

DEWAN FAROOQUE SPINNING MILLS LIMITED

QUARTERLY REPORT

SEPTEMBER 30, 2020

DEWAN FAROOQUE SPINNING 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 first quarter ended September 30, 2020 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:

Company's net revenue for first quarter was Rs. 143.448 million as compared to net revenue of Rs. 118.819 million of the corresponding period of last year. Company has suffered gross loss of Rs. 9.256 million as compared to the gross loss of Rs. 26.372 million of comparable period of last year, whereas operating expenses of the company remained at Rs. 7.856 million as compared to Rs. 8.710 million of comparable period of last year. Due to working capital constraints, the company continued the production of yarn on contract basis to keep the company operational.

Overall economic position of the country has remained stable. After pandemic, the demand for Textiles started to show some positive improvement as all export orders which were on hold due to pandemic are being followed. Pakistan textile industry contributes more than 60 percent to the country's total exports. However currently this industry is facing challenges due to continues decline in its growth rate. Major reasons for this decline may include global recession, higher cost of production that includes but not limited to increase in energy costs, decline in cotton crop cultivation, dependence on imported cotton, costly labor, higher inflation, and overall economic slowdown. However, reduction in power crises, government subsidies to industries in the form of grants and low mark-up along with stability of dollar rate can outgrowth the economy.

These condensed interim financial statements have been prepared using going concern assumption as the conditions referred in note 2 are temporary and would reverse in foreseeable future. The company's operating cash flows are positive. The company production has increased as compared to similar period of last year due to certain capital expenditures incurred in preceding financial year, which also mitigate the risks involved. The company approached its lenders for further restructuring of its liabilities, which is in process. Therefore, the preparation of condensed interim financial statements using going concern assumption is justified.

Future Outlook

At present, it is difficult to compete in international market, due to increase in cost of doing business, inflation, and overall political & economic conditions. In order to bring economic stability, multiple strategies have been applied by the government by reducing markup rates, controlling exchange rate, release of tax refunds, stability in fuel price, continuous supply of power to export oriented sectors at concessionary rates to increase not only the exports but also to maintain forex reserves to make Pak Rupee competitive.

It is expected that these steps will help to improve the economic activity during remaining period of this financial year.

Conclusion

With grace of Allah Almighty, the management of the company will put its best endeavors to bring better results in forthcoming quarter. 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


Dewan Abdul Baqi Farooqui
Chief Executive Officer & Director


Syed Maqbool Ali
Director

Dated: October 23, 2020

دیوان قاروق اسپینگ ملز لمیٹڈ

ڈائریکٹرز رپورٹ

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

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز اختتامی مالیاتی سال 30 ستمبر 2020ء کو ختم ہونے والی پہلی سہ ماہی کیلئے کمپنیز ایکٹ 2017ء کے سیکشن 237 اور سیکیورٹیز 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 اور کارکردگی:

پہلی سہ ماہی کے دوران کمپنی کے خالص آمدنی میں مبلغ 143.448 ملین روپے کا اضافہ ہوا جس کا موازنہ گذشتہ سال کے خالص آمدنی مبلغ 118.819 ملین روپے سے کیا جاسکتا ہے۔ کمپنی کو مبلغ 9.256 ملین روپے کا مجموعی خسارہ ہوا جس کا موازنہ گذشتہ سال کی اسی مدت کے مجموعی خسارے مبلغ 26.372 ملین روپے سے کیا جاسکتا ہے جبکہ کمپنی کے عملی اخراجات مبلغ 26.372 ملین روپے رہے جس کا موازنہ گذشتہ سال کے اخراجات مبلغ 8.710 ملین روپے سے کیا جاسکتا ہے۔ ورکنگ کیپٹل کی رکاوٹوں کے باعث کمپنی کے آپریشن کو جاری رکھنے کیلئے کمپنی نے ٹھیکہ کی بنیاد پر کپاس کے پیداواری عمل کو جاری رکھا۔

ملک کی معاشی حالت مجموعی طور پر مستحکم ہے۔ کورونا وبا کے بعد ٹیکسٹائل کی طلب میں کچھ مثبت بہتری آنے لگی کیونکہ برآمدات کے تمام آرڈرز جو کورونا وبا کے باعث رُکے ہوئے تھے ان پر عمل کیا جا رہا ہے۔ پاکستان کی ٹیکسٹائل صنعت ملک کی مجموعی برآمدات میں 60 فیصد سے زائد شراکت کرتی ہے۔ تاہم فی الحال اس کی ترقی کی شرح میں مسلسل کمی کے باعث اس صنعت کو مشکلات کا سامنا ہے۔ اس کمی کی بڑی وجوہات میں عالمی کساد بازاری، پیداوار کی زیادہ لاگت جس میں توانائی کی قیمتوں میں اضافہ، کپاس کی فصل کی کاشت میں کمی، درآمد شدہ کپاس پر انحصار، مہنگی مزدوری، زیادہ افراط زر اور مجموعی معاشی سستگی شامل ہو سکتی ہے۔ تاہم توانائی کے بحران میں کمی، گرانٹ کی شکل میں صنعتوں کو سرکاری سبسڈی اور ڈالر کے نرخ میں استحکام کے ساتھ معیشت بہتر ہو سکتی ہے۔

یہ غیر میعاد عبوری مالیاتی حسابات تشویشی مفروضے کو استعمال کرتے ہوئے تیار کئے گئے ہیں کیونکہ نوٹ 2 میں مذکورہ شرائط عارضی ہیں اور مستقبل میں ان کے برعکس ہو سکتی ہیں۔ کمپنی کا آپرینٹنگ کیش فلو مثبت ہے۔ گذشتہ مالیاتی سال میں سرمایہ کاری

اخراجات کے باعث کمپنی کی پیداوار میں اضافہ ہوا جس کا موازنہ گذشتہ اسی عرصہ سے کیا جاسکتا ہے۔ کمپنی نے اپنے قرض دہندگان سے اپنی ذمہ داریوں کی مزید تنظیم نو کیلئے رابطہ کیا ہے جو عملی مراحل میں ہے۔ لہذا تشویشی مفروضے کا استعمال کرتے ہوئے عبوری مالیاتی حسابات کی تیاری جائز ہے۔

مستقبل کا نظریہ:

فی الحال کاروبار، لاگت میں اضافے اور مجموعی سیاسی اور معاشی حالات کے باعث بین الاقوامی مارکیٹ میں مقابلہ کرنا مشکل ہے۔ معاشی استحکام لانے کیلئے حکومت کی جانب سے مارک اپ ریٹ کو کم کرنے، زرمبادلہ کی شرح کو کنٹرول کرنے، ٹیکس ریفرنڈز جاری کرنے، فیول کی قیمت میں استحکام، رعایتی نرخوں پر نہ صرف برآمدات میں اضافہ کرنے بلکہ پاکستانی روپیہ کو مسابقتی بنانے کیلئے غیر ملکی کرنسی کے ذخائر کو بھی برقرار رکھنے کیلئے شعبوں کو بجلی کی مستقل فراہمی کیلئے متعدد حکمت عملیوں کا اطلاق کیا ہے۔

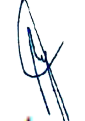
توقع کی جارہی ہے کہ ان اقدامات سے رواں مالی سال کی باقی مدت کے دوران معاشی سرگرمیوں کو بہتر بنانے میں مدد ملے گی۔

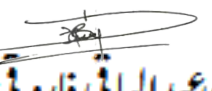
نتیجہ:

اللہ تعالیٰ کے فضل و کرم سے کمپنی کی انتظامیہ آئندہ ششماہی میں بہتر نتائج کیلئے اپنی پوری کوششیں جاری رکھے گی۔ 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 امہ کے مابین صحیح اسلامی جذبہ، اخوت اور بھائی چارگی پیدا کرے۔ آمین شہ آمین۔

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

بورڈ آف ڈائریکٹرز کی جانب سے


سید مقبول علی
ڈائریکٹر


دیوان عبدالباری فاروقی
چیف ایگزیکٹو آفیسر اینڈ ڈائریکٹر
مورخہ: 23 اکتوبر 2020ء

DEWAN FAROOQUE SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30TH SEPTEMBER 2020

	Notes	Un-Audited Sept 30, 2020	Audited June 30, 2020
(Rupees)			
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorized share capital 100,000,000 (2020: 100,000,000) Ordinary shares of Rs.10/- each		1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital		977,507,260	977,507,260
Revenue Reserve - Accumulated loss		(1,287,843,247)	(1,274,237,669)
Capital Reserve - Revaluation surplus on property, plant and equipment		1,026,246,908	1,036,652,377
		715,910,921	739,921,968
NON-CURRENT LIABILITIES			
Deferred Taxation		168,429,546	172,679,667
Deferred Liability for staff gratuity		11,666,465	10,498,831
CURRENT LIABILITIES			
Trade and other payables		115,919,103	139,513,136
Accrued mark-up		245,575,430	236,701,435
Short term borrowings		412,864,355	412,864,355
Overdue portion of long term liabilities		463,896,977	463,896,977
Provision for taxation		2,151,713	6,479,762
		1,240,407,578	1,259,455,665
CONTINGENCIES AND COMMITMENTS			
	6	-	-
		2,136,414,510	2,182,556,131
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	7	1,804,661,949	1,830,389,532
Right of assets use		45,338,096	46,500,611
Long term deposits		38,226,745	38,226,745
CURRENT ASSETS			
Stores & Spares		25,931,889	25,313,113
Stock-in-trade		361,003	361,003
Trade Debts- Unsecured, Considered Good		86,286,762	86,019,039
Loans and advances- Unsecured, Considered Good		22,420,858	22,310,710
Trade deposits and other receivables- Considered Good		78,529,818	75,759,620
Taxes recoverable		25,514,179	53,993,248
Cash and bank balances	8	9,143,211	3,682,510
		248,187,720	267,439,243
		2,136,414,510	2,182,556,131

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

DEWAN FAROOQUE SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER 2020

	Notes	July-Sept. 2020	July-Sept. 2019
		(Rupees)	
Sales / Revenue - Net		143,447,500	118,819,300
Cost of sales / revenue		(152,703,864)	(145,192,177)
Gross (loss)		<u>(9,256,364)</u>	<u>(26,372,877)</u>
Operating expenses			
Administrative expenses		(5,569,735)	(4,940,300)
Selling and distribution expenses		(2,286,007)	(3,769,211)
		<u>(7,855,742)</u>	<u>(8,709,511)</u>
Operating (loss)		(17,112,106)	(35,082,388)
Other charges			
Finance cost	9	(8,997,349)	(20,018,380)
Other income		-	-
		<u>(8,997,349)</u>	<u>(20,018,380)</u>
(Loss) before taxation		(26,109,455)	(55,100,768)
Taxation			
Current		(2,151,713)	(1,782,290)
Deferred		4,250,121	4,718,446
		<u>2,098,408</u>	<u>2,936,156</u>
(Loss) after taxation		<u>(24,011,047)</u>	<u>(52,164,612)</u>
(Loss) per share - Basic and diluted (Rupees)	10	<u>(0.25)</u>	<u>(0.53)</u>

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFIC


DIRECTOR

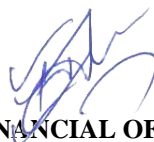
DEWAN FAROOQUE SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER 2020

	July-Sept. 2020	July-Sept. 2019
	(Rupees)	
(Loss) after taxation	(24,011,047)	(52,164,612)
Effect of change in tax rates on balance of revaluation on property, plant and equipment	-	-
Total comprehensive loss for the period	<u>(24,011,047)</u>	<u>(52,164,612)</u>

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



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

DEWAN FAROOQUE SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER 2020

	July-Sept. 2020	July-Sept. 2019
Note	(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(26,109,455)	(55,100,768)
Adjustments for non cash and other items:		
Depreciation	28,557,462	31,439,332
Financial charges	8,997,349	20,018,380
Provision for gratuity	1,733,006	1,350,861
Cash flow before working capital changes	13,178,362	(2,292,195)
Working Capital changes		
<i>(Increase)/ Decrease in current assets:</i>		
Stores & spares	(618,776)	264,691
Stock in trade	-	-
Trade debts	(267,723)	21,448,521
Loans & advances	(110,148)	(1,777,334)
Trade deposits & other receivables	(2,770,198)	(1,326,997)
<i>Increase/ (Decrease) in current liabilities:</i>		
Trade and other payables	(23,594,033)	3,548,213
Cash generated from /(used in) operations	(14,182,516)	19,864,899
Taxes paid - net of refund	21,999,307	(1,112,846)
Gratuity paid	(565,372)	(327,367)
Financial charges paid	(123,354)	(2,199,357)
	7,128,065	16,225,329
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(1,667,364)	(2,214,728)
Long term deposits	-	(81,500)
Net cash outflow from investing activities	(1,667,364)	(2,296,228)
CASH FLOW FROM FINANCING ACTIVITIES		
Syndicated Long Term Loan	-	-
Short Term Loan	-	(15,000,000)
Net cash Inflow/(out flow) from financing activities	-	(15,000,000)
Net increase / (decrease) in cash and cash equivalents	5,460,701	(1,070,899)
Cash and Cash equivalents at the beginning of the period	2,412,274	3,483,173
Cash and Cash equivalents at the end of the period	8	8
	7,872,975	2,412,274

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

DEWAN FAROOQUE SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER 2020

	Issued, subscribed and Paid-up Capital	Revenue reserve	Capital Reserve	Total
		Accumulated loss	Revaluation surplus on property, plant & equipment	
(Rupees)				
Balance as at July 01, 2019	977,507,260	(1,123,518,643)	1,082,860,608	936,849,225
Total comprehensive loss for the period				
(Loss) for the period	--	(52,164,612)	--	(52,164,612)
Other comprehensive income	--	--	--	--
	--	(52,164,612)	--	(52,164,612)
Transfer to accumulated loss in respect of incremental depreciation - net of tax	--	11,552,058	(11,552,058)	--
Balance as at September 30, 2019	977,507,260	(1,164,131,197)	1,071,308,550	884,684,613
Balance as at July 01, 2020	977,507,260	(1,274,237,669)	1,036,652,377	739,921,968
Total comprehensive loss for the period				
(Loss) for the period	--	(24,011,047)	--	(24,011,047)
Other comprehensive income	--	--	--	--
	--	(24,011,047)	--	(24,011,047)
Transfer to accumulated loss in respect of incremental depreciation - net of tax	--	10,405,469	(10,405,469)	--
Balance as at September 30, 2020	977,507,260	(1,287,843,247)	1,026,246,908	715,910,921

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

DEWAN FAROOQUE SPINNING MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER 2020

1 THE COMPANY AND ITS OPERATIONS

Dewan Farooque Spinning Mills Limited is incorporated in Pakistan on December 22, 2003 as public limited company, under the Companies Ordinance, 1984. The shares of the company are listed on the Pakistan Stock Exchange Limited. The registered office of the company is located at Dewan Centre, 3-A, Lalazar Beach Hotel, Road, Karachi, Pakistan; while its manufacturing facilities are located at 54 km Multan Road, near the Phool Nagar By-pass, District Kasur, near the city of Lahore in Pakistan. The principal activity of the company is manufacturing and sale of fine quality yarn. Company also manufactures yarn on contract basis. The company has installed capacity of 28,800 spindles.

2 GOING CONCERN ASSUMPTION

The condensed interim financial statements for the first quarter ended September 30, 2020 reflect that company sustained net loss after taxation of Rs. 24.011 million (2020: Rs. 197.869 million) and as of that date it has negative reserves of Rs. 1,287.843 million which have eroded its equity and its current liabilities exceeded its current assets by Rs. 992.220 million (2020: 992.016 million). Furthermore, the short term facilities of the company have expired and not been renewed by banks and it had defaulted in repayment of restructured liabilities. Following course, the company is facing litigations with its lenders. These conditions indicate the existence of material uncertainty, which may cast significant doubt about Company's ability to continue as going concern.

These condensed interim financial statements have been prepared using going concern assumption as the above conditions are temporary and would reverse in foreseeable future. The company's operating cash flows are positive and sponsors provide the support as and when required in shape of short term loan to meet working capital requirements. The company production have increased as compared to similar period of last year due to certain capital expenditures incurred in preceding financial year, which also mitigate the risks involved. The company approached its lenders for further restructuring of its liabilities, which is in process. Therefore the preparation of condensed interim financial statements using going concern assumption is justified.

3 BASIS OF PREPARATION

3.1 These condensed interim financial statements of the Company for the 1st Quarter ended 30 September 2020 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 statements for the year ended 30 June 2020.

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 during the period

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 information 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 Judgments and estimates made by management in the preparation of these condensed interim financial informations 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

6 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.

7 PROPERTY, PLANT AND EQUIPMENT

		Sept. 30, 2020	Jun 30, 2020
Operating fixed assets	7.1	<u>1,804,661,949</u>	<u>1,830,389,532</u>
		<u>1,804,661,949</u>	<u>1,830,389,532</u>
7.1 Operating fixed assets			
Opening written down value		1,830,389,532	1,933,247,478
Additions during the period / year	7.2	1,667,364	17,882,570
Disposals during the period - net book value (Vehicles)		-	-
Depreciation during the period / year		<u>(27,394,947)</u>	<u>(120,740,516)</u>
Closing written down value		<u>1,804,661,949</u>	<u>1,830,389,532</u>
7.2 Additions during the period / year			
Plant & Machinery		<u>1,667,364</u>	<u>17,882,570</u>
		<u>1,667,364</u>	<u>17,882,570</u>

8 CASH AND CASH EQUIVALENTS

		Sept. 30, 2020	Sept. 30, 2019
Cash and Bank Balances		<u>7,872,975</u>	<u>2,412,274</u>
		<u>7,872,975</u>	<u>2,412,274</u>

9 FINANCE COST

The Company has not made the provision of markup for the year amounting to Rs.1.559 million (up to June 30, 2020: Rs.69.392 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 year would have been higher by Rs.1.559 million and accrued markup would have been higher and shareholders' equity would have been lower by Rs.70.951 million.

	<u>Sept. 30,</u> <u>2020</u>	<u>Sept. 30,</u> <u>2019</u>
	Rupees	
10 BASIC EARNINGS PER SHARE		
Loss after taxation	(24,011,047)	(52,164,612)
Weighted average number of ordinary shares	97,750,726	97,750,726
Basic Loss per share	(0.25)	(0.53)

No figure for diluted earning per share has been presented as the company has not yet issued any instruments which would have an impact on basic earning per share when exercised.

11 RELATED PARTY TRANSACTIONS

Provident Fund	348,798	408,918
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12 CORRESPONDING FIGURES

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

13 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information has been authorized for issue on October 23, 2020 by the Board of Directors of the company.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICE


DIRECTOR