



**HALF YEARLY REPORT
(Un-Audited)
FOR THE PERIOD ENDED
DECEMBER 31, 2020**

ZAHUR COTTON MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS	MRS. MAHREEN GUL HASSAN (Chairperson) MR. JAVED ZAHUR (Chief Executive) MS. RABIA ZAHUR MS. IZZA ALI ZAHUR MR. NAZIR AKHTAR MR. KHAN MUHAMMAD MR. M. TANVEER
AUDIT COMMITTEE	MS. RABIA ZAHUR MR. NAZIR AKHTAR MR. M TANVEER
COMPANY SECRETARY	MS. RABIA ZAHUR
AUDITORS	M/S. ANWAR, TARIQ & CO., CHARTERED ACCOUNTANTS 1ST FLOOR, 84-B-I, GHALIB ROAD, GULBERG III, LAHORE-54660 PAKISTAN
LEGAL ADVISOR	MR. QAMAR-UZ- ZAMAN
BANKERS	BANK AL-HABIB LIMITED HABIB METROPOLITAN BANK LIMITED MUSLIM COMMERCIAL BANK LIMITED AL-BARAKA BANK
REGISTERED OFFICE & MILLS	94TH K.M. LAHORE-MULTAN ROAD NEAR PUL JAURIAN, AKHTARABAD, DISTT. OKARA PAKISTAN
REGISTRAR	SHARES DEPARTMENT M/S. CORPLINK (PVT) LIMITED WINGS ARCADE, 1-K COMMERCIAL MODEL TOWN LAHORE. PHONE : (042) 35839182, 35887262 Fax: (042) 35869037

DEAR SHAREHOLDER

On behalf of Board of Directors of the Company, we are pleased to present un-audited accounts for the half year ended 31st December, 2020.

The accounting policies adopted for the presentation of Half Yearly accounts are the same as applied in the preparation of preceding annual accounts of the Company

AUDITORS' OBSERVATION

In their report they did not agree with the going concern assumption used in the preparation of condensed interim financial information and accordingly they have given their adverse conclusion on the condensed Interim financial information. The management is hopeful that the favourable business opportunities will be found in the future which will enable the company to come out of this situation. The justification regarding preparation of condensed Interim financial information on going concern assumption are fully explained in note 2 to the condensed Interim financial information.

These accounts are un-audited are being submitted to the shareholders as required under the Companies Act 2017.

ON BEHALF OF BOARD OF DIRECTORS

LAHORE
11TH FEBRUARY 2021

(JAVED ZAHUR)
CEO

ZAHUR COTTON MILLS LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ZAHUR COTTON MILLS LIMITED

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

INTRODUCTION

We have reviewed the accompanying Condensed Interim Financial Statement of ZAHUR COTTON MILLS LIMITED ("the Company") as at 31st December, 2020 and the related Condensed Interim Profit or Loss Account, Condensed Interim Statement of Other Comprehensive Income, Condensed Interim Statement of Changes in Equity and Condensed Interim Statement of Cash Flows together with the notes to the condensed interim Financial Statements forming part thereof for the six months period then ended (herein after referred to as "Condensed Interim Financial Statements"). The Management is responsible for the preparation and presentation of this Condensed Interim Financial Statement in accordance with approved accounting and reporting standards as applicable in Pakistan for Interim Financial Reporting. Our responsibility is to express a conclusion on these Interim Financial Statements based on our review.

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 Information 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

As discussed in Note 2.1 to the financial statements, which indicates that the Company incurred loss before taxation of Rs. 2.271 million during the six-month period ended December 31, 2020 and has accumulated losses of Rs.229.404 million as at December 31, 2020 and as of that date, the Company's total liabilities exceeded its total assets by Rs.65.002 million and current liabilities exceeded its current assets by Rs. 123.754 million. The operations of Company ceased and these operations remained suspended during the year due to working capital constraints and unfavorable business conditions and the Company has also applied for Voluntarily Delisting from the Pakistan Stock Exchange on May 08, 2017 but decision is still pending. The above explained facts and conditions indicate the existence of a material uncertainty which may cast a 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. This situation indicates that the Company is no longer a going concern, the financial statements of the Company shall be prepared on a basis other than a going concern. However, the Company has prepared its financial statements on going concern basis. Had these financial statements been prepared on basis other than going concern, many elements in the accompanying financial statements would have been materially affected. The effects on the financial statements have not been determined.

ADVERSE CONCLUSION

Based on our review, as described in the Basis for adverse conclusion section of this report, the accompanying Condensed interim financial statements does not present fairly, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

OTHER MATTER

The figures of the condensed interim statement of profit or loss account and condensed interim statement of other comprehensive income for the quarter ended December 31, 2020 and December 31, 2019 have not been reviewed by us and we don't express a conclusion on these as we are required to review only the cumulative figures for the six month period then ended December 31, 2020.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Shahid.

Anwar Tariq & Co

LAHORE:

Dated: 11TH FEBRUARY, 2021

ANWAR, TARIQ & CO.
CHARTERED ACCOUNTANTS

ZAHUR COTTON MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-Audited)

AS AT 31ST DECEMBER, 2020

		(UNAUDITED) 31ST DEC., 2020	(AUDITED) 30TH JUNE, 2020
	NOTE	Rupees	Rupees
SHARE CAPITAL AND RESERVES			
Authorized Capital:			
20,000,000 (30th June, 2020: 20,000,000) Ordinary Shares of Rs.10 each		<u>200,000,000</u>	<u>200,000,000</u>
SHARE CAPITAL			
Issued, Subscribed and Paid-up Capital	6	98,600,000	98,600,000
CAPITAL RESERVES			
Deposit for Shares	7	20,066,240	20,066,240
Surplus on Revaluation of Property, Plant and Equipment - net of tax	8	45,735,980	46,215,520
REVENUE RESERVES			
Accumulated Loss		(229,404,448)	(227,808,973)
Total Shareholders' Equity		<u>(65,002,228)</u>	<u>(62,927,212)</u>
NON-CURRENT LIABILITIES			
Deferred Tax Liability	9	11,465,244	11,661,113
CURRENT LIABILITIES			
Trade and Other Payables	10	9,583,738	8,936,319
Short term borrowings	11	114,584,161	114,584,161
		124,167,899	123,520,480
Contingencies and commitments	12	-	-
		<u>70,630,915</u>	<u>72,254,380</u>
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipments	13	70,148,522	71,383,895
Long Term Deposits		68,210	68,210
		70,216,732	71,452,105
CURRENT ASSETS			
Income Tax Refund due from the Government		1,200	1,200
Cash and Bank Balances	14	412,983	801,075
		414,183	802,275
		<u>70,630,915</u>	<u>72,254,380</u>

The annexed Notes from 1 to 18 form an integral part of this condensed interim financial information.

Statement under section 232(1) of the Companies Act, 2017:

Currently, no one is acting as Chief Financial Officer, therefore, these Financial Statements have been signed by Chief Executive and Director only.

CHIEF EXECUTIVE

DIRECTOR

ZAHUR COTTON MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (Un-Audited) FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2020

	NOTE	SIX MONTHS ENDED 31ST DECEMBER,		THREE MONTHS ENDED 31ST DECEMBER,	
		2020	2019	2020	2019
		Rupees	Rupees	Rupees	Rupees
Sales		-	-	-	-
Cost of Sales		-	-	-	-
Gross Loss		-	-	-	-
Administrative Expenses	15	(2,270,804)	(2,543,077)	(1,098,787)	(1,194,376)
Operating loss		(2,270,804)	(2,543,077)	(1,098,787)	(1,194,376)
Finance Cost	16	(81)	-	(40)	-
Loss for the Period before taxation		(2,270,885)	(2,543,077)	(1,098,827)	(1,194,376)
Taxation		195,869	193,694	97,934	96,847
Net Loss for the period after taxation		(2,075,016)	(2,349,383)	(1,000,893)	(1,097,529)
Loss Per Share-Basic and Diluted		(0.21)	(0.24)	(0.10)	(0.11)

The annexed Notes from 1 to 18 form an integral part of this condensed interim financial information.

Statement under section 232(1) of the Companies Act, 2017:

Currently, no one is acting as Chief Financial Officer, therefore, these Financial Statements have been signed by Chief Executive and Director only.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - (Un-Audited) FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2020

	SIX MONTHS ENDED 31ST DECEMBER,		THREE MONTHS ENDED 31ST DECEMBER,	
	2020	2019	2020	2019
	Rupees	Rupees	Rupees	Rupees
Net Loss for the Period after Taxation	(2,075,016)	(2,349,383)	(1,000,893)	(1,097,529)
Other Comprehensive Income:				
<i>Items that will not be reclassified to profit or loss account</i>	-	-	-	-
<i>Items that may be reclassified subsequently to profit or loss account</i>	-	-	-	-
Total Comprehensive Loss	(2,075,016)	(2,349,383)	(1,000,893)	(1,097,529)

The annexed Notes from 1 to 18 form an integral part of this condensed interim financial information.

Statement under section 232(1) of the Companies Act, 2017:

Currently, no one is acting as Chief Financial Officer, therefore, these Financial Statements have been signed by Chief Executive and Director only.

CHIEF EXECUTIVE

DIRECTOR

ZAHUR COTTON MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT - (Un-Audited) FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2020

	NOTE	SIX MONTHS ENDED	
		31ST DEC.,	31ST DEC.,
		2020	2019
		Rupees	Rupees
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>			
Net Loss before Taxation		(2,270,885)	(2,543,077)
Adjustments for Non-Cash Charges and Other Items:			
Depreciation		1,235,374	1,227,874
		<u>(1,035,511)</u>	<u>(1,315,203)</u>
EFFECT ON CASH FLOW OF WORKING CAPITAL CHANGES			
Increase in Current Liabilities:			
Trade and Other Payables		647,419	505,000
Cash Used in Operations		<u>(388,092)</u>	<u>(810,203)</u>
Income Tax Paid		-	(296,324)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		<u>(388,092)</u>	<u>(1,106,527)</u>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
		-	-
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
		-	-
NET (DECREASE) /INCREASE IN CASH AND CASH EQUIVALENTS		<u>(388,092)</u>	<u>(1,106,527)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		801,075	3,236,386
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	14	<u><u>412,983</u></u>	<u><u>2,129,859</u></u>

The annexed Notes from 1 to 18 form an interegral part of this condensed interim financial information.

Statement under section 232(1) of the Companies Act, 2017:

Currently, no one is acting as Chief Financial Officer, therefore, these Financial Statements have been signed by Chief Executive and Director only.

CHIEF EXECUTIVE

DIRECTOR

ZAHUR COTTON MILLS LIMITED

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (Un-Audited)

FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2020

	PAID-UP CAPITAL	REVENUE RESERVE	CAPITAL RESERVES		TOTAL
		(ACCUMULATED LOSS)	SHARE DEPOSIT MONEY	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at June 30, 2019 as previously reported	98,600,000	(224,067,429)	20,066,240	46,848,519	(58,552,670)
Impact of restatement	-	665,914	-	326,082	991,996
Balance as at June 30, 2019 as restated	98,600,000	(223,401,515)	20,066,240	47,174,600	(57,560,674)
Loss for the period	-	(2,349,383)	-	-	(2,349,383)
Other comprehensive income	-	-	-	-	-
Total Comprehensive Loss for the Half Year ended 31st December, 2019	-	(2,349,383)	-	-	(2,349,383)
Transferred from surplus on revaluation of property plant and equipments on account of incremental depreciation - net of tax	-	474,215	-	(474,215)	-
Balance as at 31st December, 2019 (Un-audited)	<u>98,600,000</u>	<u>(225,276,682)</u>	<u>20,066,240</u>	<u>46,700,385</u>	<u>(59,910,056)</u>
Total Comprehensive Loss for the	-	(2,075,016)	-	-	(2,075,016)
Balance as at 30th June, 2020 Audited	98,600,000	(227,808,973)	20,066,240	46,215,519	(62,927,212)
Loss for the period	-	(2,075,016)	-	-	(2,075,016)
Other comprehensive income	-	-	-	-	-
Total Comprehensive Loss for the Half Year ended 31st December, 2020	-	(2,075,016)	-	-	(2,075,016)
Transferred from surplus on revaluation of property plant and equipments on account of incremental depreciation - net of tax	-	479,540	-	(479,540)	-
Balance as at 31st December, 2020 (Un-audited)	<u>98,600,000</u>	<u>(229,404,448)</u>	<u>20,066,240</u>	<u>45,735,979</u>	<u>(65,002,228)</u>

The annexed Notes from 1 to 18 form an intergral part of this condensed interim financial information.

Statement under section 232(1) of the Companies Act, 2017:

Currently, no one is acting as Chief Financial Officer, therefore, these Financial Statements have been signed by Chief Executive and Director only.

CHIEF EXECUTIVE

DIRECTOR

ZAHUR COTTON MILLS LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited)

FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2020

Note 1

Legal status and operations

Zahur Cotton Mills Limited (the Company) is a public limited company incorporated in Pakistan on April 21, 1990 under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). Its Ordinary Shares are quoted on Pakistan Stock Exchanges. The principal activity of the Company is manufacturing and selling of grey fabric. The company has shut down its operations in past which continued suspended during the year. The Company is domiciled in Pakistan and its registered office and factory /mills is situated at 94 KM, Multan Road, near Pul Jaurian, Akhtarabad, District Okara.

Note 2

Basis of preparation

2.1 The Company has incurred net loss of Rs 2.271 million (December 31, 2019: Net Loss of Rs. 2.543 million) for the period ended December 31, 2020 and has accumulated losses of Rs.229.404 million (June 30, 2020: Rs. 227.809 million) as at December 31, 2020 and as of that date, the Company's total liabilities exceeded its total assets by Rs. 65.002 million (June 30, 2020: Rs. 62.927 million) and its current liabilities exceeded its current assets by Rs.123.754 million (June 30, 2020: Rs.122.718 million) as at December 31, 2020 resulting in liquidity problems. The operations of Company ceased and these operations remained suspended during the year due to working capital constraints and unfavorable business conditions and the Company has also applied for Voluntarily Delisting from the Pakistan Stock Exchange on May 08, 2017 but decision is still pending. These factors raise doubts about 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. However, any adjustments, relating to the recoverability of recorded assets and liabilities have not been incorporated in these Financial Statements. As the management is confident to obtain continued support from its sponsors and lenders, therefore, these Financial Statements have been prepared on a going concern basis.

2.2 Statement Of Compliance

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provision of and directives issued under the Companies Act, 2017.

Where the provision of and directives issues 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.

This condensed interim financial information has 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 30th June, 2020.

2.3 Functional and Presentation currency

This condensed interim financial information is presented in Pak rupees, which is the Company's functional and presentation currency. Figures have been rounded off to nearest rupee, unless stated otherwise.

Note 3

Change in accounting standards, interpretations and amendments to the accounting and reporting standards

(a) Standards and amendments to accounting and reporting standards which became effective during the half

There were certain amendments to accounting and reporting standards which became mandatory for the Company's annual accounting period which began on July 1, 2020. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in this interim financial information.

(b) Standards and amendments to accounting and reporting standards that are not yet effective

There is a new standard an interpretation and certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2021. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial information.

Financial Risk Management

The Company's financial risk management objectives and policies are consistent with those disclosed in preceding audited annual financial statements for the year ended June 30, 2020.

Note 4

Accounting policies and computation methods

The accounting policies and methods of computations adopted for the preparation of this condensed interim Financial information are the same as applied in the preparation of the preceding annual published Financial Statements of the Company for the year ended 30th June, 2020.

These condensed financial information do not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2020.

This condensed interim financial information comprise of the condensed interim statement of financial position of the Company as at 31 December 2020 and the related 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 together with the notes forming part thereof.

Comparative statement of financial position numbers are extracted from the annual audited financial statements of the Company for the year ended 30 June 2020, whereas comparatives of condensed interim statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity are stated from unaudited condensed interim financial information of the Company for the six months period ended 31 December 2019.

ZAHUR COTTON MILLS LIMITED

Note 5

Critical accounting estimates and judgements

- 5.1 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the 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 expectations of future events that are believed to be reasonable under the circumstances.
- 5.2 During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published Financial Statements of the Company for the year ended 30th June, 2020.

Note 6

Issued, subscribed and paid up capital

	UN-AUDITED DECEMBER 31, 2020	AUDITED JUNE 30, 2020
	Rupees	Rupees
Issued, subscribed and paid-up capital 9,860,000 (June 30, 2020: 9,860,000)		
Ordinary Shares of Rs.10 each fully paid in cash	98,600,000	98,600,000
6.1 No shares were issued or cancelled during the period (30-06-2020: Nil). Therefore, reconciliation of number of shares outstanding is not provided.		
6.2 There are no agreements with shareholders for any specific voting rights, board selection, rights of first refusal and block voting etc. All shares rank equally with regard to Company's residual assets.		

Note 7

Deposit for Shares

This has been received from Sponsor (Mr. Javed Zahur) against Right Issue.

Note 8

Surplus on Revaluation of Property, Plant and Equipment - net of tax

	UN-AUDITED DECEMBER 31, 2020	AUDITED JUNE 30, 2020
	Rupees	Rupees
This is made up as follows:		
Freehold land	17,665,900	17,665,900
Buildings on freehold land	28,373,895	29,322,326
Plant and Machinery	175,725	186,375
	46,215,520	47,174,601
Incremental depreciation charged on revalued property, plant and equipment during the year transferred to retained earnings - net of deferred tax	(479,540)	(959,081)
	45,735,980	46,215,520

Note 9

Deferred Tax Liability

9.1 Deferred Tax Liability (Note 9.2)	11,465,244	11,661,113
	11,465,244	11,661,113
9.2 This represents the related deferred tax liability of surplus on revaluation of building and plant and machinery.		

Note 10

Trade and Other Payables

Creditors	2,538,771	2,538,771
Accrued Liabilities	5,442,965	4,795,546
Advances from Customers	1,602,002	1,602,002
	9,583,738	8,936,319

Note 11

Short term borrowings

11.1 These unsecured financing have been obtained from:		
Related Parties -		
- Chief Executive		37,687,575
- Directors	11.2	28,588,131
		28,588,131
Others	11.3	66,275,706
	11.4	48,308,455
		114,584,161
11.2 Loan from directors is made up as follows:		
Balance at beginning of the Year	28,588,131	28,688,131
Less: Payments during the Year	-	100,000
Balance at end of the year	28,588,131	28,588,131
11.3 Loan from others is made up as follows:		
Balance at beginning of the Year	48,308,455	48,473,455
Less: Payments during the Year	-	165,000
Balance at end of the year	48,308,455	48,308,455

11.4 These unsecured and interest free loans have been obtained from the related parties i.e. directors / sponsors of the Company. These loans have been obtained to meet the working capital requirements of the Company and are repayable on demand.

Note 12

Contingencies and commitments

There are no material contingencies and commitments outstanding as at 31-12-2020 (30-06-2020: Nil).

ZAHUR COTTON MILLS LIMITED

Note 13
Property, Plant and Equipment

UN-AUDITED DECEMBER 31, 2020	AUDITED JUNE 30, 2020
Rupees	Rupees

13.1 Operating fixed assets

70,148,522	71,383,895
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Reconciliation of carrying amounts of property, plant and equipment at the beginning and at end of the year is as follows:

Year ended December 31, 2020

PARTICULARS	C O S T		ASAT 31ST DEC, 2020	D E P R E C I A T I O N RATE %	D E P R E C I A T I O N ASAT 1ST JULY, 2020	D E P R E C I A T I O N PROVIDED FOR THE PERIOD	W.D.V. ASAT 31ST DEC, 2020
	ASAT 1ST JULY, 2020	ADDITIONS / (DELETIONS)					
Land - Freehold							
Cost	2,258,100	-	2,258,100	-	-	-	2,258,100
Revaluation Surplus	17,665,900	-	17,665,900	-	-	-	17,665,900
	19,924,000	-	19,924,000				19,924,000
Buildings on Freehold Land							
Cost	37,330,978	-	37,330,978	3%	26,081,816	559,965	26,641,781
Revaluation Surplus	44,527,278	-	44,527,278	3%	4,564,045	667,909	5,231,954
	81,858,256	-	81,858,256		30,645,861	1,227,874	31,873,735
Plant and Machinery							
Cost	23,219,389	-	23,219,389	5%	23,219,389	-	23,219,389
Revaluation Surplus	300,000	-	300,000	5%	52,500	7,500	60,000
	23,519,389	-	23,519,389		23,271,889	7,500	23,279,389
Fire Fighting Equipment	38,566	-	38,566	10%	38,566	-	38,566
Furniture and Fixtures	1,903,061	-	1,903,061	10%	1,903,061	-	1,903,061
Electric Installations	2,294,667	-	2,294,667	5%	2,294,667	-	2,294,667
Office Equipment	1,209,500	-	1,209,500	10%	1,209,500	-	1,209,500
Vehicles	2,039,691	-	2,039,691	20%	2,039,691	-	2,039,691
31st December, 2020:	132,787,130	-	132,787,130		61,403,235	1,235,374	62,638,609
30th June, 2020:	132,787,130	-	132,787,130		58,932,488	2,470,747	61,403,235

13.2 In view of insignificant materiality level and closed operations of the Company, the management has decided not to revalue the items appearing at Nil value.

ZAHUR COTTON MILLS LIMITED

Note 14

Cash and Bank Balances

	UN-AUDITED DECEMBER 31, 2020 Rupees	AUDITED JUNE 30, 2020 Rupees
Cash in Hand	1,395	8,806
Cash with Banks in:		
Current Accounts	408,566	789,247
Demand Deposits	2,119	2,119
Saving Account	903	903
	411,588	792,269
	<u>412,983</u>	<u>801,075</u>

Note 15

Administrative Expenses

	SIX MONTHS ENDED 31ST DECEMBER,		QUARTER ENDED 31ST DECEMBER,	
	2020	2019	2020	2019
	Rupees	Rupees	Rupees	Rupees
Directors Remuneration	720,000	720,000	360,000	360,000
Salaries and Other Benefits	120,000	120,000	60,000	60,000
Communication Expenses	11,080	12,760	5,750	6,360
Travelling and Conveyance	10,000	115,580	10,000	55,580
Fees and Subscriptions	100,000	133,999	-	23,999
Legal and Professional Charges	20,000	23,000	10,000	13,000
Bank Charges	-	64	-	-
Advertisement	15,500	16,500	15,500	16,500
Vehicle Running and Maintenance	38,850	46,000	19,850	35,000
Repair and Maintenance	-	127,300	-	10,000
Depreciation	(Note 13.1) 1,235,374	1,227,874	617,687	613,937
	<u>2,270,804</u>	<u>2,543,077</u>	<u>1,098,787</u>	<u>1,194,376</u>

Note 16

Finance Cost

This represents Bank Charges.

Note 17

Figures

17.1 Figures in these Financial Statements have been rounded off to the nearest Rupee.

17.2 Corresponding figures have been reclassified or rearranged, wherever necessary, for the better and fair presentation.

Note 18

Date of authorization for issue

These Financial Statements were authorized for issue on 11th February, 2021 by the Board of Directors of the Company.

Statement under section 232(1) of the Companies Act, 2017:

Currently, no one is acting as Chief Financial Officer, therefore, these Financial Statements have been signed by Chief Executive and Director only.

CHIEF EXECUTIVE

DIRECTOR

BOOK POST



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