

# **BAWANY AIR PRODUCTS LIMITED**

**HALF YEARLY REPORT  
DECEMBER 31, 2023  
(UN-AUDITED)**

## COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	Mr. Vali Mohammad M. Yahha Mr. M. Hanif Y. Bawany Mrs. Momiza Hanif Bawany Mr. Mikhail Bawany Mr. Wazir Ahmed Jogezi Mr. Zakaria A. Ghaffar Mr. Muhammad Danish	Chairman - Non Executive Director Chief Executive Officer Executive Director Independent - Non Executive Director Independent - Non Executive Director Independent - Non Executive Director Independent - Non Executive Director
<b>AUDIT &amp; HR COMMITTEE</b>	Mr. Muhammad Danish Mr. Vali Mohammad M. Yahha Mr. Zakaria A. Ghaffar Mr. Muhammad Munir	Chairman Member Member Secretary to Audit Committee
<b>HEAD OF INTERNAL AUDIT</b>	Mr. Muhammad Munir	
<b>CHIEF FINANCIAL OFFICER &amp; COMPANY SECRETARY</b>	Mr. Abdul Rauf	
<b>AUDITORS</b>	S. M. SUHAIL & CO. Chartered Accountants	
<b>BANKERS</b>	United Bank Limited National Bank of Pakistan Meezan Bank	
<b>SHARE REGISTRAR</b>	C&K Management Associates (Pvt) Ltd. 404, Trade Tower, Abdullah Haroon Road, Karachi Te: 35687839-35685930	
<b>ADDRESS</b>	16-C, 2nd Floor, Nadir House, I.I. Chundrigar Road, Karachi Tel: 021-32400440-1	

## **DIRECTORS' REPORT TO THE MEMBERS**

ASSALAM-O-ALAIKUM

### **Directors' Review**

Your directors are pleased to present the Condensed Interim Financial Statements and Auditors Review Report on performance of your Company for the half year ended December 31, 2023.

These financial statements of the Company were subject to limited scope review by the external auditors, as required by the Companies Act 2017 and the Code of Corporate Governance for Listed Companies. This review was successfully conducted, and the review report of auditors is also attached.

### **INDUSTRY OVERVIEW**

The economic stability of the business community relates to the political conditions and the recent elections were expected to bring stability but as we have passed these, the uncertainty continues. However, we are expecting government formation in next few days, and it is expected to bring economic reforms with some tough decision as the country remains within IMF program,

The management of your Company is searching for and analyzing different business opportunities; however, any major business decision will be taken with utmost care and due diligence in order to safeguard the shareholders.

### **PERFORMANCE OF THE COMPANY**

Like last year, there was no revenue and only minimum possible expenses were incurred to keep the Company running. The bottom-line loss amounted to Rs. 5.60 million for the six months period under review.

### **FINANCIAL HIGHLIGHTS**

An analysis of the half year performance of the Company with prior period, is as follows:

<b>Description</b>	<b>Half Year Ended on Dec 31, 2023</b>	<b>Half Year Ended on Dec 31, 2022</b>
Sales	-	-
Administrative expenses	(7,879,163)	(6,011,359)
Other operating expenses	(206,515)	(1,137,830)
Net (loss) / surplus for the period	(5,598,750)	64,052,833

The administration expenses mainly increase on account of remuneration arrears of directors, vehicle running and maintenance and fees expenses. On the other hand, the "other operating expenses" have reduced.

The auditors have issued an emphasis of matter paragraph in their review report related to the accumulated losses of the Company which have increased by 5.598 million in the year 2023 on account of administration expenses. And the auditors have highlighted that the Company was placed on the default segment by PSX without any restriction on trading of shares since 2019 and these conditions give risk of material uncertainty related to going concern. However, the Management of the Company is exploring and considering different business opportunities by developing a comprehensive business plan with multiple options, keeping in view the current political and economic situation. Moreover, there is continuous support from the Directors and the Management is also trying its best efforts to comply with

all the PSX regulations and is actively pursuing removal from the default segment of PSX. Considering these facts, the financial statements for the half year ended 31 December 2023 have been prepared on the going concern assumption.

We would like to highlight the fact that the auditors' review report is not modified in respect of the above matters.

### **FUTURE OUTLOOK**

Although the Company has liquid resources available, these are very limited and in the current economic scenario, there is no stable policy prevailing in any industry. Your management and Directors are fully cognizant of this fact and therefore they have considered revamping business by developing comprehensive business plan with multiple business and investment options. Based on stability in political and economic conditions, this plan will be finalized for implementation.

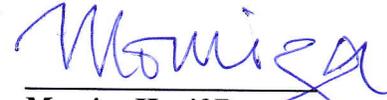
### **ACKNOWLEDGEMENT**

The management has strong faith in Almighty ALLAH and is hopeful for a turnaround in near future, courtesy to its efforts and your prayers in running the business, In Sha Allah. All the management and Directors appreciate your patience, support and trust that you have shown towards us.

On behalf of the Board



**M. Hanif Y. Bawany**  
Chief Executive Officer



**Momiza Hanif Bawany**  
Director

Karachi

Dated: 28th February 2024

## ڈائریکٹرز رپورٹ برائے ممبران

السلام علیکم!

### ڈائریکٹران کا جائزہ

آپ کے ڈائریکٹران اختصاری عبوری مالیاتی گوشوارے اور کمپنی کی کارکردگی پر آڈیٹرز کی جائزہ رپورٹ برائے ششماہی مدت تختہ 31 دسمبر 2023 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

کمپنیز ایکٹ 2017 اور لیکچر کمپنیز کے ادارتی نظم و ضبط کے تحت کمپنی کے یہ مالیاتی گوشوارے محدود دائرہ کار کے ماتحت ہیں۔ یہ جائزہ کامیابی سے مکمل کیا گیا اور آڈیٹرز کی جائزہ رپورٹ بھی منسلک ہے۔

### صنعتی جائزہ

کاروباری برادری کے معاشی استحکام کا تعلق سیاسی حالات سے ہے اور توقع ہے کہ موجودہ انتخابات سے استحکام آئے گا لیکن ماضی کی طرح غیر یقینی کیفیت اب بھی جاری ہے۔ تاہم ہم توقع کرتے ہیں کہ اگلے چند دنوں میں حکومت بن جائے گی اور توقع ہے کہ کچھ سخت فیصلوں سے معاشی اصلاحات لائے گی کیونکہ ملک اس وقت IMF پروگرام کے ماتحت ہے۔

کمپنی کی انتظامیہ مختلف کاروباری مواقعوں کو تلاش و تجزیہ کر رہی ہے، تاہم کوئی بھی بڑا فیصلہ انتہائی احتیاط اور جانفشانی کے بعد کیا جائے گا تاکہ حصص یافتگان کو تحفظ حاصل ہو۔

### کمپنی کی کارکردگی

گزشتہ سال کی طرح اس سال کوئی آمدن نہیں ہوئی اور کمپنی کو چلانے کے لئے کم از کم ممکنہ اخراجات برداشت کئے گئے۔ زیر جائزہ ششماہی مدت میں کمپنی کا خالص خسارہ 5.60 ملین روپے رہا۔

### مالیاتی جھلکیاں

ششماہی مدت میں کمپنی کی کارکردگی کا سابقہ مدت کے ساتھ موازنہ درج ذیل ہے:

تفصیل	ششماہی تختہ 2023 دسمبر 31	ششماہی تختہ 2022 دسمبر 31
فروخت	-	-
انتظامی اخراجات	(7,879,163)	(6,011,359)
دیگر کاروباری اخراجات	(206,515)	(1,137,830)
خالص (خسارہ)/اضافی آمدن برائے مدت	(5,598,750)	64,052,833

انتظامی اخراجات میں اضافہ کی وجہ ڈائریکٹران کے معاوضے، گاڑیوں کو چلانے و مینٹیننس کے بقایا جات اور فیسوں کے اخراجات تھے۔ جبکہ

دوسری جانب ”کاروبار چلانے کے اخراجات“ میں کمی ہوئی۔

جمع شدہ خساروں میں سال کے دوران 5.598 ملین روپے کا اضافہ ہوا جس سے متعلق آڈیٹرز نے متعلق اپنی جائزہ رپورٹ میں ایک تاکیدری پیرا گراف شامل کیا ہے۔ اور آڈیٹرز نے زور دیا ہے کہ سن 2019 سے PSX نے کمپنی کا نام نادر ہندگان کہ فہرست میں ڈال دیا ہے جس میں کمپنی کے حصص کی خرید و فروخت پر کوئی پابندی نہیں ہے اور یہ حالات چلتے ہوئے ادارے سے متعلق قابل ذکر غیر یقینی خطرے کا اظہار کرتے ہیں۔ تاہم کمپنی کی انتظامیہ موجودہ سیاسی اور معاشی صورتحال کو مد نظر رکھتے ہوئے کثیراً پیشتر کے ساتھ ایک جامع کاروباری منصوبہ کو مرتب کر کے مختلف کاروباری مواقع تلاش کر رہی ہے اور ان پر غور کر رہی ہے۔

مزید برآں ڈائریکٹران کی جانب سے مسلسل تعاون حاصل ہے اور انتظامیہ PSX کے تمام ضوابط پر عملدرآمد کرنے کے لئے اپنی بہترین کوششیں کر رہی ہے اور متحرک طور پر PSX کی نادر ہندگان کی فہرست سے نام نکلوانے کے لئے کوشاں ہے۔ ان حقائق کو مد نظر رکھتے ہوئے کمپنی کے مالیاتی گوشوارے برائے ششماہی مختتمہ 31 دسمبر 2023 کو چلتے ہوئے مفروضہ کی بنیاد پر تیار کئے گئے ہیں۔

ہم اس بات کو بھی اجاگر کرنا چاہتے ہیں کہ مذکورہ بالا معاملے سے متعلق آڈیٹرز کی جائزہ رپورٹ میں کوئی تبدیلی نہیں ہوئی ہے۔

### مستقبل کی پیش بینی

اگرچہ کمپنی کے پاس رواں اٹائے دستیاب ہیں لیکن وہ بہت محدود ہیں اور موجودہ معاشی منظر نامہ میں صنعت کے لئے کوئی مستحکم پالیسی نہیں ہے۔ آپ کی انتظامیہ اور ڈائریکٹران بخوبی اس حقیقت سے آگاہ ہیں اور لہذا انہوں نے کثیر کاروباری اور سرمایہ کاری آپشنز کا حامل جامع کاروباری منصوبہ مرتب کرنے پر غور کر رہے ہیں۔ سیاسی اور معاشی صورتحال کے استحکام کی بنیاد پر منصوبے کو نفاذ کے لئے حتمی شکل دی جائے گی۔

### اعتراف

انتظامیہ اللہ رب العزت پر مکمل یقین رکھتی ہے اور قومی امید کرتی ہے کہ اپنی کوششوں اور آپ کی دعاؤں سے انشاء اللہ مستقبل قریب میں حالات میں بہتری آئے گی۔ تمام انتظامیہ اور ڈائریکٹران آپ کے صبر، ہمارے ساتھ تعاون اور اعتماد پر آپ کی مشکور ہے۔

برائے و منجانب بورڈ

Mouza

مومیزہ حنیف باوانی  
ڈائریکٹر

APB

ایم حنیف وائی باوانی  
چیف ایگزیکٹو آفیسر

کراچی

مورخہ: 28 فروری 2024



**INDEPENDENT AUDITORS' REVIEW REPORT  
TO THE MEMBERS OF BAWANY AIR PRODUCTS LIMITED  
ON THE CONDENSED INTERIM FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Bawany Air Products 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, condensed interim statement of cash flows, and notes to the financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management of the entity is responsible for the preparation and presentation of these condensed 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 condensed interim financial statements based on our review.

The figures of the condensed interim financial statements for the quarter ended December 31, 2023 and December 31, 2022, have not been reviewed and we do not express a conclusion thereon as we are required to review only cumulative figures for the half year ended December 31, 2023.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of condensed 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.

**Emphasis of Matter Paragraph**

Refer note 1.2 to the financial statements, which indicate accumulated losses of the Company have increased by 5.598 million during the period, to Rs. 33.206 million and it could not revamp yet its new business. Further, the Company was placed on the default counter by the PSX, without any restriction on trading of the shares from 2019. These conditions indicate material uncertainty related to going concern.

However, the management of the Company is considering commencing a business venture through the available liquidity, by developing a comprehensive business plan with multiple options, which is near to finalization. The management is considering adopting the most suitable option, in the light of the current economic and political turmoil and substantial inflationary pressures in the country.



Additionally, the management is also in the process of complying with all the PSX regulations and is pursuing to fulfill the requirements from authorities for removal of shares from the default segment of the PSX. Considering the above developments, the Company has prepared the financial statements on the assumption of a going concern. Our opinion is not modified in respect of the above matters.

### **Conclusion**

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

The engagement partner on this engagement resulting in this independent auditors' review report is Mr. S.M. Suhail, FCA.



S.M. Suhail & Co.  
Chartered Accountants  
Karachi

Our Ref: SMS-A-05692024  
Date: February 28, 2024

UDIN: RR202310197AgDh0GxmB

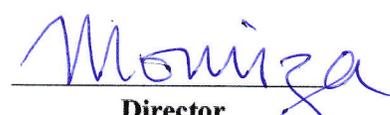
**BAWANY AIR PRODUCTS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**AS AT DECEMBER 31, 2023**

	Note	December 31, 2023 Un-Audited	June 30, 2023 Audited
----- Rupees -----			
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	4	772,451	813,106
		772,451	813,106
<b>Current Assets</b>			
Sales tax refundable		824,547	824,547
Short term deposits		2,226,091	2,342,084
Investments		50,311	36,057
Advance for expenses		370,313	-
Taxation - net		6,082,067	6,074,646
Cash and bank balances	5	38,853,249	83,990,373
		48,406,578	93,267,707
<b>Total Assets</b>		49,179,029	94,080,813
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
<b>Authorized share capital</b>			
15,000,000 (June 30, 2023: 15,000,000) Ordinary Shares of Rs.10/- each		150,000,000	150,000,000
<b>Share capital</b>			
Issued, subscribed and paid-up capital		75,025,100	75,025,100
Accumulated loss		(33,206,082)	(27,607,332)
		41,819,018	47,417,768
<b>Non-current Liabilities</b>			
Long-term deposits		-	-
<b>Current Liabilities</b>			
Trade and other payables		-	665,103
Accrued liabilities		907,458	11,421,823
Unclaimed dividend		717,420	717,420
Short term deposits		2,155,824	14,971,512
Due to related parties		3,579,309	18,887,187
		7,360,011	46,663,045
Contingencies and commitments	6	-	-
<b>Total Equity and Liabilities</b>		49,179,029	94,080,813

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

  
**Chief Executive Officer**

  
**Chief Financial Officer**

  
**Director**

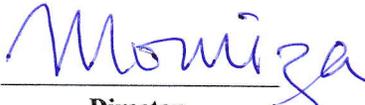
**BAWANY AIR PRODUCTS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE HALF YEAR AND THE QUARTER ENDED DECEMBER 31, 2023**

	Note	Half year ended		Quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
		----- Rupees -----		----- Rupees -----	
Sales - net		-	-	-	-
Cost of sales		-	-	-	-
Gross loss		-	-	-	-
Administrative expenses	7	(7,879,163)	(6,011,359)	(5,682,347)	(3,431,622)
Other operating expenses	8	(206,515)	(1,137,830)	(51,515)	(522,177)
		(8,085,678)	(7,149,189)	(5,733,862)	(3,953,799)
Other income		2,478,840	71,208,785	(11,370)	1,859,053
Unrealized gain on revaluation of investments		14,255	1,364	14,255	1,364
		(5,592,583)	64,060,960	(5,730,977)	(2,093,382)
Finance cost	9	(6,167)	(8,127)	(3,599)	(7,211)
(Loss)/ Profit before taxation		(5,598,750)	64,052,833	(5,734,576)	(2,100,593)
Provision for taxation - current	10	-	-	-	-
Net (loss)/ profit for the period		(5,598,750)	64,052,833	(5,734,576)	(2,100,593)
<b>COMPREHENSIVE INCOME</b>					
(Loss)/ profit for the period		(5,598,750)	64,052,833	(5,734,576)	(2,100,593)
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		(5,598,750)	64,052,833	(5,734,576)	(2,100,593)
(Loss)/ profit per share - basic and diluted		(0.75)	8.54	(0.76)	(0.28)

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

  
**Chief Executive Officer**

  
**Chief Financial Officer**

  
**Director**

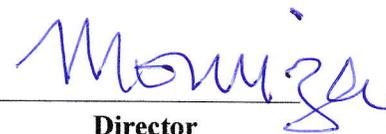
**BAWANY AIR PRODUCTS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Issued, subscribed and paid-up capital	Accumulated loss	Total Equity
	----- Rupees -----		
Balance as at July 1, 2022	75,025,100	(86,995,393)	(11,970,293)
Total comprehensive profit for the period ended December 31, 2022	-	64,052,833	64,052,833
<b>Balance as at December 31, 2022 (Un-Audited)</b>	<b>75,025,100</b>	<b>(22,942,560)</b>	<b>52,082,540</b>
Balance as at January 1, 2023	75,025,100	(22,942,560)	52,082,540
Total comprehensive loss for the period ended June 30, 2023	-	(4,664,772)	(4,664,772)
<b>Balance as at June 30, 2023 (Audited)</b>	<b>75,025,100</b>	<b>(27,607,332)</b>	<b>47,417,768</b>
Balance as at July 1, 2023	75,025,100	(27,607,332)	47,417,768
Total comprehensive income for the period ended December 31, 2023	-	(5,598,750)	(5,598,750)
<b>Balance as at December 31, 2023 (Un- Audited)</b>	<b>75,025,100</b>	<b>(33,206,082)</b>	<b>41,819,018</b>

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

  
**Chief Executive Officer**

  
**Chief Financial Officer**

  
**Director**

**BAWANY AIR PRODUCTS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Note	December 31, 2023	December 31, 2022
----- Rupees -----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Loss) / Profit before taxation		(5,598,750)	64,052,833
<b>Adjustments for:</b>			
Depreciation		40,655	48,994
Gain on revaluation of other financial assets		(14,255)	(1,364)
Finance cost		6,167	8,127
Operating cash outflows before working capital changes		(5,566,183)	64,108,590
<b>Working capital changes</b>	<b>11</b>	<b>(11,549,781)</b>	<b>(3,211,543)</b>
<b>Net cash (used in) / generated from operations</b>		<b>(17,115,964)</b>	<b>60,897,047</b>
Finance cost paid		(6,167)	(8,127)
Income tax paid		(7,420)	(10,834)
<b>Net cash (used in) / generated from operating activities</b>		<b>(17,129,551)</b>	<b>60,878,086</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to equipment		-	(81,500)
Proceeds from disposal of assets		-	83,100,269
<b>Net cash generated from investing activities</b>		<b>-</b>	<b>83,018,769</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long-term deposits - liabilities - net		(12,699,695)	(150,000)
Due to related parties		(15,307,878)	(9,612,044)
<b>Net cash (used in) financing activities</b>		<b>(28,007,573)</b>	<b>(9,762,044)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(45,137,124)</b>	<b>134,134,811</b>
Cash and cash equivalents at beginning of the period		83,990,373	241,109
<b>Cash and cash equivalents at end of the period</b>		<b>38,853,249</b>	<b>134,375,920</b>

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

*Sumno*

*[Signature]*  
Chief Executive Officer

*A. Raub*  
Chief Financial Officer

*Moniza*  
Director

**BAWANY AIR PRODUCTS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**1 STATUS AND NATURE OF BUSINESS**

- 1.1** Bawany Air Products Limited (the Company) is a public limited Company incorporated in Pakistan on August 16, 1978. The Company is currently listed on the Pakistan Stock Exchange Limited. The principal activities of the Company are production and trading of oxygen gas, dissolved acetylene and nitrogen gas. The registered office of the Company is office no. 16-C, Second Floor, Nadir House, I.I. Chundrigar Road, Karachi
- 1.2** The financial statements for the half year ended December 31, 2023 of the Company indicate accumulated losses are increased by Rs. 5.598 million from Rs. 27.602 million as of June 30, 2023, total of Rs. 33.206 million. Additionally in the year 2019, the Company was placed on the default segment by PSX without any restriction on trading of shares, these conditions causes doubt on the Company's ability to continue as a going concern.
- 1.3** The management of the Company is in the process of complying with all of the PSX regulations and is actively pursuing to fulfill the requirement from relevant authorities for removal from default segment of PSX. The CEO and Directors of the Company have also assured to support the Company financially, as well as with professional expertise to manage the affairs of the Company.
- 1.4** The Company has considered to revamp its business through the liquidity and the support of CEO and Director by developing comprehensive business plan with multiple options, which is near to finalization. The Company is considering the options to adapt the most suitable one in the light of the current economic and political turmoil and substantial inflationary pressures to make a prudent decision.

On the basis of these assumption financial statement are prepared on going concern basis.

**2 BASIS OF PREPARATION**

The condensed interim financial statements has been prepared for the half year ended December 31, 2023 in accordance with the requirement of International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017. In case where the requirements differ, the provisions of or directives issued under the Companies Act, 2017 are being prevailed.

These condensed interim financial statements are unaudited and are being circulated to the shareholders in accordance with the listing regulations of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017.

The condensed interim financial statements does not include all the information and disclosures as required for preparation of annual financial statements therefore, it should be read in conjunction with the annual audited financial statement for the year ended June 30, 2023.

**3 SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS**

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reporting amounts of assets and liabilities, income and expenses. Actual results may differ from these estimate.

The accounting policies, estimates, judgments and methods of computation adopted for the preparation of the condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company as at and for the year ended June 30, 2023.

**Standards, interpretations and amendments to published approved accounting standards that are not yet**

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 1, 2023 but are considered not to be relevant or will not have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements. *same*

**BAWANY AIR PRODUCTS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<b>Un-audited December 2023</b>	<b>Audited June 2023</b>
	----- Rupees -----	
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>		
Operating property, plant and equipment	<u>772,451</u>	<u>813,106</u>

	<b>Half year ended (Un-Audited)</b>		<b>Quarter ended (Un-Audited)</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
	----- Rupees -----			
Depreciation charged during the period	<u>40,655</u>	<u>48,994</u>	<u>20,327</u>	<u>26,534</u>

	<b>Un-audited December 31, 2023</b>	<b>Audited June 30, 2023</b>
	----- Rupees -----	
<b>5 CASH AND BANK BALANCES</b>		
Cash in hand	21,534	116,000
Cash at bank	<u>38,831,715</u>	<u>83,874,373</u>
	<u>38,853,249</u>	<u>83,990,373</u>

**6 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at December 31, 2023 (June 2023: Nil)

	<b>Half year ended (Un-Audited)</b>		<b>Quarter ended (Un-Audited)</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
	----- Rupees -----			

**7 ADMINISTRATIVE EXPENSES**

Directors' remuneration and meeting fees	4,580,785	1,840,845	3,590,533	872,099
Salaries and benefits	806,651	1,613,470	874,579	927,320
Electricity, gas and water	185,371	125,902	89,367	55,064
Repairs and maintenance	176,965	231,375	50,415	181,400
Rent, rates and taxes	252,792	273,498	126,396	136,749
Traveling and conveyance	73,865	80,950	19,225	44,080
Vehicles running and maintenance	584,389	190,058	369,657	90,723
Entertainment	10,330	1,555	10,000	1,460
Communication	108,495	90,761	46,287	40,564
Printing and stationery	62,606	50,359	51,840	46,018
Legal and professional charges	71,280	705,555	71,280	705,555
Auditors' remuneration	164,400	175,500	76,650	87,750
Fees, subscription and periodicals	693,079	431,456	218,291	65,228
Advertisement	57,500	103,500	57,500	103,500
Depreciation	40,655	48,994	20,327	26,534
Others	10,000	47,581	10,000	47,578
	<u>7,879,163</u>	<u>6,011,359</u>	<u>5,682,347</u>	<u>3,431,622</u>

*Sumo*

**BAWANY AIR PRODUCTS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<u>Half year ended (Un-Audited)</u>		<u>Quarter ended (Un-Audited)</u>	
	<u>December 31,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>	<u>December 31,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>
	-----Rupees-----			
<b>8 OTHER OPERATING EXPENSES</b>				
Salaries, wages and benefits	-	379,468	-	437,149
Electricity and water	-	57,800	-	-
Others	<b>206,515</b>	700,562	<b>51,515</b>	85,028
	<b>206,515</b>	1,137,830	<b>51,515</b>	522,177
<b>9 FINANCE COST</b>				
Mark-up on due to Provident Fund (Note: 9.1)	<b>778</b>	1,122	<b>303</b>	561
Bank charges	<b>5,389</b>	7,005	<b>3,296</b>	6,650
	<b>6,167</b>	8,127	<b>3,599</b>	7,211

9.1 This represents interest on loan and contributions payable to the Staff Provident Fund.

**10 TAXATION**

As the Company did not earn any taxable income during the period, therefore, there is no charge for taxation.

**11 WORKING CAPITAL CHANGES**

	<b>Unaudited</b>	
	<b>December 31,</b> <b>2023</b>	<b>December 31,</b> <b>2022</b>
	----- Rupees -----	
<b>(Increase) / decrease in current assets</b>		
Trade debts	-	-
Advances and other receivables	-	(5,227)
Advance for expenses	<b>(370,313)</b>	0
<b>Increase in current liabilities</b>		
Trade and other payables	<b>(665,103)</b>	(1,707,018)
Accrued liabilities	<b>(10,514,365)</b>	(1,499,298)
Payable to provident fund	-	-
	<b>(11,549,781)</b>	<b>(3,211,543)</b>

*in rupees*

**BAWANY AIR PRODUCTS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**12 TRANSACTIONS WITH RELATED PARTIES**

The related parties include associated undertaking, entities having directors in common with the Company, major shareholders of the Company, directors and other key management personnel and retirement benefit plans. Transaction with related parties, other than those disclosed elsewhere in the financial statements are as under:

	Unaudited	
	December 31, 2023	December 31, 2022
	----- Rupees -----	
<b>Associated undertakings</b>		
Organization charges paid	1,464,304	273,498
Loan re-paid to associated undertaking	<u>17,795,439</u>	<u>6,512,025</u>
<b>Transactions with key management personnel</b>		
Salaries, benefits and other allowances	<u>4,580,785</u>	<u>1,840,845</u>
<b>Other related parties</b>		
Amount received / paid as liability	<u>(15,307,878)</u>	<u>(9,612,044)</u>
Contribution made by the Company to retirement benefit plan	<u>47,262</u>	<u>57,780</u>
Payment made to retirement benefit plan	<u>83,136</u>	<u>134,682</u>

**13 FINANCIAL RISK MANAGEMENT**

The Company's financial management objectives and policies are consistent with those disclosed in the financial statements for the year ended June 30, 2023.

**14 GENERAL**

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2023, whereas, the 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 have been compared with the balances of comparable period of condensed interim financial statements of the Company for the period ended December 31, 2022. Corresponding figures have been rearranged and reclassified, wherever considered necessary for the purpose of comparison and better presentation, the effect of which is not material.

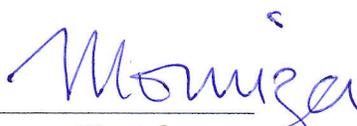
Figures presented in these condensed interim financial statements have been rounded off to the nearest of a Rupee, unless otherwise stated.

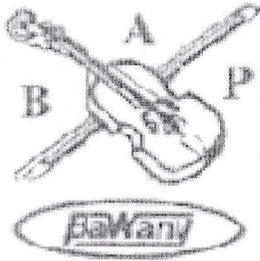
**15 DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial statements was authorised for issue on 2-8 FEB 2024 by the Board of Directors of the Company.

  
 Chief Executive Officer

  
 Chief Financial Officer

  
 Director



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**PRODUCTS LIMITED**

16-C, 2nd Floor, Nadir House,

I.I. Chundrigar Road,

Karachi