property and equipments	6 131,570,824	132,331,234
Investment property	7 132,773,000	132,773,000
Long term deposits	2,508,408	2,089,408
	<b>266,852,232</b>	<b>267,193,642</b>
<b>CURRENT ASSETS</b>		
Trade debtors	7,790	-
Loan and advances	42,000	36,500
Tax refunds due from the Government	541,634	2,016,278
Cash and bank balances	138,180	60,607
	<b>729,604</b>	<b>2,113,385</b>
	<b>267,581,836</b>	<b>269,307,027</b>
<b>EQUITY &amp; LIABILITIES</b>		
<b>CAPITAL &amp; RESERVES</b>		
Share capital	54,000,000	54,000,000
Unappropriated loss	(84,965,630)	(84,925,127)
Surplus on revaluation of property and equipments	8 249,326,407	249,923,180
Shareholder equity	218,360,777	218,998,053
<b>NON CURRENT LIABILITIES</b>		
Long term loan	41,486,988	41,486,988
Employee benefit obligation	1,405,307	1,505,307
	<b>42,892,295</b>	<b>42,992,295</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	5,669,401	5,400,260
Provision for taxation	9 555,401	1,812,457
	<b>6,224,802</b>	<b>7,212,717</b>
Unclaimed dividend	103,962	103,962
Contingencies and commitments	10 -	-
	<b>267,581,836</b>	<b>269,307,027</b>

The annexed notes from 1 to 15 form an integral part of these interim financial statements.

  
Sd/-  
(Mr. Zulfikar Ali)  
Chief Executive

  
Sd/-  
(Mr. Babar Khan)  
Chief Financial Officer

  
Sd/-  
(Mr. Nafees Iqbal)  
Director





## MUBARAK TEXTILE MILLS LIMITED


### CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2022 (UN-AUDITED)

	HALF YEAR ENDED		QUARTER ENDED	
	Un-Audited 01 Jul., 2022 to 31 Dec., 2022	Un-Audited 01 Jul., 2021 to 31 Dec., 2021	Un-Audited 01 Oct., 2022 to 31 Dec., 2022	Un-Audited 01 Oct., 2021 to 31 Dec., 2021
NOTE	(Rupees)		(Rupees)	
Processing Receipts / Sale	-	-	-	-
Cost of goods sold	-	-	-	-
<b>Gross profit</b>	-	-	-	-
Administrative & General expenses	<b>(4,064,207)</b>	(4,183,728)	<b>(2,094,936)</b>	(1,881,147)
Operating (Loss)	<b>(4,064,207)</b>	(4,183,728)	<b>(2,094,936)</b>	(1,881,147)
Other Income	<b>4,032,500</b>	4,177,160	<b>2,206,250</b>	2,100,980
	<b>(31,707)</b>	(6,568)	<b>111,314</b>	219,833
Finance costs	<b>(694)</b>	(1,292)	-	(336)
<b>(Loss) / Profit before taxation</b>	<b>(32,401)</b>	(7,860)	<b>111,314</b>	219,497
Taxation	<b>9 (604,875)</b>	(626,574)	<b>(422,250)</b>	(418,956)
<b>(Loss) after taxation</b>	<b>(637,276)</b>	(634,434)	<b>(310,936)</b>	(199,459)
<b>EARNING PER SHARE</b>	<b>11 (0.12)</b>	(0.12)	<b>(0.06)</b>	(0.04)

The annexed notes from 1 to 15 form an integral part of these interim financial statements.

  
Sd/-  
(Mr. Zulfqar Ali)  
Chief Executive

  
Sd/-  
(Mr. Babar Khan)  
Chief Financial Officer

  
Sd/-  
(Mr. Nafees Iqbal)  
Director





## **MUBARAK TEXTILE MILLS LIMITED**

### **CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2022 (UN-AUDITED)**

	<b>HALF YEAR ENDED</b>		<b>QUARTER ENDED</b>	
	<b>Un-Audited 01 Jul., 2022 to 31 Dec., 2022</b>	<b>Un-Audited 01 Jul., 2021 to 31 Dec., 2021</b>	<b>Un-Audited 01 Oct., 2022 to 31 Dec., 2022</b>	<b>Un-Audited 01 Oct., 2021 to 31 Dec., 2021</b>
(Loss) after taxation for the period	<b>(637,276)</b>	(634,434)	<b>(310,936)</b>	(199,459)
Incremental Depreciation transferred from revaluation surplus	<b>596,773</b>	629,078	<b>290,736</b>	314,539
Total comprehensive (loss) / income for the period	<b><u>(40,503)</u></b>	<u>(5,356)</u>	<b><u>(20,200)</u></b>	<u>115,080</u>

The annexed notes from 1 to 15 form an integral part of these interim financial statements.

Sd/-  
(Mr. Zulfiqar Ali)  
Chief Executive

Sd/-  
(Mr. Babar Khan)  
Chief Financial Officer

Sd/-  
(Mr. Nafees Iqbal)  
Director





## MUBARAK TEXTILE MILLS LIMITED


### CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD OF SIX MONTHS ENDED DECEMBER 31, 2022 (UN-AUDITED)

	SIX MONTHS PERIOD ENDED		
	01 Jul., 2022 to 31 Dec., 2022	01 Jul., 2021 to 31 Dec., 2021	
	(Rupees)		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
(Loss) before tax	(32,401)	(7,860)	
<b>Adjustments for non-cash charges items</b>			
Depreciation	6	760,410	804,358
Finance cost		694	1,292
		<u>761,104</u>	<u>805,650</u>
Profit before changes in working Capital		728,703	797,790
<b>EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES</b>			
<i>(Increase)/decrease in current assets:</i>			
Trade debtors		(7,790)	128,720
Trade debtors		(5,500)	(11,000)
<i>Increase/(decrease) in current liabilities:</i>			
Trade and other payables		269,141	(457,111)
<b>Changes in working capital</b>		<u>255,851</u>	<u>(339,391)</u>
<b>Cash generated from operations</b>		<u>984,554</u>	<u>458,399</u>
Finance cost paid		(694)	(1,292)
Income tax paid		(387,287)	(893,880)
Employee benefit paid		(100,000)	(254,110)
<b>Net cash generated from/(used in) operating activities</b>		<u>496,573</u>	<u>(690,883)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Security deposits		(419,000)	-
<b>Net cash (used in) investing activities</b>		<u>(419,000)</u>	<u>-</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Net increase/(decrease) in cash and cash equivalent		77,573	(690,883)
Cash and cash equivalent at the beginning of the period		60,607	750,068
<b>Cash and cash equivalent at the end of the period</b>		<u>138,180</u>	<u>59,185</u>

The annexed notes from 1 to 15 form an integral part of these interim financial statements.

  
Sd/-  
(Mr. Zulfikar Ali)  
Chief Executive

  
Sd/-  
(Mr. Babar Khan)  
Chief Financial Officer

  
Sd/-  
(Mr. Nafees Iqbal)  
Director



## **MUBARAK TEXTILE MILLS LIMITED**

### **CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD OF SIX MONTHS ENDED DECEMBER 31, 2022 (UN-AUDITED)**

	<b>Share Capital</b>	<b>Accumulated Loss</b>	<b>Surplus on Revaluation of Property Plant and Equipment</b>	<b>Total</b>
	<b>(Rupees)</b>			
Balance as at June 30, 2021 (Audited)	54,000,000	(85,474,503)	251,181,337	219,706,834
Less: Incremental depreciation during the period	-	-	(629,078)	(629,078)
Total comprehensive income for the period	-	(5,356)	-	(5,356)
Balance as at December 31, 2021 (Un-audited)	54,000,000	(85,479,859)	250,552,259	219,072,400
Less: Incremental depreciation during the period	-	-	(629,079)	(629,079)
Total comprehensive income for the period	-	554,732	-	554,732
<b>Balance as at June 30, 2022 (Audited)</b>	<b>54,000,000</b>	<b>(84,925,127)</b>	<b>249,923,180</b>	<b>218,998,053</b>
Less: Incremental depreciation during the period	-	-	(596,773)	(596,773)
Total comprehensive (loss) for the period	-	(40,503)	-	(40,503)
<b>Balance as at December 31, 2022 (Un-audited)</b>	<b>54,000,000</b>	<b>(84,965,630)</b>	<b>249,326,407</b>	<b>218,360,777</b>

The annexed notes from 1 to 15 form an integral part of these interim financial statements.

Sd/-  
(Mr. Zulfiqar Ali)  
Chief Executive

Sd/-  
(Mr. Babar Khan)  
Chief Financial Officer

Sd/-  
(Mr. Nafees Iqbal)  
Director



## **MUBARAK TEXTILE MILLS LIMITED**

### **NOTES TO AND FORMING PART OF THE NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD OF SIX MONTHS ENDED DECEMBER 31, 2022 (UN-AUDITED)**

#### **1 LEGAL STATUS AND OPERATIONS**

The company was incorporated on August 11, 1991, as a Private Limited Company and was subsequently converted into Public Limited Company with its shares quoted on Pakistan Stock Exchange. The project is a composite knitwear unit comprising of knitting, dyeing, finishing and embroidery. The Company was involved in Processing of Dyed Fabrics. The mill and registered office of the company is situated at 20 km off Ferozpur road Lahore.

#### **2 GOING CONCERN ASSUMPTION**

The company has ceased its operation in 2011. The company has suffered a loss of Rs. 0.637 million during the period ended December 31, 2022 (2021: Rs.0.634 million) and as on that date its accumulated losses stood at Rs. 84.966 million (Rs. 84.925 million: June 30, 2022). As on this date, the company's current liabilities exceeded its current assets by Rs. 5.599 million (Rs. 5.203 million: June 30, 2022). These factors raise substantial doubt that the company will be able to continue as a going concern and therefore may be unable to realize its assets or discharge its liabilities in the normal course of business.

The management has planned to enter into trading business in the near future, however to sustain the current working capital requirements the management has leased out its property (building).

The condensed Interim financial report has been prepared on a going concern basis on the assumption that company would be able to obtain the working capital from the source referred above.

#### **3 BASIS OF PREPARATION**

##### **3.1 Statement of compliance**

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 International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017, and Provisions of and directives issued under the Companies Act, 2017. Where 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.

3.2 These condensed interim financial statements are unaudited and being submitted to shareholders, as required by Section 237 of the Companies Act, 2017. The figures included in the condensed interim statement of profit or loss and comprehensive income for the quarters ended December 31, 2022 and 2021 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the six months period ended December 31, 2022 and 2021.

3.3 These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended June 30, 2022. The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended June 30, 2022. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

3.4 These condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of Companies Act, 2017 and should be read in conjunction with audited annual financial statements of the Company for the year ended June 30, 2022.

#### **4 ACCOUNTING POLICIES**

4.1 The significant accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2022.



## MUBARAK TEXTILE MILLS LIMITED

4.2 There are certain International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 01, 2022. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.

### 4.3 Functional and presentation currency

These interim financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Company.

## 5 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements in conformity with the approved accounting standards require the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements of the Company for the year ended June 30, 2022.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended June 30, 2022.

	<b>Un-Audited December 31, 2022</b>	<b>Audited June 30, 2022</b>
<b>NOTE</b>	<b>(Rupees)</b>	
<b>6 PROPERTY, PLANT AND EQUIPMENTS</b>		
Opening written down value	<b>132,331,234</b>	133,939,949
Less: Depreciation charged during the period / year	<b>(760,410)</b>	(1,608,715)
	<b>131,570,824</b>	<b>132,331,234</b>
<b>7 INVESTMENT PROPERTY</b>		
Land	<b>103,062,500</b>	103,062,500
Building	<b>29,710,500</b>	29,710,500
	<b>132,773,000</b>	<b>132,773,000</b>

7.1 The latest revaluation of the entire land, building and equipment has been carried out by independent valuers Hamid Mukhtar & Co. on June 30, 2022, which reported no material change since the last valuation carried out on June 30, 2021. The entire land, building and equipment had a fair market value of Rs.264,782,000 at June 30, 2022. The management concluded that the difference between revalued amount and fair value/written down value of land, building and equipment is immaterial. The management further concluded that any material change in the fair value will be accounted for at the year end. The valuers made reference to market evidence of transaction prices for similar properties for land and depreciated replacement cost method was used for valuation of buildings. Fair value hierarchy i.e. Level 1, 2 and 3 are assigned based on degree of observable inputs as disclosed in note 13.2.

	<b>Un-Audited December 31, 2022</b>	<b>Audited June 30, 2022</b>
<b>NOTE</b>	<b>(Rupees)</b>	
<b>8 REVALUATION SURPLUS OF PROPERTY, PLANT &amp; EQUIPMENT</b>		
Surplus on revaluation of Property, Plant and Equipments	<b>249,923,180</b>	251,181,337
Less: Incremental depreciation for the period transferred to condensed interim statement of changes in equity	<b>(596,773)</b>	(1,258,157)
	<b>249,326,407</b>	<b>249,923,180</b>



## **MUBARAK TEXTILE MILLS LIMITED**

### **9 PROVISION FOR TAXATION**

- 9.1 Current period taxation represents tax payable under normal tax regime and provisions of Income Tax Ordinance, 2001 and is based on estimate only. However, final liability shall be determined on the basis of the annual results.
- 9.2 As company has ceased its operation and its sole income is income from property. Therefore, company was not required to provide the deferred taxation as there will be no timing difference as per IAS-12 "Income Taxes".

### **10 CONTINGENCIES AND COMMITMENTS**

#### **Contingencies:**

The Additional Registrar of Companies, Securities and Exchange Commission of Pakistan has filed winding up petition in the Lahore High Court, Lahore in 2019 against the Company which is pending for adjudication as no hearing has so far been held in this matter.

#### **Commitments:**

There are no capital commitments as at the date of interim financial statements.

### **11 EARNING/LOSS PER SHARE**

	<b>Un-Audited December 31, 2022</b>	<b>Un-Audited December 31, 2021</b>	<b>Un-Audited December 31, 2022</b>	<b>Un-Audited December 31, 2021</b>
	<b>Six Months Ended</b>		<b>Quarter Ended</b>	
(Loss) for the period	<b>(637,276)</b>	(634,434)	<b>(310,936)</b>	(199,459)
	<b>No of shares</b>			
Shares in issue	<b>5,400,000</b>	5,400,000	<b>5,400,000</b>	5,400,000
	<b>Rupees</b>			
Earning/Loss per share	<b>(0.12)</b>	(0.12)	<b>(0.06)</b>	(0.04)

### **12 RELATED PARTIES AND RELATED PARTY TRANSACTIONS**

Related parties comprise of directors of the Company, their close relatives and key management personnel. Detail of related parties (with whom the Company has transacted) along with relationship and transactions with related parties have been disclosed in relevant notes in these interim financial statements.

### **13 FINANCIAL RISK MANAGEMENT**

#### **13.1 Financial risk factors**

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk.

These condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2022.

There have been no changes in the risk management information or in any risk management policies since the year ended June 30, 2022.

#### **13.2 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these interim financial statements.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).



## **MUBARAK TEXTILE MILLS LIMITED**

- 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 2).
- Inputs for the asset or liability that are not based on observable market data (Unobservable inputs) (level 3).
- Transfers between levels of the fair value hierarchy are recognized at the end of the reporting period during which the change occurred. However, there is no transfer between levels during the period.

### **14 GENERAL AND CORRESPONDING FIGURES**

14.1 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting' corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended June 30, 2022 and the corresponding figures in the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Company for the half year ended December 31, 2021.

14.2 Figures have been rounded off to rupees, unless otherwise stated.

### **15 DATE OF AUTHORIZATION**

15.1 These condensed interim financial statements were approved by the Board of Directors of the Company and authorized for issue on 23-02-2023.

Sd/-  
(Mr. Zulfiqar Ali)  
Chief Executive

Sd/-  
(Mr. Babar Khan)  
Chief Financial Officer

Sd/-  
(Mr. Nafees Iqbal)  
Director



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*Tel: 35950674*