

QUARTERLY REPORT

CONDENSED INTERIM FINANCIAL
INFORMATION FOR THE QUARTER ENDED
31st DECEMBER 2023





COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Abdul Aziz Jamal	Chairman
Mr. Husein Aziz Jamal	Chief Executive Officer
Mr. Abdul Rashid Jamal	Non-Executive Director
Ms. Saman Aziz Jamal	Executive Director
Mr. Muhammed Ali Rashid	Non-Executive Director
Mr. Akhtar Wasim Dar	Independent Director
Mr. Malik Muneer	Independent Director

CHIEF FINANCIAL OFFICER

Mr. M. Anwar Kaludi

COMPANY SECRETARY

Mr. Muhammed Aslam Moten

BOARD OF AUDIT COMMITTEE

Mr. Akhtar Wasim Dar	Chairman
Mr. Abdul Rashid Jamal	Member
Mr. Malik Muneer	Member
Mr. Mirza Akhtar Shikoh	Secretary

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Akhtar Wasim Dar	Chairman
Mr. Abdul Rashid Jamal	Member
Mr. Malik Muneer	Member
Mr. Shan ul Haq	Secretary

BANKERS

Habib Metropolitan Bank Limited
MCB Bank Limited
Soneri Bank Limited
Dubai Islamic Bank Limited

AUDITORS

Reanda Haroon Zakaria & Co.
Chartered Accountants

LEGAL ADVISOR

Ms. Marium Badar

REGISTERED & HEAD OFFICE

HT-8, Landhi Industrial & Trading Estate,
Landhi, Karachi-75120.

SHARE REGISTRAR

C & K Management Associates (Pvt) Limited
404, Trade Towers, Near Hotel Metropole,
Abdullah Haroon Road, Karachi.

E-Mail

Sales@husein.com

URL

www.husein.com



DIRECTORS' REPORT

In the name of Allah the Most Merciful and the Most Benevolent.

The Directors of Husein Industries Limited are pleased to present the Half yearly Report for the period ended December 31, 2023 together with the Independent Auditor's Review Report on condensed Interim Financial Statements to the members.

	December 2023 Rupees	December 2022 Rupees
Financial Results		
Revenue	166,656,151	61,569,897
Cost of revenue	(115,944,912)	(23,933,670)
Gross Profit	50,711,239	37,636,227
Administrative expenses	(18,211,081)	(16,758,488)
Operating profit	32,500,158	20,877,739
Finance costs	(31,356,599)	(21,675,647)
Other income	991,691	120,645
Profit before taxation	2,135,250	(677,263)
Taxation - net	899,138	1,370,701
Profit after taxation	3,034,388	693,438
Earning Per Share - Basic and Diluted	0.29	0.07

For the period ended December 2023, your company's revenue was Rs. 166.656 million as compared to Rs. 61.570 million for the same period last year. Gross profit of the company was Rs.50.711 million from Rs. 37.636 million for the same period last year. Administrative expenses incurred during period was 18.211 million whereas for the same period last year it was Rs. 16.758 million. Net profit of the Company increased to Rs. 3.034 Million from Rs. 0.693 Million in the corresponding period last year, this increase is due to increase in rental revenue for this year.

As mentioned earlier in previous Director's Report, your Directors have Converted one of the Company's properties into a commercial cum residential project which will help generate positive cash flows for your Company in the forthcoming years. Yours Directors are also thankful to all stakeholders for the loyalty they have shown during turbulent times.

The Directors of your Company are also pleased to record their appreciation for the assistance and continued support of the various Government Departments, Bankers, Customers and shareholders.

For and On behalf of the Board


Husein Jamal
Chief Executive Officer


Abdul Aziz Jamal
Director

February 26, 2024
Karachi

**INDEPENDENT AUDITOR’S REVIEW REPORT
TO THE MEMBERS OF HUSEIN INDUSTRIES LIMITED
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Husein Industries Limited** (“the Company”) as at December 31, 2023 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the “interim financial statements”). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of the condensed interim statement of profit or loss and other comprehensive income for the three months ended December 31, 2023 and 2022 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2023.

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 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

The Company has earned after tax profit amounting to Rs. 3.034 (December 31, 2022: 0.693) million, however, its accumulated losses stood at Rs. 1,061.868 (June 30, 2023: Rs. 1,072.619) million resulting in negative shareholders' equity of Rs. 103.708 (June 30, 2023: Rs. 106.743) million. At reporting date, current liabilities of the Company exceeded the current assets by Rs. 715.622 (June 30, 2023: Rs. 730.752) million. These conditions along with other matters set forth in note 1.1 to the accompanying financial statements indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and also discusses the reasons for preparing the financial statements on going concern basis including the expectation of future profitability on account of change in business of the Company, financial support from directors and other matters. These plans including the viability of the new business are subject to inherent uncertainty as future events are always subject to change. Our opinion is not modified in respect of this matter.

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

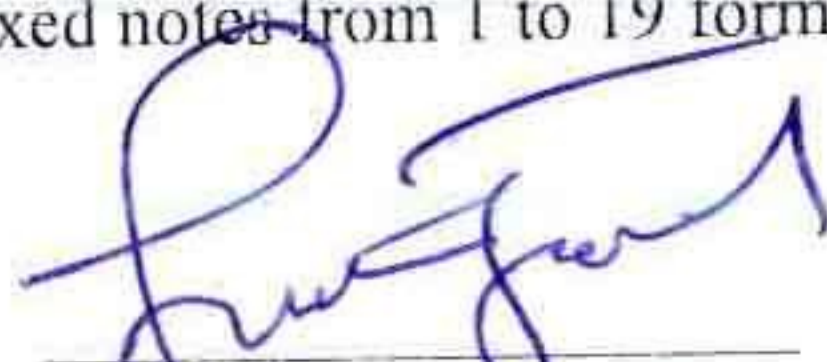
R Hz co Reanda Haroon Zakaria & Co
Reanda Haroon Zakaria & Company
Chartered Accountants

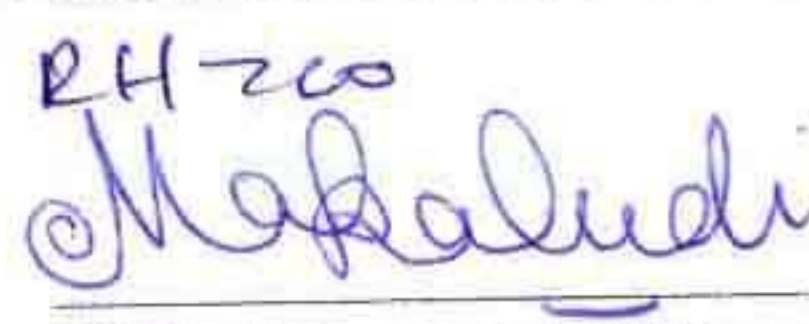
Place: Karachi
Dated: 26 FEB 2024
UDIN: RR202310086cgr246SXh

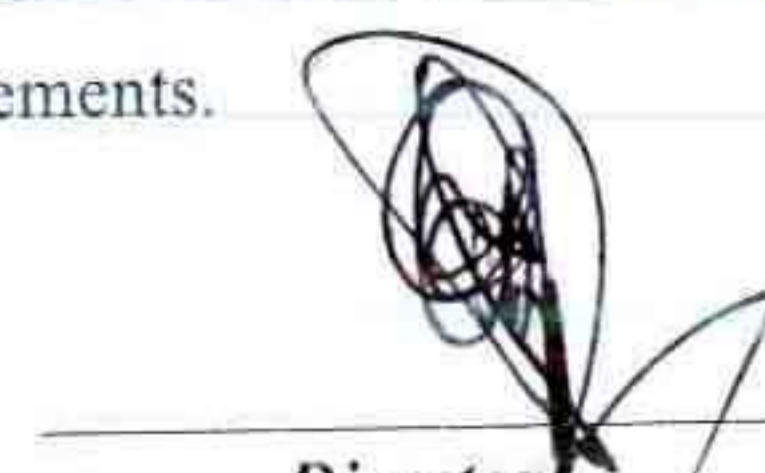
HUSEIN INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

		December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	Note	----- (Rupees) -----	
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	732,922,654	748,148,064
Long term investment		590,901	611,987
Long term deposits		1,316,096	1,316,096
Deferred taxation - net	6	-	-
		<u>734,829,651</u>	<u>750,076,147</u>
Current Assets			
Short term investment	7	1,416,892	16,362,506
Development property	8	73,944,693	87,713,467
Trade debts		2,165,357	2,231,356
Advances and prepayments		95,146	156,132
Tax refunds due from the Government		5,976,060	5,976,060
Cash and bank balances	9	11,664,747	13,904,119
		<u>95,262,895</u>	<u>126,343,640</u>
		<u>830,092,546</u>	<u>876,419,787</u>
Total Assets			
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized Capital			
15,000,000 Ordinary shares of Rs. 10 each		<u>150,000,000</u>	<u>150,000,000</u>
Share Capital			
Issued, subscribed and paid up capital		106,258,520	106,258,520
Capital Reserves			
Share premium		33,858,000	33,858,000
Surplus on revaluation of property	10	525,901,710	533,617,882
		<u>559,759,710</u>	<u>567,475,882</u>
Revenue Reserves			
General reserves		292,142,000	292,142,000
Accumulated losses		(1,061,868,800)	(1,072,619,360)
		<u>(769,726,800)</u>	<u>(780,477,360)</u>
		<u>(103,708,570)</u>	<u>(106,742,958)</u>
Shareholder's equity			
Non-Current Liabilities			
Deferred tax liability		122,915,360	126,067,036
Current Liabilities			
Trade and other payables		173,701,883	172,706,267
Contract liabilities	11	152,859,878	232,765,497
Short term borrowings	12	276,435,490	276,435,490
Mark-up accrued	13	124,731,118	93,380,278
Unclaimed dividend		5,168,429	5,168,429
Provision for taxation - net		77,988,958	76,639,748
		<u>810,885,756</u>	<u>857,095,709</u>
Contingencies and Commitments			
Total Equity and Liabilities			
	14	<u>830,092,546</u>	<u>876,419,787</u>

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.


 Chief Executive Officer

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 Chief Financial Officer


 Director

HUSEIN INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

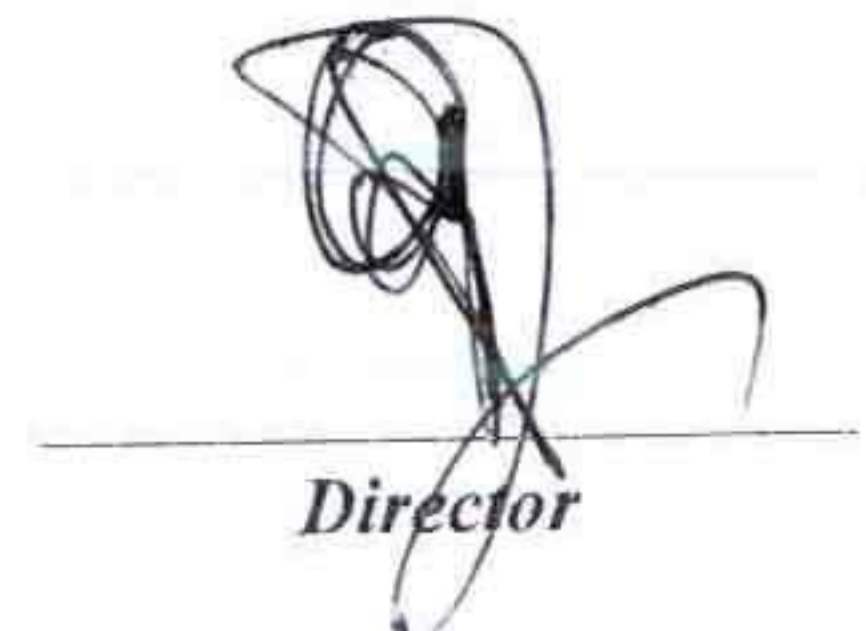
	Note	Half year ended December 31,		Quarter ended December 31,	
		2023	2022	2023	2022
----- (Rupees) -----					
Revenue	15	166,656,151	61,569,897	124,298,366	33,877,800
Cost of sales and expenses		(115,944,912)	(23,933,670)	(102,489,982)	(15,685,719)
Gross profit		50,711,239	37,636,227	21,808,384	18,192,081
Administrative expenses		(18,211,081)	(16,758,488)	(9,374,580)	(8,977,607)
Operating profit		32,500,158	20,877,739	12,433,804	9,214,474
Finance cost		(31,356,599)	(21,675,647)	(15,679,186)	(10,851,737)
Other income		991,691	120,645	312,262	47,948
Profit / (loss) before taxation		2,135,250	(677,263)	(2,933,120)	(1,589,315)
Taxation - net	16	899,138	1,370,701	1,043,049	1,526,984
Profit / (loss) after taxation		3,034,388	693,438	(1,890,071)	(62,331)
Other comprehensive income for the period					
Items that will not be reclassified to profit or loss in subsequent period					
Surplus on revaluation arising during the period	10	-	457,593,598	-	-
Less: deferred tax thereon	10	-	(132,702,143)	-	-
		-	324,891,455	-	-
Total comprehensive income / (loss) for the period		3,034,388	325,584,893	(1,890,071)	(62,331)
Earning per share - basic and diluted		0.29	0.07	(0.18)	(0.01)

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

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 Chief Executive Officer


 Chief Financial Officer


 Director

HUSEIN INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Reserves						Shareholder's equity
	Ordinary share capital	Capital		General reserves***	Revenue		
		Share premium*	Surplus on revaluation of property**		Accumulated losses	Total reserves	
----- (Rupees) -----							
Balance as at July 01, 2022	106,258,520	33,858,000	177,635,000	292,142,000	(1,109,930,748)	(606,295,748)	(500,037,228)
Profit for the period	-	-	-	-	693,438	693,438	693,438
Other comprehensive income for the period	-	-	324,891,455	-	-	324,891,455	324,891,455
Transferred from surplus on revaluation of property on account of incremental depreciation - net of deferred tax	-	-	(8,122,286)	-	8,122,286	-	-
Total comprehensive income for the period	-	-	316,769,169	-	8,815,724	325,584,893	325,584,893
Balance as at December 31, 2022	106,258,520	33,858,000	494,404,169	292,142,000	(1,101,115,024)	(280,710,855)	(174,452,335)
Balance as at July 01, 2023	106,258,520	33,858,000	533,617,882	292,142,000	(1,072,619,360)	(213,001,478)	(106,742,958)
Profit for the period	-	-	-	-	3,034,388	3,034,388	3,034,388
Other comprehensive income for the period	-	-	-	-	-	-	-
Transferred from surplus on revaluation of property on account of incremental depreciation - net of deferred tax	-	-	(7,716,172)	-	7,716,172	-	-
Total comprehensive income for the period	-	-	(7,716,172)	-	10,750,560	3,034,388	3,034,388
Balance as at December 31, 2023	106,258,520	33,858,000	525,901,710	292,142,000	(1,061,868,800)	(209,967,090)	(103,708,570)

* Represents share premium received in the preceding years and is held for utilization of purposes as stated in Section 81 of the Companies Act, 2017.

**The revaluation surplus on property is not available for distribution to the share holders of the Company unless realized and transferred to accumulated profits. However, these reserves can be individually off set against losses arising in future periods (if any) from revalued assets.

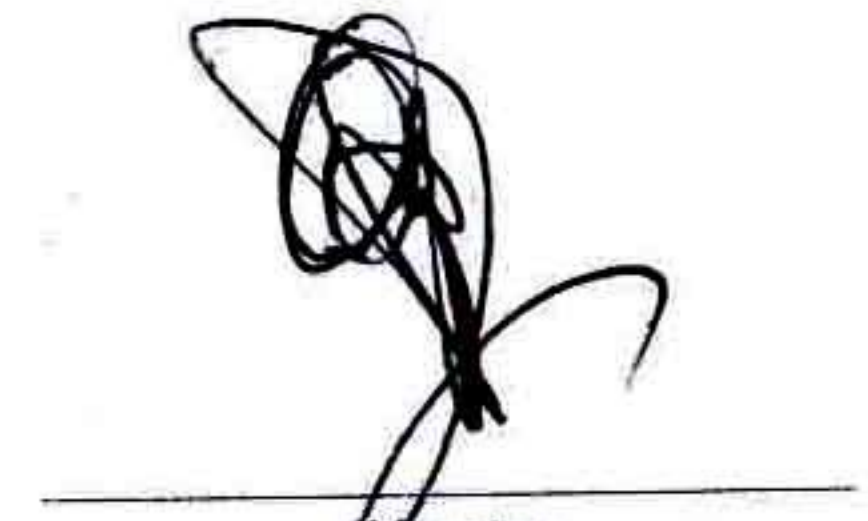
***Represents appropriation of profit in preceding years.

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

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Chief Executive Officer



Chief Financial Officer


Director

HUSEIN INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

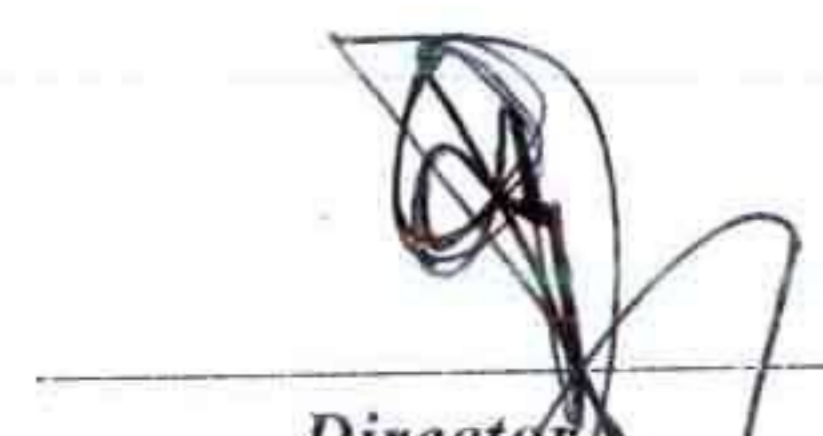
		December 31,	
		2023	2022
A. CASH FLOW FORM OPERATING ACTIVITIES	Note	----- (Rupees) -----	
Profit / (loss) before taxation		2,135,250	(677,263)
Adjustments for:			
Depreciation	5	15,225,410	16,287,655
Interest on gratuity payable		1,086,072	1,015,970
Remeasurement gain on investment		21,087	(88,347)
Dividend income		-	(19,194)
Finance cost		31,356,599	21,675,647
		47,689,168	38,871,731
Cash generated from operating activities before working capital changes		49,824,418	38,194,468
(Increase) / decrease in current assets			
Development property		13,768,774	(5,874,476)
Prepayments		60,986	22,224
Trade debts		65,999	(435,960)
		13,895,759	(6,288,212)
Increase / (decrease) in current liabilities			
Trade and other payables		(40,456)	(16,234,353)
Contract liabilities		(79,905,619)	(7,944,165)
		(79,946,075)	(24,178,518)
Net cash (used in) / generated from operations		(16,225,898)	7,727,738
Taxes paid - net		(903,329)	(2,437,032)
Gratuity paid		(50,000)	(50,000)
Financial charges paid		(5,759)	(3,462)
Net cash (used in) / generated from operating activities		(17,184,986)	5,237,244
B. CASH FLOW FROM INVESTING ACTIVITIES			
Short term investment		14,945,614	-
Dividend received		-	19,194
Advance against purchase of vehicles		-	(40,589)
Dividend paid		-	(2,670,014)
Net cash generated from / (used in) investing activities		14,945,614	(2,691,409)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Net (decrease) / increase in cash and cash equivalents (A+B+C)		(2,239,372)	2,545,835
Cash and cash equivalent at beginning of the period	9	13,904,119	14,907,590
Cash and cash equivalent at end of the period	9	11,664,747	17,453,425

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.


 Chief Executive officer

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 Chief Financial Officer


 Director

HUSEIN INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

1 NATURE AND STATUS OF BUSINESS

The Company was incorporated in Pakistan on May 25, 1953 as a Public Limited Company under the repealed Companies Act, 1913 (now the Companies Act, 2017) in the name of Husein Textile Mills Limited, which was changed to Husein Industries Limited in 1964 and it is listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at HT-8, Landhi Industrial Area, Karachi.

The Company has ceased its textile business since the financial year 2014 and the management has developed business diversification strategy to enter into real estate development, construction and allied businesses including residential plots and commercial sites for which necessary approval from the shareholders and the regulator for change in 'object clause' is obtained during the years ended June 30, 2018 and 2019 respectively.

1.1 Going Concern Assumption

The Company has earned after tax profit amounting to Rs. 3.034 (2022: Rs. 0.693) however, its accumulated losses stood at Rs. 1,061.868 (June 30, 2023: Rs. 1,072.619) million resulting in negative shareholders' equity of Rs. 103.708 (June 30, 2023: Rs. 106.743) million. At reporting date, current liabilities of the Company exceeded the current assets by Rs. 715.622 (June 30, 2023: Rs. 730.752) million. Further the Company has not been able to pay its creditors on due date

The above conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business.

The management of the Company has taken the following steps / measures including future plans to revive and improve the operational and financial conditions of the Company.

- a) Adoption of business diversification strategy in prior years, as disclosed in note 1 to these financial statements, has already started contributing towards the stability of the Company which is also evident from waiver of banking loans and markup amounting to Rs. 416.103 million in 2021 on prompt payment of restructured liabilities which has also significantly improved the current ratios and eased liquidity issues.
- b) Total financial liability of Rs. 580.037 million includes Rs. 401.167 million payable to directors of the Company who have ensured their strong support, therefore, the management is confident that the remaining liabilities will be repaid in the due course.
- c) Launch of 'Jamal Garden's Residential Project' consisting of residential plots having an area of 23,077 square yards at LT-21, scheme 3, Landhi Industrial Area, Karachi, after obtaining the respective approvals from the regulators, in prior years was a success as evident from deposits by the Customers and it had contributed towards the repayment of previous bank liabilities. Further, the management is still confident about the over all profitability of the residential project.
- d) Launch of 'Jamal Garden's Commercial Project' having an area of 14,933 square yards at LT-21, Scheme 3, Landhi Industrial Area, Karachi in near future will significantly improve the Company's overall financial position and will help the Company towards initiation of new projects.
- e) Income from leased properties, during the period, including textile plant and machinery amounting to Rs. 86.751 million which is considered sufficient by the management to finance Company's future operations.

- f)* The Company has strong financial support from its directors and is confident about the viability of the real estate and allied business.

The Board has also approved five year financial projections prepared by the management of the Company covering all factors mentioned above according to which, the Company will have adequate cash inflows which will not only pay off trade and other payables and project development expenditures but also generate additional cash inflows in the form of profits.

Accordingly, these financial statements have been prepared on the going concern basis.

2 BASIS OF PREPARATION

2.1 These condensed interim financial statements of the Company for the half year ended December 31, 2023 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 Standard Board (IASB) as notified under the Companies Act, 2017; and
- 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.

2.2 These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency.

2.3 These condensed interim financial statements are un-audited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2023

2.4 The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarter ended December 31, 2023 and December 31, 2022 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half year ended December 31, 2023 and December 31, 2022.

3 SIGNIFICANT ACCOUNTING POLICIES

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

3.2 *Standards, amendments and improvements to IFRS's effective during the period:*

The company has adopted the following accounting standards and amendments to IFRSs and the improvements to accounting standards which became for the effective for the current period:

	<i>Effective for period beginning on or after</i>
Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the classification of liabilities and disclosure of accounting policies	January 1, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors': Amendments regarding the definition of accounting estimates	January 1, 2023
Amendments to IAS 12 'Income Taxes': Amendments regarding deferred tax on leases and decommissioning obligations.	January 1, 2023
Amendments to IAS 12 'Income Taxes': Amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 1, 2023

3.3 *Amendments to standards and IFRS interpretations that are not yet effective*

The following amendments to accounting standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	<i>Effective from accounting period beginning on or after</i>
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures': Sale or contribution of assets between an investor and its associate or joint venture	Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.
Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the classification of liabilities and debt with covenants	January 1, 2024
Amendments to IAS 7 'Statement of Cash flows'-Supplier Finance agreements	January 1, 2024
Amendments to IFRS 16 'Leases'-Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 1, 2024
Amendments to IFRS 7 'Financial Instruments' Disclosures-Supplier finance arrangements'	January 1, 2024
Amendments to IAS 21 'Effect of changes in foreign exchange rates'	January 1, 2024

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 - First Time Adoption of International Financial Reporting Standards

IFRS 17 - Insurance Contracts

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

- 4.1** The preparation of these condensed interim financial statements in conformity with approved accounting standards as applicable in Pakistan 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. Revision to accounting estimates are recognized prospectively commencing from the period of revision.
- 4.2** In preparing these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2023 except for the budgeted cost to complete residential project at Jamal Garden which is increased by approx. 13% of the previous budget.
- 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 June 30, 2023.

5 PROPERTY, PLANT AND EQUIPMENT

	<i>(Un-audited)</i>	<i>(Audited)</i>
	<i>December 31,</i>	<i>June 30,</i>
	<i>2023</i>	<i>2023</i>
	<i>----- (Rupees) -----</i>	

Operating Fixed Assets

Opening written down value	748,148,064	780,948,536
Depreciation charge for the period / year	<u>(15,225,410)</u>	<u>(32,800,472)</u>
	<u><u>732,922,654</u></u>	<u><u>748,148,064</u></u>

5.1 There were no acquisitions and disposals of property plant and equipment during the period.

5.2 Had there been no revaluation, the written down values of specific classes of property, plant and equipment would have been as follows:

	<i>Net book value as at</i>	
	<i>December 31,</i>	<i>June 30,</i>
	<i>2023</i>	<i>2023</i>
Free hold land	5,792,000	5,792,000
Building on lease hold land	<u>38,016,576</u>	<u>40,017,448</u>
	<u><u>43,808,576</u></u>	<u><u>45,809,448</u></u>

6 DEFERRED TAXATION - NET

This comprises of the following: -

Net deferred tax asset not recognized

Deductible temporary differences

Provision for doubtful debts	20,491,400	20,491,400
Effect of unabsorbed tax depreciation	163,145,867	165,300,573
Effect of alternate corporate tax	77,083,887	77,083,887
	<u>260,721,154</u>	<u>262,875,860</u>

Taxable temporary differences

Accelerated tax depreciation	<u>(12,146,451)</u>	<u>(12,649,523)</u>
	<u>248,574,703</u>	<u>250,226,337</u>

Net deferred tax asset not recognized

6.1	<u>(248,574,703)</u>	<u>(250,226,337)</u>
	<u><u>-</u></u>	<u><u>-</u></u>

Deferred tax liability recognized

Taxable temporary differences

Surplus on revaluation of property	6.2	<u>(122,915,360)</u>	<u>(126,067,036)</u>
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6.1 Deferred tax asset as at December 31, 2023 to the extent of Rs. 248.575 (June 30, 2023: Rs. 250.226) million has not been recognized because of the inherent uncertainties in forecasts of sufficient taxable profits in foreseeable future against which such benefits can be utilized.

6.2 Deferred tax liability as at December 31, 2023 to the extent of Rs. 122.915 (June 30, 2023: Rs. 126.067) million has been recognized due to surplus on revaluation of building.

		<i>'December 31, 2023 (Un-audited)</i>	<i>June 30, 2023 (Audited)</i>
	<i>Note</i>	<i>----- (Rupees) -----</i>	
7 SHORT TERM INVESTMENT			
<i>at amortised cost</i>			
Meezan Rozana Amdani Fund	7.1	1,416,892	16,362,506
7.1 Meezan Rozana Amdani Fund			
Opening		16,362,506	-
Add: Deposit during the period		-	15,500,000
Add: Profit for the period		652,220	1,014,714
Less: Withdraw the amount		(15,500,000)	-
Less: Withholding tax		(97,834)	(152,208)
		1,416,892	16,362,506
8 DEVELOPMENT PROPERTY			
Cost of land (LT-21)		259,971	259,971
Commercialization fee		42,811,000	42,811,000
Fee for approval of commercial plan (COMM1)		7,931,908	7,931,908
Amenities - development expenditure	8.1	214,323,917	138,201,028
		265,326,796	189,203,907
Transferred to cost of sales to date	8.2	(191,382,103)	(101,490,440)
		73,944,693	87,713,467
8.1 Amenities - development expenditure			
Opening balance		138,201,028	101,544,715
Add: incurred during the period / year		76,122,889	36,656,313
		214,323,917	138,201,028
8.2 Cost of sales to date			
- Residential plots			
Opening balance		101,490,440	75,242,709
Transferred to cost of sales during the period / year		89,891,663	26,247,731
		191,382,103	101,490,440
- Commercial plots			
As at December 31, 2023, the company has not recognized any sales of commercial plots.			
9 CASH AND BANK BALANCES		'December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
		----- (Rupees) -----	
Cash in hand		8,500	8,500
- at current account		11,634,123	13,875,310
- at deposit account		22,124	20,309
		11,664,747	13,904,119
9.1	Includes foreign currency accounts amounting to Rs. 0.189 (June 30, 2023: Rs. 0.192) million.		

	'December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
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Note ----- (Rupees) -----

10 SURPLUS ON REVALUATION OF PROPERTY

Free hold land

Opening	224,971,000	177,635,000
Surplus arising on revaluation during the year	-	47,336,000
	<u>224,971,000</u>	<u>224,971,000</u>

Buildings on lease hold land

Opening	434,713,918	-
Surplus on revaluation arising during the period / year	-	457,593,598
Transfer to equity in respect of incremental depreciation - net of deferred tax	(7,716,172)	(16,244,573)
Related deferred tax liability	(3,151,676)	(6,635,107)
	<u>423,846,070</u>	<u>434,713,918</u>
Gross Balance as at Dec 31 / June 30,	648,817,070	659,684,918

Less: Related deferred tax liability

- at the beginning of the period / year	(126,067,036)	-
- effect of surplus on revaluation during the period / year	-	(132,702,143)
- on incremental depreciation for the period / year	3,151,676	6,635,107
- at the end of the period / year	(122,915,360)	(126,067,036)
	<u>525,901,710</u>	<u>533,617,882</u>

11 CONTRACT LIABILITIES

Advance from allottees - unsecured	11.1	<u>152,859,878</u>	<u>232,765,497</u>
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11.1 Represents liabilities against contract with customers / allottees for sale of open plots / sites. Revenue of Rs. 79.906 (June 30, 2023: Rs. 29.978) million recognized during the period is adjusted against advance from allottees.

12 SHORT TERM BORROWINGS

		'December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
Loan from directors	12.1	260,811,600	260,811,600
Loan from Shareholder	12.2	15,623,890	15,623,890
		<u>276,435,490</u>	<u>276,435,490</u>

12.1 Represents unsecured loans obtained from directors (related parties) of the Company. These loans are repayable on demand and carries markup chargeable at the rate of 6 months KIBOR + 1%.

12.2 Represents loan from Mrs. Aisha Bai Suleman (Late) that was reclassified from 'Loan from directors' to 'Loan from shareholder' upon her sad demise during the year ended 2021. This amount will be paid to her legal successors once the legal formalities will be completed.

	<i>'December 31, 2023 (Un-audited)</i>	<i>June 30, 2023 (Audited)</i>
	<i>----- (Rupees) -----</i>	
13 MARK-UP ACCRUED		
- on directors loan (related parties)	121,246,554	89,895,714
- on shareholder (related party)	3,484,564	3,484,564
	<u>124,731,118</u>	<u>93,380,278</u>

14 CONTINGENCIES AND COMMITMENTS

There are no major changes in the status and nature of contingencies and commitments as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2023.

		<i>'December 31,</i>	
		<i>2023</i>	<i>2022</i>
		<i>(Un-audited)</i>	
	<i>Note</i>	<i>----- (Rupees) -----</i>	
15 REVENUE			
Sale of residential plots	15.1	79,905,619	7,944,165
Lease income		86,750,532	53,625,732
		<u>166,656,151</u>	<u>61,569,897</u>

15.1 The aggregate amount of the transaction price allocated to the unfulfilled performance obligations is Rs. 89.110 (December 31, 2022: Rs. 158.259) million. The Company will recognize this revenue based on percentage of completion of development work.

		<i>'December 31,</i>	
		<i>2023</i>	<i>2022</i>
		<i>(Un-audited)</i>	
	<i>Note</i>	<i>----- (Rupees) -----</i>	
16 TAXATION - NET			
Current tax expense		2,252,538	1,946,853
Deferred tax credit	10	(3,151,676)	(3,317,554)
		<u>(899,138)</u>	<u>(1,370,701)</u>

17 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise directors and key management personnel. Period end balances of related parties are disclosed in relevant notes to these condensed interim financial statements. The details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements are as follows:

<i>Name of Related Party</i>	<i>Basis of Relationship</i>	<i>Percentage of holding</i>	<i>Dec-23</i>	<i>Jun-23</i>
			<i>---- (Rupees) ----</i>	
Short term borrowings repaid during the period				
Abdul Aziz Jamal	Key management personal	11.93%	-	100,000
Abdul Rashid Jamal	Key management personal	12.65%	-	1,950,000
Markup expense during the period				
Abdul Aziz Jamal	Key management personal	11.93%	18,194,373	25,942,348
Abdul Rashid Jamal	Key management personal	12.65%	13,156,467	19,065,031
Mark-up paid during the year				
Abdul Aziz Jamal	Key management personal	11.93%	-	3,000,000
Abdul Rashid Jamal	Key management personal	12.65%	-	4,850,000

18 GENERAL

Figures have been rounded off to the nearest of Rupees.

19 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 26 FEB 2024 by the Board of Directors of the Company.

R H 200



Chief Executive Officer



Chief Financial Officer



Director