



QUARTERLY REPORT AND ACCOUNT

SEPTEMBER 30, 2020
(UNAUDITED)

Pakistan Pvc Limited

PAKISTAN PVC LIMITED

DIRECTOR'S REPORT TO THE SHAREHOLDERS


On behalf of my colleagues on the Board, I present the unaudited accounts for the 1st quarter ended September 30, 2020.

As in the rest of the world, COVID-19 adversely affected lifestyles and business operations in Pakistan. The Company complied with the Standard Operating Procedures (SOPs) prescribed by Federal and Provincial Governments. Sales and production activities were affected during lockdowns, however, the factory reopened after necessary permissions to produce orders for exports and essential services. The Company remained up to date in all its financial commitments. The Management believes that the going concern assumption of the Company remains valid.

The financial position of your company during the quarter ended September 30, 2020 further deteriorated due to financial charges, idle cost and depreciation. As reported previously, Gharo Plant remains closed and there was no production during the period under review. Your management hopes that all old disputes can be resolved amicably.

The lower production of PVC Pipes & Fittings at Islamabad is due to shortage of fund and the prevailing economic conditions in the country. Sales during the period under review increased to Rs. 0.754 million as compared to Rs. 2.613 million of the same period last year. During the period under review your company sustained a loss of Rs. 2.217 million as compared to net loss of Rs. 3.530 million for the same period last year.

I want to repeat my words that unless and until your Gharo Plant goes into production no fruitful result can be achieved.



(ARIF SHAFFI)
Chief Executive

Karachi: October 29, 2020

پاکستان پی وی سی لمیٹڈ شیئر ہولڈرز کے لیے ڈائریکٹرز کی رپورٹ

بورڈ میں اپنے ساتھیوں کی جانب سے، میں آپ کے سامنے 30 ستمبر 2020 کو اختتام پذیر ہونے والی پہلی سہ ماہی کے لیے غیر آڈٹ شدہ اکاؤنٹس پیش کر رہا ہوں۔

باقی دنیا کی طرح، COVID-19 نے پاکستان میں طرز زندگی اور کاروباری کاموں کو بری طرح متاثر کیا۔ کمپنی نے وفاقی اور صوبائی حکومتوں کے ذریعہ تجویز کردہ معیاری آپریٹنگ طریقہ کار (SOPs) کی تعمیل کی۔ لاک ڈاؤن کے دوران فروخت اور پیداواری سرگرمیاں متاثر ہوئیں، تاہم، برآمدات اور ضروری خدمات کے آرڈر تیار کرنے کے لئے ضروری اجازت نامے کے بعد فیکٹری دوبارہ کھولی۔ کمپنی اپنے تمام مالی وعدوں میں تازہ ترین رہی۔ مینجمنٹ کا خیال ہے کہ کمپنی کی جاری تشویش کا مفروضہ درست ہے۔

30 ستمبر 2020 کو اختتام پذیر ہونے والی سہ ماہی کے دوران آپ کی کمپنی کی مالی حالت مزید خراب ہوئی جس کی وجہ مالیاتی چارجز، غیرفعالیت اور قدر میں کمی جیسے عناصر بنے۔ جیسا کہ پہلے بتایا جا چکا ہے، گھارو پلانٹ بند رہا تھا جس کی وجہ سے زیر جائزہ مدت کے دوران کسی قسم کی پیداوار نہیں ہوئی۔ آپ کی کمپنی انتظامیہ پر امید ہے کہ تمام تر پرانے تنازعات دوستانہ انداز میں حل کیے جا سکتے ہیں۔

فٹنڈز کی قلت اور ملک میں جاری موجودہ معاشی صورتحال کی وجہ سے اسلام آباد میں پی وی سی پائپوں اور فٹنگز کی کم پیداوار ہوئی۔ زیر جائزہ مدت کے دوران فروخت کا حجم گذشتہ سال اسی مدت کے دوران ہونے والی 2.613 ملین روپے کی نسبت 0.754 ملین روپے رہا۔ زیر جائزہ مدت کے دوران آپ کی کمپنی کو 2.217 ملین روپے کا نقصان ہوا جو کہ گذشتہ سال اسی عرصے کے دوران خالص 3.530 ملین روپے تھا۔

میں اپنے الفاظ کو دوبارہ دہرانا چاہتا ہوں کہ جب تک آپ کا گھارو پلانٹ پیداوار نہیں شروع کرے گا تب تک کوئی بار آور نتیجہ حاصل نہیں کیا جا سکتا۔

(عارف شفیع)
چیف ایگزیکٹو

کراچی، 29 اکتوبر 2020

PAKISTAN PVC LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Sept. 30, 2020	June 30, 2020		Sept. 30, 2020	June 30, 2020
Note	-----Rupees-----		Note	-----Rupees-----	
SHARE CAPITAL AND RESERVES			NON CURRENT ASSETS		
Authorized capital 15,000,000 (June 30, 2019 : 15,000,000) ordinary shares of Rs. 10/- each	150,000,000	150,000,000	Property, plant and equipment	173,417,747	174,805,405
Issued, subscribed and paid up capital	149,580,000	149,580,000	Long term investments	142,500	142,500
Accumulated loss	(503,759,407)	(501,636,103)			
Surplus on revaluation of fixed assets	162,840,595	164,024,343			
	(191,338,812)	(188,031,761)			
NON CURRENT LIABILITIES			CURRENT ASSETS		
Long term financing	-	-	Stock in trade	856,293	730,572
CURRENT LIABILITIES			Trade debts	873,411	748,914
Trade and other payables	90,463,370	90,462,886	Loans and advances	257,197	146,499
Unclaimed Dividend	45,980	45,980	Trade deposits	100,000	100,000
Accrued interest / markup	200,948,749	199,139,004	Other receivables	638,978	692,557
Short term borrowings	41,427,526	41,122,646	Tax refunds due from Government	2,283,066	2,232,224
Current portion of long term financing	32,991,000	32,991,000	Cash and bank balances	74,545	32,337
Provision for taxation - net	4,105,921	3,901,251			
	369,982,546	367,662,767		5,083,488	4,683,102
CONTINGENCIES AND COMMITMENTS				178,643,735	179,631,007
	178,643,735	179,631,007		178,643,735	179,631,007

The annexed notes from 1 to 4 form an integral part of these financial statements.



Arif Shaffi
CHIEF EXECUTIVE



Mohammad Shaffi
DIRECTOR



Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

		Sept. 30, 2020	Sept. 30, 2019
	Note	-----Rupees-----	
Sales	23	754,308	2,613,126
Cost of sales	24	(5,007,751)	(6,823,081)
Gross loss		(4,253,443)	(4,209,955)
Other income	25	5,510,678	4,691,979
Distribution cost	26	(416,536)	(541,644)
Administrative expenses	27	(1,248,336)	(1,660,293)
Other operating expenses	28	-	-
Finance costs	29	(1,809,744)	(1,809,744)
Loss before taxation		(2,217,381)	(3,529,657)
Taxation	30	(1,089,670)	(1,076,716)
Loss for the year		(3,307,051)	(4,606,373)
Loss per share - basic and diluted	31	(0.22)	(0.31)

The annexed notes from 1 to 39 form an integral part of these financial statements.



Arif Shaffi
CHIEF EXECUTIVE



Mohammad Shaffi
DIRECTOR



Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Sept. 30, 2020	Sept. 30, 2019
Note	-----Rupees-----	
Loss for the year	(3,307,051)	(4,606,373)
Items that will not be subsequently reclassified to statement of profit or loss		
Gain on revaluation of land and buildings	-	-
Impact of deferred tax	-	-
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	(3,307,051)	(4,606,373)

The annexed notes from 1 to 39 form an integral part of these financial statements.



Arif Shaffi
CHIEF EXECUTIVE



Mohammad Shaffi
DIRECTOR



Asif Shaffi
CHIEF FINANCIAL OFFICER


PAKISTAN PVC LIMITED
STATEMENT CASH FLOWS
FOR THE QUARTER ENDED SEPTEMBER 30, 2020


	Sept. 30, 2020	Sept. 30, 2019
-----Rupees-----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(2,217,381)	(3,529,657)
<i>Adjustments for :</i>		
Depreciation	1,387,658	1,545,945
Accrued Interest	-	-
Credit balances charged to other income	-	-
Debit balances written off	-	-
Finance cost	1,809,744	1,809,744
Staff retirement benefits - gratuity	-	-
Rental income	(5,510,678)	(4,691,979)
Operating cash flows before changes in working capital	(4,530,657)	(4,865,947)
(Increase) / decrease in current assets		
Stock in trade	(125,721)	(125,543)
Trade debts	(124,496)	(258,568)
Loans and advances	(110,698)	823,579
Tax refunds due from Government	(50,842)	(84,818)
Increase/ (decrease) in current liabilities		
Trade and other payables	(456,917)	(803,315)
	(868,674)	(448,665)
Net cash used in operation	(5,399,331)	(5,314,612)
Income tax paid	(885,000)	(66,309)
Finance cost paid	-	-
Gratuity Paid	-	-
	(885,000)	(66,309)
Net cash used in operating activities	(6,284,331)	(5,380,921)
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment acquired	-	-
Rent received	6,021,657	5,735,718
Net cash generated from investing activities	6,021,657	5,735,718
CASH FLOWS FROM FINANCING ACTIVITIES *		
Short term borrowings - net	304,880	(197,970)
Net cash generated from /(used) in financing activities	304,880	(197,970)
Net (decrease) / increase in cash and cash equivalents	42,206	156,828
Cash and cash equivalent at the beginning of the year	32,337	58,510
Cash and cash equivalent at the end of the year	74,543	215,337

* No non-cash items are included in these activities.

The annexed notes from 1 to 39 form an integral part of these financial statements.


Arif Shaffi
CHIEF EXECUTIVE


Mohammad Shaffi
DIRECTOR


Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Issued, subscribed and paid up capital	Revenue Reserve Accumulated loss	Capital Reserve Revaluation Surplus	Total
	-----Rupees-----			
Balance as at July 1, 2019	149,580,000	(491,138,135)	169,285,442	(154,793,640)
Transfer from surplus on revaluation on account of incremental depreciation	-	5,261,099	(5,261,099)	-
Total comprehensive loss for the year ended June 30, 2019	-	-	-	-
Loss for the year ended June 30, 2020	-	(15,759,067)	-	(17,479,053)
Other comprehensive income / (loss) for the year ended June 30, 2020	-	-	-	-
Balance as at July 1, 2020	149,580,000	(501,636,103)	164,024,343	(188,031,760)
Transfer from surplus on revaluation on account of incremental depreciation	-	1,183,747	(1,183,747)	-
Total comprehensive loss for the year ended September 30, 2020	-	-	-	-
Loss for the year ended September 30, 2020	-	(3,307,051)	-	(3,307,051)
Other comprehensive income / (loss) for the year ended September 30, 2020	-	-	-	-
Balance as at September 30, 2020	149,580,000	(503,759,407)	162,840,595	(191,338,812)

The annexed notes from 1 to 39 form an integral part of these financial statements.

NOTES TO THE ACCOUNTS

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

- 1 These accounts are un-audited and are being submitted to the shareholders as required by SRO 764(1)/2001 dated November 5, 2001 issued by the Securities & Exchange Commission of Pakistan.
- 2 The accounting policies adopted for the preparation of these accounts are the same as those applied for preparation of the preceding annual published accounts of the company.
- 3 Provision for income-tax have been made on a quarterly basis. These are subject to change on final results.
- 4 Figures of previous year have been re-arranged where ever necessary for the purpose of comparison.


Arif Shaffi
CHIEF EXECUTIVE


Mohammad Shaffi
DIRECTOR


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