

UN-AUDITED
QUARTERLEY ACCOUNTS
FOR THE PERIOD ENDED
MARCH 31, 2018



Mandviwalla Mauser Plastic Industries Limited

**MANDVIWALLA MAUSER PLASTIC INDUSTRIES LIMITED
COMPANY INFORMATION**

Board of Directors

Mr. Abdul Qadir Shiwani	Chairman /Director
Mr. Azeem H. Mandviwalla	Chief Executive/Director
Mrs. Shireen H. Mandviwalla	Director
Mr. Shamim Ahmed Khan	Director
Mr. Tariq Mehmood	Director
Mr. Masih ul Hassan	Director
Mr. S. Asghar Ali	Director

Board of Audit Committee

Mr. Tariq Mehmood	Member
Mr. Abdul Qadir Shiwani	Member
Mr. Shamim Ahmed Khan	Member

Company Secretary

Ms. Hina Ambreen

Bankers

Industrial Development Bank of Pakistan (IDBP)
MCB Bank Limited
SILK Bank Limited

Auditors

Ibrahim Shaikh & Co.
Chartered Accountant

Tax Consultants

Jamal Yousuf (Advocates)

Legal Advisor

Tasawur Ali Hashmi (Advocate)

Registered Office

Mandviwalla Building, Old Queens Road,
Karachi -74000.
Tel: 021-32441116-9 Fax 021-32441276
Website: www.mandviwallamauser.com
E-mail: mmpil@cyber.net.pk

Shares Registrar

Registrar THK Associates (Pvt.) Limited
1st Floor, 40 - C,
Block 6, P,E,C,H.S,
Karachi.

Factory

C-5, Uthal Industrial Estate,
Uthal, District Lasbella, Baluchistan.
Tel: 0853-610333, 0853-203218, Fax: 0853-610393

DIRECTORS REVIEW REPORT

The directors of your Company are pleased to present un-audited condensed financial statements of the Company for Nine months period ended March 31, 2018

Financial Results

A summary of the financial results is shown below:

As per un-audited financial statements	Rupees
Sales- Net	---
Gross Loss	(4,568,760)
Net profit/(loss) after taxation	(5,429,562)
Accumulated losses	(429,188,242)
Earning per share	(0.74)

Sales

The net sales revenue during the Half Year ended under review has Rs.NIL as compared to Period ended March 31, 2017, Rs NIL.

The closure of production process is mainly due to the severe declining security situation in Uthal, Baluchistan and the non-competitive nature of the location due to its geographical remoteness.

After tax profit/loss and accumulated losses

The loss after tax is witnessed at Rs. 5.429 million during the quarter period as compared to March 31, 2017 loss of Rs 4.908 million. The existing plant in Uthal, Baluchistan still remains unviable & needs to be relocated immediately.

Payments of debts

The liability of Industrial Development Bank of Pakistan has been restricted to Rs. 49.893 million as compared to 46.393 million (2016) by virtue of order/degree of high Court Sindh which resulted in substantial reduction of liability. The management is fully confident to settle liability of IDBP in near future.

Future Outlook

The company is in the process of shifting its plant approval has already been taken from the shareholders/Members and the company expects to complete the transaction by next financial year after taking necessary approval from our banker & financial institutions.

The company plans to re-start its production with the award winning Mauser L-Ring drum range, followed by its line of Industrial crates and boxes.



Azeem H. Mandviwalla
Chief Executive

On behalf of the Board of Directors



Abdul Qadir Shiwani
Chairman/Director

Karachi
Dated:

MANDVIWALLA MAUSER PLASTIC INDUSTRIES LIMITED

CONDENSED BALANCE SHEET (UNAUDITED)
AS AT MARCH 31, 2018

	Note	Unaudited March 31, 2018 Rupees	Audited June 30, 2017 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Operating fixed assets - at cost less accumulated depreciation		39,721,249	42,898,281
Assets in bond		19,705,171	19,705,171
Long term deposits		231,710	733,850
		59,658,130	63,337,302
CURRENT ASSETS			
Stores, spare and loose tools		9,545,904	9,545,904
Stock-in-trade		7,178,083	7,178,083
Trade debts - unsecured		109,805	109,805
Short term loans an advances-other receivables		1,175,519	1,174,027
Cash and bank balances		28,050	26,154
		18,037,361	18,033,973
CURRENT LIABILITIES			
Trade and other payables		106,845,401	106,845,299
Current portion of long term liabilities	4	44,893,000	44,893,000
Unclaimed dividend		2,208,846	2,208,846
Provision for taxation		25,534	25,534
		153,972,781	153,972,679
Net current assets/(current liabilities)		(135,935,420)	(135,938,706)
NON-CURRENT LIABILITIES			
Long term borrowing -secured	4	-	-
Long term borrowing -unsecured from directors	4	208,821,789	207,068,113
Deferred liabilities		5,866,947	5,866,947
		214,688,736	212,935,060
CONTINGENCIES AND COMMITMENTS			
	5		
NET ASSETS		<u>(290,966,026)</u>	<u>(285,536,464)</u>
SHARE CAPITAL AND RESERVES			
Authorized capital			
7,500,000 (2006: 7,500,000) ordinary shares of Rs.10/- each		<u>75,000,000</u>	<u>75,000,000</u>
Issued, subscribed and paid-up capital			
Issued, subscribed and paid-up capital		73,554,000	73,554,000
Subordinated loans		64,668,216	64,668,216
Accumulated losses carried forward		(429,188,242)	(423,758,680)
NET SHAREHOLDERS' EQUITY		<u>(290,966,026)</u>	<u>(285,536,464)</u>

The annexed notes form an integral part of these accounts.


Chief Executive


Director


Chief Financial Officer

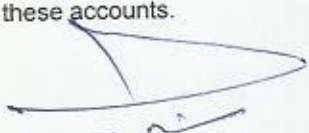
MANDVIWALLA MAUSER PLASTIC INDUSTRIES LIMITED

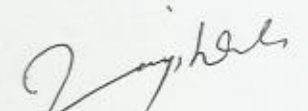
CONDENSED PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE QUARTER ENDED MARCH 31, 2018

	Nine Months		Quarter Ended	
	March, 31 2018 Rupees	March, 31 2017 Rupees	March, 31 2018 Rupees	March, 31 2017 Rupees
Sales - net	-	-	-	-
Cost of goods sold	6 4,568,760	4,489,566	1,528,110	1,573,189
Gross profit	(4,568,760)	(4,489,566)	(1,528,110)	(1,573,189)
Operating expenses				
Administrative expenses	(859,439)	(418,707)	(285,425)	(79,893)
Selling and distribution expenses	-	-	-	-
	(859,439)	(418,707)	(285,425)	(79,893)
Other income	-	-	-	-
Operating profit/(loss)	(5,428,199)	(4,908,273)	(1,813,535)	(1,653,082)
Financial and other charges	(1,363)	-	-	-
Profit/(loss) before taxation	(5,429,562)	(4,908,273)	(1,813,535)	(1,653,082)
Taxation	-	-	-	-
Profit/(loss) after taxation	(5,429,562)	(4,908,273)	(1,813,535)	(1,653,082)
Earnings per share - basic	<u>(0.74)</u>	<u>(0.67)</u>	<u>(0.25)</u>	<u>(0.22)</u>

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Chief Executive


Director


Chief Financial Officer

MANDVIWALLA MAUSER PLASTIC INDUSTRIES LIMITED

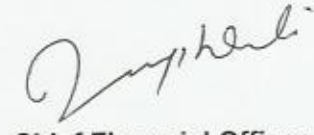
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED March 31, 2018

	Nine Months Ended		Quarter Ended	
	March 31, 2018 Rupees	March 31, 2017 Rupees	March 31, 2018 Rupees	March 31, 2017 Rupees
Loss for the period	(5,429,562)	(4,908,273)	(1,813,535)	(1,653,082)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	<u>(5,429,562)</u>	<u>(4,908,273)</u>	<u>(1,813,535)</u>	<u>(1,653,082)</u>

The annexed notes form an integral part of these accounts.


Chief Executive


Director


Chief Financial Officer

MANDVIWALLA MAUSER PLASTIC INDUSTRIES LIMITED


CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2018

	Issued, Subscribed and Paid-up Capital	Subordinated loan	Accumulated Losses	Net shareholders' equity
	Rupees	Rupees	Rupees	Rupees
Balance as at July 1, 2016	73,554,000	64,668,216	(394,798,211)	(256,575,995)
Net profit/ (loss) for the period	-	-	(4,908,273)	(4,908,273)
Balance as at March 31, 2017	<u>73,554,000</u>	<u>64,668,216</u>	<u>(399,706,484)</u>	<u>(261,484,268)</u>
Balance as at July 1, 2017	73,554,000	64,668,216	(423,758,680)	(285,536,464)
Total comprehensive loss for the period	-	-	(5,429,562)	(5,429,562)
Increase in subordinated loan	-	-	-	-
Balance as at March 31, 2018	<u>73,554,000</u>	<u>64,668,216</u>	<u>(429,188,242)</u>	<u>(290,966,026)</u>

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


Chief Executive


Director


Chief Financial Officer

MANDVIWALLA MAUSER PLASTIC INDUSTRIES LIMITED

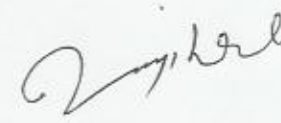
**CONDENSED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2018**

	Un-audited March 31, 2018 Rupees	Un-audited March 31, 2017 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	(5,429,562)	(4,908,273)
Adjustment for non-cash charges and other items:		
Depreciation on operating assets	3,177,032	3,534,281
Provision for staff gratuity	-	-
(Gain)/ loss on disposal of property plant and equipment	1,363	-
Financial and other charges	3,178,395	3,534,281
Cash flows from operating activities before working capital changes	(2,251,167)	(1,373,992)
Working capital changes		
(Increase)/decrease in current assets		
Stores, spare and loose tools	-	-
Stock-in-trade	-	-
Trade debts	(1,492)	-
short term Loans and advances-Other receivables	(1,492)	-
Increase/(decrease) in current liabilities		
Creditors, accrued and other liabilities	102	178,992
	102	178,992
Income tax paid	-	-
Staff gratuity paid	(1)	-
Employees' compensated absences paid	-	-
Financial charges paid	(1,363)	-
	(1,364)	-
Net cash inflow / (outflow) from operating activities	(2,253,921)	(1,195,000)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure paid	-	-
Sale proceed of fixed assets	-	-
Net (increase)/decrease in long term deposits	502,140	-
Net cash inflow / (outflow) from investing activities	502,140	-
CASH FLOW FROM FINANCING ACTIVITIES		
Liabilities against assets subject to finance lease	-	-
Morhaba fiance	-	-
Short term finance from directors	1,753,676	1,195,000
Net cash inflow / (outflow) from financing activities	1,753,676	1,195,000
Net increase / (decrease) in cash and cash equivalents	1,896	-
Cash and cash equivalents at beginning of the period	26,154	25,154
Cash and cash equivalents at the end of the period	7 <u>28,050</u>	<u>25,154</u>

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


Chief Executive


Director


Chief Financial Officer

MANDVIWALLA MAUSER PLASTIC INDUSTRIES LIMITED

**SELECTED NOTES TO THE ACCOUNTS (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2018**

1 STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan on June 13, 1988, as a public limited company. The company is listed on the Pakistan Stock Exchanges. The company is mainly engaged in manufacturing and sale of plastic and allied products. The registered office of the company is situated at Mandviwalla Building, Old Queens Road, Karachi. The Plant is Located at C-5, Uthal Industrial Estate, Uthal, District Lasbella, Baluchistan.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. As per the requirement of Circular No. CLD/ CCD / ER (11) 2017 dated July 20, 2017 and Circular number. 23 of 2017 dated October 04, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP), the Company has Prepared these Financial Statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the ordinance) accordingly approved accounting standards of Interim Financial Reporting comprising of international Accounting Standard -34, 'Interim Financial Reporting' and provisions of and directives issued under the ordinance. In case requirements differ, the provisions of or directives issued under the Ordinance prevail.

The accounting policies and the methods of computation followed in the preparation of quarter financial statements financial statements are the same as those of the published annual financial statements for the year ended June 30, 2017

These financial statements are un-audited and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017. However, a limited scope review of these interim financial statements has been performed by the external auditors of the company in accordance with the requirements of clause (xxi) of the Code of Corporate Governance and they have issued their review report thereon.

3 GOING CONCERN ASSUMPTION

The company has incurred a net loss of Rs. 5.43 million for the nine month ended March 31, 2012 and as of that date the accumulated losses comes to Rs. 429.188 million, thus causing net capital deficiency of Rs. 290.966 million. Furthermore, the current liability have exceeded current assets by Rs. 135.935 million.

However, the Management is of the view that the company will be able to continue as a going concern as the management is making every possible effort to put the company on the track of profitable operations. The sponsors of the company have also committed to standby and support the company in every possible manner in these difficult times. The sponsors have also injected funds into the company to repay its old outstanding debts.

	Note	Mar. 31, 2018 Rupees	Jun. 30 2017 Rupees
4 LONG-TERM LOANS			
As at July 1,2017		99,133,650	99,133,650
Waived/reversed	4.1	(54,240,650)	(54,240,650)
Repayment		-	-
		44,893,000	44,893,000
Current maturity and over dues		44,893,000	44,893,000
From Directors and Others unsecured and non-interest bearing		168,631,495	204,775,154
		<u>168,631,495</u>	<u>294,561,154</u>

4.1

This amount represents the waiver/reversal of loan through order given by High Court of Sindh in respect of outstanding loan liability of Industrial Development Bank of Pakistan. The waiver given is under State Bank of Pakistan BPD Circular Letter No. 29 dated October 15, 2002, and has been disclosed as per the Circular No. 09/2005 dated October 27, 2005 of Institute of Chartered Accountants of Pakistan and to be disclosed until the entire liability of IDBP is repaid / extinguished.

5 CONTINGENCIES AND COMMITMENTS

5.1 Capital commitments

NIL

NIL

5.2 Contingencies

5.2.1 Wash basin Moulds

The company has filed two suits 32/92 for Rs. 84.509 million against the Customs Authority for damaging the wash basin mould during illegal detention. These suits were dismissed and the company has filed an appeal against these judgments in the Sindh High Court which is still pending.

A suit No 768/93 is also pending in the High Court of Sindh against the EFU General Insurance Company for refusing payments of claim for damage to the wash basin mould. The amount of claim and mark-up thereon (as claimed) comes to Rs. 48.770 million.

5.2.2 Industrial Development Bank of Pakistan

According to the order of the High Court of Sindh dated January 27, 2006, the settlement agreement have reached between IDBP and the company, and the liability towards the company in respect of IDBP stands to the extent of Rs. 49.393 million. The company is required to pay 10% down payment towards settled amount and to repay balance amount according to the revised repayment schedule. Till the authorization of these financial statements, the company has paid Rs. 3.0 million to IDBP towards Industrial Development Bank of Pakistan vide advertisement dated: Feb 03 , 2012 in the daily dawn newspaper has announced the "Properties for Sale" as: separate offers on " AS IS WHERE IS" basis are invited for the sale of following properties being in Execution No. 59/2006 (I.D.B.P. Versus Mandviwala Mauser Plastic Industries).

(i) Plot bearing No. C-5, admeasuring 5 acres or thereabouts, together with buildings, factories, structures including fixtures and fittings and plants, machinery, equipments thereon, situated at Uthal Industrial Estate, District Lasbella, Sub-district and City of Bella. Total assessed value of property Rs. 93,801,525/- and Forced Sales Value Rs. 50.00 million.

(ii) 460,000 shares of Rs. 10/- each pledged with I.D.B.P.

(iii) Hyothecated plastic goods etc. lying at plot bearing No. C-5, situated at Uthal Industrial Estate, District Lasbella, Sub-district and City of Bella.

Included in creditors, accrued and other liabilities, the company has not provided for additional tax on third party tax liability amounting to Rs.3.723 million as at March 31, 2011 to be levied under section 205 of Income Tax Ordinance, 2001 as mentioned in note 19.1.2 to the audited financial statements for the year ended June 30, 2010. The company believes that the said amount will be paid.

	Ninth Months Ended		Quarter Ended	
	Mar. 31 2018 Rupees	Mar. 31 2017 Rupees	Mar. 31 2018 Rupees	Mar. 31 2017 Rupees
	----- Unaudited -----			
6 COST OF GOODS SOLD				
Raw materials consumed	-	-	-	-
Salaries, wages and other benefits	1,605,783	1,195,000	540,451	475,000
Traveling Conveyance and vehical running Expenses	-	-	-	-
Other manufacturing expenses	-	-	-	-
Depreciation	2,962,977	3,294,566	987,659	1,098,189
Cost of goods manufactured	4,568,760	4,489,566	1,528,110	1,573,189
Finished goods				
Opening stock	5,755,309	5,755,309	5,755,309	5,755,309
Closing stock	(5,755,309)	(5,755,309)	(5,755,309)	(5,755,309)
Export rebate	-	-	-	-
	<u>4,568,760</u>	<u>4,489,566</u>	<u>1,528,110</u>	<u>1,573,189</u>

	Mar. 31 2018 Rupees	Mar. 31 2017 Rupees
7 CASH AND CASH EQUIVALENTS		
Cash and bank balances	28,050	26,154
Book overdraft (included in other liabilities)	-	-
	<u>28,050</u>	<u>26,154</u>

8 GENERAL

8.1 Figures have been rounded to the nearest rupee.

8.2 These financial statements were authorized for issue on 07-02-19 by the Board of Directors of the Company.


Chief Executive


Director


Chief Financial Officer