

DEWAN TEXTILE MILLS LIMITED

QUARTERLY REPORT

MARCH 31, 2021

DEWAN TEXTILE MILLS LIMITED

COMPANY INFORMATION

Board of Directors	
Executive Director	: Mr. Ishtiaq Ahmed - Chief Executive Officer & Director
Non-Executive Director	: Mr. Ghazanfar Baber Siddiqi (Chairman, Board of Director) Syed Asim Abid Ali Syed Maqbool Ali Mr. Imran Ahmed Javed Mrs. Nida Jamil
Independent Director	: Mr. Aziz-ul-Haque
Audit Committee	: Mr. Aziz-ul-Haque - Chairman Syed Maqbool Ali (Member) Mr. Imran Ahmed Javed (Member)
Human Resources & Remuneration Committee	: Mr. Aziz-ul-Haque - Chairman Syed Maqbool Ali (Member) Mr. Ishtiaq Ahmad - (Member)
Auditor	: Faruq Ali & Co. C-88, Ground Floor, KDA Scheme No. 1, Main Karsaz Road, Opp. Maritime Museum Karachi.
Company Secretary	: Mr. Muhammad Hanif German
Chief Financial Officer	: Mr. Muhammad Irfan Ali
Tax Advisor	: Sharif & Co. Advocates
Legal Advisor	Abbas & Atif Law Associates
Bankers	: Habib Bank Limited Standard Chartered Bank Pakistan Limited Meezan Bank Limited United Bank Limited Bank Al-Falah Ltd Silk Bank Limited NIB Bank Limited Summit Bank Limited Faysal Bank Limited MCB Bank Limited
Registered Office	: Dewan Centre, 3-A Lalazar Beach Hotel Road, Karachi
Shares Registrar & Transfer Agent	: BMF Consultants Pakistan (Private) Limited Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal adjacent to Baloch Colony Bridge, Karachi 75350, Pakistan.
Factory Office	: H/20 & H/26, S.I.T.E., Kotri, District Jamshoro, Sindh, Pakistan
Website	: www.yousufdewan.com

DEWAN TEXTILE MILLS LIMITED**DIRECTORS' REPORT****IN THE NAME OF ALLAH; THE MOST GRACIOUS AND MERCIFUL****IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)**

The Board of Directors of your Company is pleased to present unaudited condensed interim financial statements for the nine months ended March 31, 2021 in compliance with the requirements of section 237 of the Companies Act, 2017 and code of corporate governance issued by Securities and Exchange Commission of Pakistan.

Operating results and performance: (Factory Shutdown)

The operating results for the year under review are as follows:

	'Rupees'
SALES - NET	60,597,500
COST OF SALES	<u>(145,944,723)</u>
GROSS LOSS	(85,347,223)
ADMINISTRATIVE EXPENSES	<u>(4,374,385)</u>
OPERATING LOSS	(89,721,608)
FINANCE COST	(185,172,965)
OTHER CHARGES	<u>(39,133,875)</u>
LOSS BEFORE TAXATION	(314,028,448)
TAXATION	<u>11,819,026</u>
LOSS AFTER TAXATION	(302,209,422)

Company's operational sales for the period remained nil due to closure of operations, the sales appearing in financial statements represent yarn stock sales during the period under consideration. The Company, for the time being, has suspended its manufacturing operations since December 2015 which could not be resumed due to adverse scenario faced by the industry, lesser market demand and working capital constraints. The condensed interim financial statements have been prepared using going concern assumption as the company has approached its lenders for further restructuring of its liabilities, which is in process. Management is hopeful that such revision will be finalized soon which will enable the company to resume its operations.

Pakistan's economic recovery continued in a steady path during period under review, with almost all macroeconomic indicators suggesting uptick in fortunes, where the SBP has also revised up its real GDP growth forecast from 2% to 3% during the current year. Government through various fiscal and monetary measures tried to relieve the industries in tough times and the economy is showing progressive results and have partially softened the pandemic's impact. On the other hand, Cotton being the basic raw material for the Pakistan's textile industry accounts for major part of the basic cost, the price of raw cotton is continuously rising. Due to continuous decline in the annual crop cultivation, Pakistan has to import around 4.5 million bales of cotton every year to meet its demand. Pakistan spinning industry has already contracted for large scale imports from nearly all origins in the world and therefore any movement in price or quantity of cotton has significant impacts on production.

Future Outlook

Despite the signs of economic resilience and recovery, there may be some pressure on current account due to high imports of Raw Cotton, recent removal of regulatory duty on import of synthetic yarn and cotton yarn, import of plant and machinery, possibility of double-digit inflation during the latter end of FY21 could ultimately force SBP raising interest rates. These factors may also push the exchange rate upward in short term. Further, the challenges of rising debt, increased cost of living, increased taxation, rising prices of electricity & gas, could lead to wavering of investor confidence. Further, current political environment and fears of increased lockdown restrictions owing to COVID-19 third wave are critical variable where the positivity rate is hovering around high single-digits and a sustained strain may lead to harsh measures that may hamper growth outlook.

Conclusion

In conclusion, we bow beg and pray to Almighty Allah, Rahman-o-Rahim, in the name of our beloved Prophet Muhammad (Peace be upon him) for the continued showering of his blessings, Guidance, strength, health and prosperity to us, our company, country and nation, and also pray to Almighty Allah to bestow peace, Harmony, brotherhood and unity in true Islamic spirit to whole of Muslim Ummah; Ameen: Summa Ameen

LO-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)

By and under Authority of the Board of Directors



Ishtiaq Ahmed
Chief Executive Officer



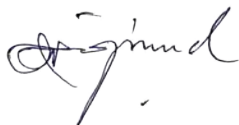
Syed Maqbool Ali
Director

Dated: April 26, 2021

DEWAN TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021

	Notes	(Un-Audited) July-March 2021	(Audited) June 30, 2020
(Rupees)			
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorized share capital 50,000,000 (2020 :50,000,000) Ordinary shares of Rs. 10/- each		<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid -up share capital		460,646,090	460,646,090
Revenue Reserves			
General reserve		333,000,000	333,000,000
Accumulated lossess	6	(5,212,877,268)	(4,941,829,473)
Capital reserve			
Surplus on revaluation of property, plant and equipment		<u>715,733,074</u>	<u>746,894,701</u>
		<u>(3,703,498,104)</u>	<u>(3,401,288,682)</u>
NON CURRENT LIABILITIES			
Long term financing		<u>143,277,296</u>	<u>131,461,304</u>
Deferred taxation		<u>145,617,199</u>	<u>158,345,188</u>
		<u>288,894,495</u>	<u>289,806,492</u>
CURRENT LIABILITIES			
Trade and other payables		<u>182,919,278</u>	<u>181,456,407</u>
Mark-up accrued		<u>1,560,008,057</u>	<u>1,389,200,387</u>
Short term borrowings		<u>497,191,601</u>	<u>552,562,806</u>
Liability for staff gratuity		<u>50,737,788</u>	<u>50,770,926</u>
Unclaimed dividend		<u>254,206</u>	<u>254,206</u>
Current and overdue portion of long term financing		<u>2,945,482,769</u>	<u>2,945,482,769</u>
		<u>5,236,593,699</u>	<u>5,119,727,501</u>
CONTINGENCIES AND COMMITMENTS			
	7	-	-
		<u>1,821,990,090</u>	<u>2,008,245,311</u>
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,426,756,756	1,516,369,727
Long term Investment	9	-	-
Long term deposits		<u>12,012,134</u>	<u>12,012,134</u>
		<u>1,438,768,890</u>	<u>1,528,381,861</u>
CURRENT ASSETS			
Stores and spares		<u>30,677,433</u>	<u>30,677,433</u>
Stock in trade	10	<u>207,887,534</u>	<u>256,310,135</u>
Trade debtors - Unsecured		<u>109,124,415</u>	<u>158,872,828</u>
Advances - Considered good		<u>1,614,415</u>	<u>1,685,365</u>
Short term deposits and other receivable		<u>4,120,116</u>	<u>4,120,116</u>
Taxes recoverable - Net		<u>22,831,282</u>	<u>23,129,092</u>
Cash and bank balances		<u>6,966,005</u>	<u>5,068,481</u>
		<u>383,221,200</u>	<u>479,863,450</u>
		<u>1,821,990,090</u>	<u>2,008,245,311</u>

The annexed notes form an integral part of these condensed interim financial statements.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer

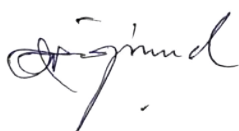


Syed Maqbool Ali
Director

DEWAN TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS & QUARTER ENDED MARCH 31, 2021

	Nine Months Ended		Quarter Ended	
	July-Mar 2021	July-Mar 2020	Jan-Mar 2021	Jan-Mar 2020
Notes	----- (Rupees) -----			
Sales - Net	60,597,500	-	41,692,500	-
Cost of sales	(145,944,723)	(113,079,918)	(65,765,569)	(36,749,172)
Gross (Loss)	(85,347,223)	(113,079,918)	(24,073,069)	(36,749,172)
Operating expenses				
Administrative & general expenses	(4,374,385)	(4,430,073)	(1,546,181)	(1,321,970)
Operating (Loss)	(89,721,608)	(117,509,991)	(25,619,250)	(38,071,142)
Finance cost	11 (185,172,965)	(300,180,411)	(61,319,949)	(98,963,160)
Other Charges	(39,133,875)	-	-	-
	(224,306,840)	(300,180,411)	(61,319,949)	(98,963,160)
(Loss) before taxation	(314,028,448)	(417,690,402)	(86,939,199)	(137,034,302)
Taxation				
- Current	(908,963)	-	(625,388)	-
- Deferred	12,727,989	14,457,802	4,242,663	4,819,267
	11,819,026	14,457,802	3,617,275	4,819,267
(Loss) for the period	(302,209,422)	(403,232,600)	(83,321,924)	(132,215,035)
(Loss) per share - Basic and diluted	12 (6.56)	(8.75)	(1.81)	(2.87)

The annexed notes form an integral part of these condensed interim financial statements.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer

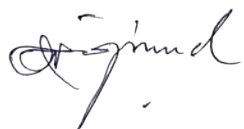


Syed Maqbool Ali
Director

DEWAN TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS & QUARTER ENDED MARCH 31, 2021

	<u>Nine Months Ended</u>		<u>Quarter Ended</u>	
	<u>July-Mar 2021</u>	<u>July-Mar 2020</u>	<u>Jan-Mar 2021</u>	<u>Jan-Mar 2020</u>
	----- (Rupees) -----			
(Loss) for the period	(302,209,422)	(403,232,600)	(83,321,924)	(132,215,035)
Other comprehensive income:				
Effect of change in tax rates on balance of revaluation on property, plant and equipment	-	--	-	--
Total comprehensive (loss) for the period	<u><u>(302,209,422)</u></u>	<u><u>(403,232,600)</u></u>	<u><u>(83,321,924)</u></u>	<u><u>(132,215,035)</u></u>

The annexed notes form an integral part of these condensed interim financial statements.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer

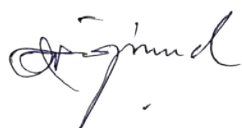


Syed Maqbool Ali
Director

DEWAN TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021

	July-Mar 2021	July-Mar 2020
Notes	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(314,028,448)	(417,690,402)
Adjustment for non-cash and other items:		
Depreciation / amortisation expense	89,612,971	101,560,022
Provision for doubtful debts	37,988,545	-
Unwinding of discount	12,315,992	9,496,250
Finance Cost	172,856,973	290,684,161
	312,774,481	401,740,433
Cash outflows before working capital changes	(1,253,967)	(15,949,969)
Working capital charges		
<i>(Increase)/ decrease in current assets</i>		
Stock In Trade	48,422,601	--
Trade debtors	11,759,868	49,435,135
Advances	70,950	4,109
	60,253,419	49,439,244
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payable	1,462,871	1,345,339
Short term borrowings	(55,371,204)	(32,445,000)
	(53,908,333)	(31,099,661)
Cash (used in) generated from operations	5,091,119	2,389,614
Payments for:		
Income taxes (paid) / refund - Net	(611,153)	(32,420)
Gratuity Paid	(33,138)	--
Financial cost paid	(2,049,304)	(1,912,154)
	(2,693,595)	(1,944,574)
Net cash generated from/(used in) operating activities	2,397,524	445,040
Cash flows from investing activities		
	-	--
Net cash outflow from investing activities	-	-
Cash flows from financing activities		
Long term financing paid	(500,000)	(1,249,103)
Net increase/(decrease) in cash and cash equivalents	1,897,524	(804,063)
Cash and cash equivalents at beginning of the period	5,068,481	7,199,455
Cash and cash equivalents at the end of period	6,966,005	6,395,392

The annexed notes form an integral part of these condensed interim financial statements.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer

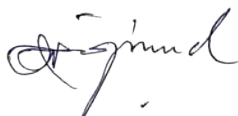


Syed Maqbool Ali
Director

DEWAN TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021

	Revenue reserves			Capital reserves	Total equity	
	General reserve	Accumulated loss	Total revenue reserves	Surplus on revaluation of property, plant and equipment		
----- (Rupees) -----						
Balance as at 1st July 2019	460,646,090	333,000,000	(4,382,247,527)	(4,049,247,527)	794,090,283	(2,794,511,154)
Total comprehensive (loss) for the period						
(Loss) for the period			(403,232,600)	(403,232,600)		(403,232,600)
Other comprehensive income			(403,232,600)	(403,232,600)	--	(403,232,600)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	35,396,687	35,396,687	(35,396,687)	-
Balance as at 31 March, 2020	460,646,090	333,000,000	(4,750,083,440)	(4,417,083,440)	758,693,596	(3,197,743,754)
Balance as at 1st July 2020	460,646,090	333,000,000	(4,941,829,473)	(4,608,829,473)	746,894,701	(3,401,288,682)
Total comprehensive (loss) for the period						
(Loss) for the period	--	--	(302,209,422)	(302,209,422)	--	(302,209,422)
Other comprehensive income	--	--	-	--	--	-
	--	--	(302,209,422)	(302,209,422)	--	(302,209,422)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	31,161,627	31,161,627	(31,161,627)	-
Balance as at 31 March, 2021	460,646,090	333,000,000	(5,212,877,268)	(4,879,877,268)	715,733,074	(3,703,498,104)

The annexed notes form an integral part of these condensed interim financial statements.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Maqbool Ali
Director

DEWAN TEXTILE MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN - AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021

1 Status and Nature of Business

Dewan Textile Mills Limited ('the Company') was incorporated in Pakistan on 16 April 1970 as a public limited company and is listed on the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of yarn. However, the Company has suspended its manufacturing operations since December 2015.

The geographical location and address of Company's business units including plant is as under:

- Company's registered office is located at Dewan Centre 3-A, Lalazar, Beach Hotel Road, Karachi.
- Company's production plant is situated at H/20 & H/26, S.I.T.E., Kotri, District Jamshoro, Sindh, Pakistan.

2 GOING CONCERN ASSUMPTION

The condensed interim financial statements of the company for the period ended 31 March 2021 reflects that the company has sustained a net loss after taxation of Rs. 302.209 million (2020: Rs.606.778 million) and as of that date the Company's negative reserves of Rs. 5,212.877 million (2020: Rs.4,608.829 million) have resulted in negative equity of Rs. 3,703.498 million (2020: Rs.3,401.289 million). Further the Company's short term borrowing facilities have expired and not been renewed. The Company is facing litigations with three of its lenders for repayment of liabilities through attachment and sale of Company's hypothecated / mortgaged properties and out of them one of the lender had also filed winding up petition under section 305 of repealed companies ordinance 1984 (section 301 of the Companies Act, 2017). The Company has defaulted in repayment of its restructured liabilities due to liquidity crunch faced by the Company following the adverse conditions of overall textile industry. Accordingly, the entire restructured liabilities alongwith mark-up eligible for waiver have become immediately repayable. Company, for the time being, has suspended its manufacturing operations since December 2015. These conditions indicate the existence of material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern, therefore, the Company may not be able to realise its assets and discharge its liabilities during the normal course of business.

The condensed interim financial statements have been prepared on going concern assumption as the Company approached its lenders for further restructuring of its liabilities, which is in process. Company is hopeful that such restructuring will be effective soon and will streamline the funding requirements of the Company which will ultimately help the management to resume the operations with optimum utilisation of production capacity. As the conditions mentioned in the foregoing paragraph are temporary and would reverse therefore, the preparation of condensed interim financial statement using going concern assumption is justified.

3 BASIS OF PREPARATION

- 3.1** These condensed interim financial statements of the Company have 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, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 3.2** These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial

4 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

- 4.1** The accounting policies and methods of computation adopted and applied in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2020.

4.2 Application of new and revised International Financial Reporting Standards

4.2.1 Standards, amendments to standards and interpretations becoming effective in future periods

There are certain new standards, amendments to existing standards and new interpretations on approved accounting standards that became effective during the period and are mandatory for accounting periods of the Company beginning on or after July 01, 2020 but are considered not to be relevant or not to have any material effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

4.2.2 Standards, amendments to standards and interpretations becoming effective during the period

There are certain new standards, amendments to standards and interpretations that will become effective in future accounting periods but are considered not to be relevant or not to have any material effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

5 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 5.1 The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.
- 5.2 Judgements and estimates made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended June 30, 2020.
- 5.3 The Company's financial risk management objectives and policies are consistent with those objectives and policies which were disclosed in the financial statements of the Company for the year ended June 30, 2020

	(Un-Audited) July-Mar 2021	(Audited) Jun 30, 2020
	----- (Rupees) -----	
6 REVENUE RESERVES		
General reserves	333,000,000	333,000,000
Accumulated losses	(5,212,877,268)	(4,941,829,473)
	<u>(4,879,877,268)</u>	<u>(4,608,829,473)</u>
7 CONTINGENCIES AND COMMITMENTS		

There has been no significant change in the contingencies and commitments since the last audited financial statements for the year ended June 30, 2020.

	July-Mar 2021	30 June 2020
	----- (Rupees) -----	
8 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets		
Capital work in progress - At cost	8.1 1,416,451,367	1,506,064,338
	<u>10,305,389</u>	<u>10,305,389</u>
	<u>1,426,756,756</u>	<u>1,516,369,727</u>
8.1 Operating fixed assets		
Opening net book value (NBV)		
Disposal (NBV) during the period / year	1,506,064,338	1,641,420,940
Depreciation charged for the period / year	-	-
Closing net book value (NBV)	<u>(89,612,971)</u>	<u>(135,356,602)</u>
	<u>1,416,451,367</u>	<u>1,506,064,338</u>
9 LONG TERM INVESTMENT		

Investment in associate

Dewan Salman Fibre Limited

- 9.1 Associate is an entity over which the Company has significant influence but no control. Company's investee company is considered to be its associate by virtue of common directorship, member of Yousuf Dewan Companies

9.2 Investment in Dewan Salman Fibre Limited - at equity method

Number of shares held		
Cost of investment (Rupees)	104,288,773	104,288,773
Fair value of investment (Rupees)	<u>210,000,000</u>	<u>210,000,000</u>
Ownership interest	<u>91,774,120</u>	<u>91,774,120</u>
	<u>28.47%</u>	<u>28.47%</u>

- 9.3 Investment in associated company was made in accordance with the requirement of then effective Companies

Ordinance, 1984. As the Company's share of losses exceed its interest in the associate, the Company has discontinued recognising its share of further losses. Market value is based on last available quoted price as of February 19, 2018.

10 STOCK IN TRADE

- 10.1 Entire stock of raw material and finished goods is pledged with the banks against the financing facilities obtained by the Company

11 FINANCE COST AND MARK-UP ACCRUED

In addition to the non-provisioning of mark-up eligible for waiver as disclosed in annual financial statement for the year ended 30 June 2020, Company has not made the provision of mark-up for the period amounting to Rs.21.813 million (up to 30 June 2020: Rs.517.005 million) in respect of borrowings of certain banks who have not yet accepted the restructuring proposal. The management of the Company is quite hopeful that these banks will also accept restructuring proposal in near future. Had the provision been made the loss for the period would have been higher by 31.813 million and accrued mark-up would have been higher and shareholders' equity would have been lower by 548.818 million. The said non-provisioning is departure from the requirements of IAS 23 - 'Borrowing Costs'.

	(Un-Audited) July-Mar 2021	(Un-Audited) July-Mar 2020
	----- (Rupees) -----	
12 (LOSS) PER SHARE - Basic and diluted		
(Loss) after taxation	<u>(302,209,422)</u>	<u>(403,232,600)</u>
Weighted average number of shares	<u>46,064,609</u>	<u>46,064,609</u>
(Loss) per share - Basic and diluted (Rupees)	<u>(6.56)</u>	<u>(8.75)</u>

13 TRANSACTIONS WITH RELATED PARTIES

Related parties include associated group companies, director, executives. Key management personal and staff retirement funds. Details of transactions with related parties during the period other than those which have been disclosed elsewhere in these condensed interim financial statements are given below.

	July-Mar 2021	July-Mar 2020
	----- (Rupees) -----	
Staff retirement benefits	<u>70,034</u>	<u>69,264</u>

14 CORRESPONDING FIGURES

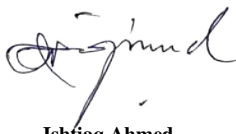
In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", balance sheet has been compared with the balances of annual financial statements, whereas profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial period

15 DATE OF AUTHORISATION FOR ISSUE

The condensed interim financial statements was authorized for issue on 26th April, 2021 by the Board of Directors of the Company.

16 GENERAL

Figures have been rounded off to the nearest rupee.



Ishfaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Maqbool Ali
Director

کردیا ہے۔ دوسری طرف، کپاس پاکستان کی ٹیکسٹائل انڈسٹری کے لئے بنیادی خام مال ہونے کی وجہ سے بنیادی لاگت کا بڑا حصہ ہے، خام کپاس کی قیمت میں مسلسل اضافہ ہو رہا ہے۔ سالانہ فصل کی کاشت میں مسلسل کمی کی وجہ سے، پاکستان کو اپنی طلب کو پورا کرنے کے لئے ہر سال تقریباً 4.5 ساڑھے چار ملین کپاس درآمد کرنا پڑتی ہے۔ پاکستان اسپننگ انڈسٹری نے پہلے ہی دنیا کے تمام خطوں سے بڑے پیمانے پر درآمدات کا معاہدہ کیا ہے اور اسی وجہ سے کپاس کی پیداوار پر قیمت یا مقدار میں ہونے والی نقل و حرکت پر نمایاں اثر پڑتا ہے۔

مستقبل کا نظریہ:

معاشی لچک اور بحالی کی علامت کے باوجود، خام کائون کی زیادہ درآمد، سٹیک یارن اور کائون یارن کی درآمد پر ریگولیٹری ڈیوٹی کا حالیہ خاتمہ، پلانٹ اور مشینری کی درآمد، ڈبل ہندسے کے امکان کی وجہ سے کرنٹ اکاؤنٹ پر کچھ دباؤ پڑ سکتا ہے۔ مالیاتی سال 2021 کے آخر کے دوران مہنگائی بالآخر اسٹیٹ بینک کو سود کی شرح میں اضافے پر مجبور کر سکتی ہے۔ یہ عوامل مختصر مدت میں زرمبادلہ کی شرح کو اوپر کی طرف بھی بڑھا سکتے ہیں۔ مزید یہ کہ بڑھتے ہوئے قرضہ جات، اخراجات میں اضافے، ٹیکسوں میں اضافے، بجلی اور گیس کی بڑھتی ہوئی قیمتوں کے چیلنجز سے سرمایہ کاروں کا اعتماد ختم ہو سکتا ہے۔ مزید یہ کہ، موجودہ سیاسی ماحول اور COVID-19 کی تیسری لہر کی وجہ سے لاک ڈاؤن پابندیوں میں اضافے کا خدشہ انتہائی متغیر ہے جہاں مثبت شرح زیادہ ہندسوں کے گرومنڈ لارہی ہے اور مستقبل کشیدگی سخت اقدامات کا باعث بن سکتا ہے جس سے شرح نمو متاثر ہو سکتی ہے۔

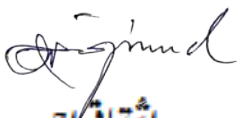
نتیجہ:

نتیجہ کے حوالے سے ہم اللہ تعالیٰ رحمن و رحیم سے دعا کرتے ہیں وہ اپنے حبیب حضرت محمد ﷺ کے طفیل اپنی رحمت، ہدایات اور فضل و کرم ہم پر اسی طرح قائم رکھے جو کہ نہ صرف ہم پر بلکہ ہماری کمپنی اور ہمارے ملک پر بھی اپنی رحمت نازل کرے، ہم اللہ تعالیٰ سے یہ بھی دعا کرتے ہیں کہ تمام مسلم ائمہ کے مابین صحیح اسلامی جذبہ، اخوت اور بھائی چارگی پیدا کرے۔ آمین ثناء آمین۔

میرا پروردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)

بورڈ آف ڈائریکٹرز کی جانب سے


سید مقبول علی
ڈائریکٹر


اشتیاہ احمد
چیف ایگزیکٹو آفیسر

مورخہ: 26 اپریل 2021

ڈائریکٹرز رپورٹ

شروع کرتا ہوں اللہ تعالیٰ کے نام سے جو بڑا مہربان اور نہایت رحم والا ہے
اگر تم شکر ادا کرو گے تو میں تم پر (نعمتوں میں) ضرور اضافہ کروں گا (القرآن)

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز 31 مارچ 2021ء کو ختم ہونے والی نو ماہ کی مدت کیلئے کمپنیز ایکٹ 2017ء کے سیکشن 237 اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ کوڈ آف کارپوریٹ گورننس کی تعمیل کرتے ہوئے غیر میعاد عبوری مالیاتی حسابات پیش کرنے پر خوشی محسوس کر رہے ہیں۔

عملی نتائج (فیئری ہند):

(روپے)	زیر جائزہ سال کے دوران مالیاتی نتائج درج ذیل ہیں:
60,597,500	فروخت (صافی)
(145,944,723)	فروخت کی لاگت
(85,347,223)	خام خسارہ
(4,374,385)	آپریٹنگ اخراجات
(89,721,608)	آپریٹنگ خسارہ
(185,172,965)	مالیاتی لاگت
(39,133,875)	دیگر اخراجات
(314,028,448)	قبل از ٹیکس خسارہ
11,819,026	محصولات
(302,209,422)	بعد از ٹیکس خسارہ

اس سال بھی کمپنی کی صافی پیداواری فروخت پیداوار معطل ہونے کی وجہ سے صفر رہی۔ مالیاتی حسابات میں نظر آنے والی فروخت دراصل یارن اسٹاک کی فروخت ہے۔ کمپنی نے وقتی طور پر دسمبر 2015ء سے اپنی پیداوار کے عمل کو معطل کر دیا ہے جو کہ صنعت میں نا مساعد مشکلات، مارکیٹ میں طلب کی کمی اور کام چلانے کے لیے سرمایہ میں کمی کی وجہ سے ہے۔ مجموعی عبوری مالی بیانات تشویش کا اظہار کرتے ہوئے تیار کیئے گئے ہیں کیونکہ کمپنی نے اپنے قرض دہندگان سے اپنی ذمہ داریوں کی مزید تنظیم نو کے لئے رابطہ کیا ہے جو کہ جاری ہے۔ انتظامیہ کو امید ہے کہ جلد ہی اس طرح کی نظر ثانی کو حتمی شکل دے دی جائے گی جس سے کمپنی اپنے آپریٹنگ دوبارہ شروع کر سکے گی۔

دوران جائزہ مدت پاکستان کی معیشت مستحکم معاشی اشاروں کے ساتھ بہتری کی جانب گامزن رہی جبکہ اسٹیٹ بینک آف پاکستان نے موجودہ سال کے دوران اپنی ریٹیل جی ڈی پی گروتھ کی پیش گوئی کو 2 فیصد سے بڑھا کر 3 فیصد کر دیا۔ مختلف مالیاتی اور نگرانی کے اقدامات کے ذریعے حکومت نے مشکل وقتوں میں صنعتوں کے دباؤ کو کم کرنے کی کوشش کی جس کے باعث معیشت ترقی پسندانہ نتائج ظاہر کر رہی ہے اور وبائی امراض کے اثرات کو جزوی طور پر کم