

SUHAIL JUTE MILLS LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2019 (UN-AUDITED)

	Nine months ended (UN-AUDITED) 31.03.2019 Rupees	Year ended (AUDITED) 30.06.2018 Rupees
SHARE CAPITAL AND RESERVES		
Share capital	43,328,190	43,328,190
Reserves	(793,594,411)	(767,268,915)
Surplus on revaluation of fixed assets	1,339,428,248	1,342,300,767
Merger reserve	196,362,085	196,362,085
	785,524,112	814,722,127
LIABILITIES		
Staff retirement benefits	5,720,034	5,720,034
Short term borrowings	369,123,721	351,467,670
Trade and other payables	166,824,418	158,503,488
Accrued markup	54,086,276	54,086,276
	595,754,449	569,777,468
CONTINGENCIES AND COMMITMENTS		
	1,381,278,562	1,384,499,596
ASSETS		
Cash and bank balances	153,396	227,223
Short term investment	3,706,805	3,523,577
Advances deposits and prepayments	5,304,438	5,216,800
Stores and spare parts	1,937,657	1,937,657
Stock in trade	824,389	824,389
Long term investment	190,000	190,000
Long term security deposits	262,482	262,482
Property, plant and equipment	1,368,899,395	1,372,317,468
	1,381,278,562	1,384,499,596

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

Rawalpindi

CHIEF EXECUTIVE

DIRECTOR

SUHAIL JUTE MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

	Nine Months ended 31.03.2019 Rupees	31.03.2018 Rupees	Quarter ended 31.03.2019 Rupees	31.03.2018 Rupees
SALES				
COST OF SALES				
GROSS LOSS				
ADMINISTRATIVE EXPENSES	(25,253,635)	(24,143,207)	(8,755,684)	(7,713,534)
FINANCE COST	(5,119,998)	(2,910,685)	(1,673,947)	(949,782)
OTHER OPERATING INCOME	1,175,617	351,268	-	-
LOSS BEFORE TAXATION	(29,198,016)	(26,702,624)	(10,429,631)	(8,663,316)
TAXATION				
NET LOSS AFTER TAXATION	(29,198,016)	(26,702,624)	(10,429,631)	(8,663,316)
(LOSS) PER SHARE	(6.75)	(6.17)	(2.41)	(2.00)

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

Rawalpindi

CHIEF EXECUTIVE

DIRECTOR

SUHAIL JUTE MILLS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

	Nine Months ended		Quarter ended	
	31.03.2019 Rupees	31.03.2018 Rupees	31.03.2019 Rupees	31.03.2018 Rupees
LOSS FOR THE PERIOD AFTER TAXATION	(29,198,016)	(26,702,624)	(10,429,631)	(8,663,316)
OTHER COMPREHENSIVE INCOME				
Actuarial gain on re-measurement of staff benefits				
TOTAL COMPREHENSIVE (LOSS)	(29,198,016)	(26,702,624)	(10,429,631)	(8,663,316)

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

Rawalpindi.


CHIEF EXECUTIVE


DIRECTOR

SUHAIL JUTE MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

	Nine months ended	
	31.03.2019 Rupees	31.03.2018 Rupees
Cash flows from operating activities		
Loss before taxation	(29,198,016)	(26,702,624)
Adjustments for non cash items		
Gain on sale of motor vehicle	(1,175,617)	(279,268)
Depreciation	3,373,691	3,547,874
	(26,999,942)	(23,434,018)
Working capital changes (Increase) / decrease in current assets		
Stores and spare parts	(87,638)	2,786
Advances, deposits, prepayments and other receivables	8,506,106	8,887,680
Increase/(decrease) in current liabilities	8,418,468	8,914,123
Trade and other payables	(18,581,474)	(14,519,895)
Cash used in operations	(185,176)	(134,138)
Taxes paid	(18,766,650)	(14,654,033)
Cash flow from investing activities		
Net cash used in operating activities	(183,228)	305,000
Short term investments	1,220,000	305,000
Sale proceeds from disposal of motor vehicle	1,036,772	305,000
Cash flow from financing activities		
Loan from director	17,656,051	14,655,240
Loan repaid		(300,000)
Net cash used in financing activities	17,656,051	14,355,240
Net decrease in cash and cash equivalents	(73,828)	6,207
Cash and cash equivalents at the beginning of the year	(158,582,605)	(158,648,303)
Cash and cash equivalents at the end of the period	(158,656,432)	(158,642,094)

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


CHIEF EXECUTIVE


DIRECTOR

SUHAIL JUTE MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

Particulars	Issued subscribed and paid up Share capital Rupees	Revenue reserve					Surplus on revaluation of fixed assets Rupees	Merger reserve Rupees	Total Rupees
		General reserves Rupees	Dividend equilisation reserve Rupees	Fair value reserve Rupees	Accumulated Loss Rupees	Total Rupees			
Balance as at June 30, 2017	37,450,000	3,380,000	7,490,000	1,251,607	(745,251,742)	(733,130,135)	1,315,194,265	202,240,275	821,754,405
Adjustments made for merger Shares issued against merger 1,087,819 shares @ Rs.10 each Shares cancelled 500,000 @ Rs.10 each	10,878,190 (5,000,000)					10,878,190 (5,000,000)			10,878,190 (5,000,000)
Adjustment against merger reserve					(38,389,475)	(38,389,475)		(5,878,190)	(38,389,475) (5,878,190)
Total comprehensive loss for the year					4,250,696	4,250,696			4,250,696
Revaluation gain							31,357,198		31,357,198
Effect of incremental depreciation							(4,250,696)		(4,250,696)
Balance as at June 30, 2018	43,328,190	3,380,000	7,490,000	1,251,607	(779,390,521)	(761,390,724)	1,342,300,767	196,362,085	814,722,127
Total comprehensive loss for the period					(29,198,016)	(29,198,016)			(29,198,016)
Gain on re-measurement of staff benefits plan							(2,872,519)		(2,872,519)
Effect of incremental depreciation							(805,716,018)		(787,716,221)
Balance as at March 31, 2019	43,328,190	3,380,000	7,490,000	1,251,607	(805,716,018)	(787,716,221)	1,339,428,248	196,362,085	785,524,112

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


CHIEF EXECUTIVE


DIRECTOR

SUHAIL JUTE MILLS LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE PERIOD ENDED MARCH 31, 2019

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated as a Public Limited Company under the Companies Act, 1913 (now Companies Act, 2017) with its shares quoted on Pakistan Stock Exchange. The Company is principally engaged in the business of manufacturing of its jute products.

The Registered Office of the Company is situated at 14-B, Civil Lines, Rawalpindi, while the production facilities are situated at Kahul River Railway Station, Mardan Road, Nowshera KPK.

Pursuant to the approval of the merger of (Colony) Sarhad Textile Mills Limited with and into Suhail Jute Mills Limited, the assets and liabilities of (Colony) Sarhad Textile Mills Limited stand merged with those of Suhail Jute Mills Limited.

2 BASIS OF PREPARATION

These financial statements are un audited and are being submitted to the shareholders as required under section 237 of Companies Act, 2017 and have been prepared with the requirement of the International Accounting Standard (IAS) - 34 International Financial Reporting. The Financial Statements are being presented on a "Realizable Basis" in the transitional period following the Merger referred to above.

3 STATEMENT OF COMPLIANCE

This condensed Interim Financial Information of the Company for the period ended 31 March, 2019 has been prepared in accordance with the requirements of the International Accounting Standard 34- Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

4 ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these financial statements are the same as those applied in preparation of preceding published financial statements of the Company for the year ended June 30, 2018.

5 TRADE AND OTHER PAYABLES

	31.03.2019 Rupees	30.06.2018 Rupees
Creditors	23,025,403	23,488,209
Accrued expenses	55,071,823	49,557,853
Security deposits	1,600	1,600
Advance from customers	3,400,000	3,400,000
Workers' profit participation fund	48,801,983	45,748,891
Workers welfare fund	269,503	269,503
Unclaimed dividend	384,359	384,359
Other taxes payable	254,059	219,246
Taxation	500,000	500,000
Others	2,937,497	2,938,864
Payable (retirement benefits)	32,178,191	31,994,963
	166,824,418	158,503,488

SUHAIL JUTE MILLS LIMITED

6 SHORT TERM BORROWINGS

	31.03.2019 Rupees	30.06.2018 Rupees
Secured from financial institution		
Faysal Bank	128,809,828	128,809,828
Al Baraka Bank	30,000,000	30,000,000
From Director	210,313,893	192,657,842
	369,123,721	351,467,670

7 PROPERTY PLANT AND EQUIPMENT

	31.03.2019 Rupees	30.06.2018 Rupees
Opening written down value	1,372,317,468	1,345,997,035
Disposal	(44,383)	(25,732)
Revaluation	-	31,357,198
	1,372,273,085	1,377,328,501
Depreciation for the period / year	3,373,691	5,011,033
	1,368,899,395	1,372,317,468

8 ADVANCES DEPOSITS PREPAYMENTS AND OTHER RECEIVABLES

	31.03.2019 Rupees	30.06.2018 Rupees
Advances - considered good		
-Employees	279,598	279,598
-Expenses	131,257	17,304
-Deposits	501,940	501,940
Prepayments	9,863	216,322
Sarhad Development Authority	2,550,000	2,550,000
Incomet tax writfield	1,831,780	1,646,604
Other receivables	-	5,032
	5,304,438	5,216,800

SUHAIL JUTE MILLS LIMITED

9 CASH AND BANK BALANCES

	31.03.2019 Rupees	30.06.2018 Rupees
Cash in hand	70,237	39,071
Cash at banks:		
- in current accounts	83,159	188,152
	<u>153,396</u>	<u>227,223</u>

10 RELATED PARTY TRANSACTIONS

Related parties comprise of Directors, key management, persons and entities over which Directors are able to exercise significant influence and employee funds. Following are related party transactions of the Company for the period:

	31.03.2019 Rupees	30.06.2018 Rupees
Gratuity expense charged	-	638,737
Suhail Farooq Shaikh (Chief Executive) Loan Received	17,556,051	22,391,880

11 DATE OF AUTHIRISATION OF ISSUE

The financial statements are authorised for issue on April 24, 2019 by the Board of Directors of the Company

12 FIGURES

Figures have been regrouped / rearranged wherever necessary. Figures have been rounded off to the nearest rupee.



Suhail

SUHAIL JUTE MILLS LIMITED

BRIEF REVIEW

We are pleased to submit the Condensed Interim Financial Information as at, and for the Nine months and Quarter ended 31 March 2019, to the Members of Suhail Jute Mills Limited.

The Company continues to be non-operational and its accounts are being presented on a realizable basis. The Administrative expenses being incurred are the expenses necessary to secure the valuable Land and Machinery of the Company. In the absence of any revenue the entire costs are being met from the personal resources of the Principal shareholder.

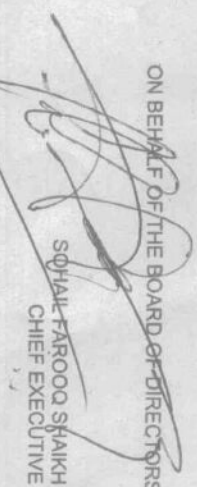
Administrative Expenses rose to RS 10.43 Million for the Quarter as compared to RS 8.663 Million in the corresponding quarter of last year. This resulted in a loss of RS. 2.41 per share as against RS 2.00 per share in the corresponding quarter of last year. The Loss before taxation for the 9 months also rose to 29.198 Million from 26.703 Million as compared with those incurred in the same period last year. This represents a loss per share of RS 6.75 as compared to a loss of RS 6.17 per share, in the same period last year. The increase in Costs are due to generally increasing inflationary pressures. Financial Costs also rose significantly in the period under review as compared to the same periods last year. The nine month period benefited by the gain on disposal of Fixed Assets (Motor Vehicle) to the tune of RS. 1.176 Million.

With the completion of the merger process, management is focused on the best available options to restructure the Company's finances. As envisaged in the Court sanctioned Merger Plan, it is planned to identify and dispose off surplus assets to repay creditors and secure initial working capital to revive manufacturing activity. The delays are largely attributable to the unforeseen delay in completing the Merger.

Whilst no payout is possible at this time, it is hoped that the company's financial restructuring will yield positive results in the future.

We thank all stakeholders for their continued support through these difficult times and once again urge all shareholders of the former (Colony) Sarhad Textile Mills Ltd to submit their shares along with their updated addresses and copies of CNICs so as to be issued their entitlement of Suhail Jute Mills Ltd. Shares.

ON BEHALF OF THE BOARD OF DIRECTORS



SUHAIL FAROOQ SHAIKH
CHIEF EXECUTIVE

RAWALPINDI
24 APRIL 2019