



DEWAN TEXTILE MILLS LIMITED

## CONTENTS

Company Information.....	4
Directors' Report.....	5
Condensed Interim Statement of Financial Position.....	6
Condensed Interim Statement of Profit or Loss.....	7
Condensed Interim Statement of Comprehensive Income.....	8
Condensed Interim Statement of Cash Flows .....	9
Condensed Interim Statement of Changes in Equity.....	10
Notes to the Condensed Interim Financial Statements .....	11
ڈائریکٹرز رپورٹ .....	15

## COMPANY INFORMATION

Executive Directors	:	Mr. Ishtiaq Ahmed - Chief Executive Officer
Non-Executive Director	:	Mr. Ghazanfar Baber Siddiqi - Chairman, Board of Directors Mr. Imran Ahmed Javaid Syed Maqbool Ali Mr. Muhammad Baqar Jafferri Mr. Zafar Asim
Independent Director	:	Mr. Aziz -ul-Haque
Audit Committee	:	Mr. Aziz -ul-Haque (Chairman) Syed Maqbool Ali (Member) Mr. Imran Ahmed Javaid (Member)
Human Resources & Remuneration Committee	:	Mr. Aziz-ul-Haque - Chairman Syed Maqbool Ali (Member) Mr. Ishtiaq Ahmed - (Member)
Auditors	:	C-88, Ground Floor, KDA Scheme No. 1, Main Karsza Road, Opp. Martime Museum Karachi.
Company Secretary	:	Mr. Muhammad Hanif German
Chief Financial Officer	:	Mr. Shafqatullah
Tax Advisor	:	Sharif & Co. Advocates
Legal Advisor	:	A. K. Brohi & Co. (Advocates)
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	:	Finance & Trade Centre Block-A, 8th Floor, Shahrah-e-Faisal, 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 Dadu, Sind, Pakistan
Website	:	<a href="http://www.yousufdewan.com">www.yousufdewan.com</a>

## 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, 2019 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 (Factory Shutdown):

Company's net sales during the current as well as in the comparative period remained nil due to closure of operations. 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.

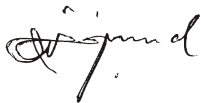
#### Future Outlook

Management is endeavoring to resume the production of the company as soon as the situation in near future improves, restructuring of the company is finalized and sufficient working capital is provided. However, some initiatives from the government are also needed in order to make the textile industry sustainable by reducing the cost of doing business, especially smooth supply of gas at affordable tariff.

#### 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



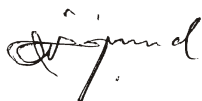
**Imran Ahmed Javaid**  
Director

Dated: April 26, 2019

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2019

		(Un - Audited) March 31, 2019	(Audited) June 30, 2018
<b>(Rupees)</b>			
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 50,000,000 (2018 : 50,000,000) ordinary shares of Rs. 10/- each\	Note	<u>500,000,000</u>	500,000,000
Issued, subscribed and paid up capital		460,646,090	460,646,090
Revenue Reserves	5	(3,566,959,354)	(3,228,889,004)
Capital reserve			
Surplus on revaluation of property plant and equipment		807,543,572	841,020,595
		<u>(2,298,769,692)</u>	<u>(1,927,222,319)</u>
<b>NON CURRENT LIABILITIES</b>			
Long term financing		169,192,770	163,188,400
Deferred taxation		183,117,261	206,485,112
		<u>352,310,031</u>	<u>369,673,512</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		178,563,131	179,386,866
Mark-up accrued		884,264,866	744,028,436
Short term borrowings		586,010,566	586,010,566
Liability for staff gratuity		50,808,126	50,808,126
Unclaimed dividend		254,206	254,206
Current and overdue portion of long term financing		2,930,630,586	2,930,630,585
		<u>4,630,531,481</u>	<u>4,491,118,785</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6	-	-
		<u>2,684,071,820</u>	<u>2,933,569,978</u>
<b><u>ASSETS</u></b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	1,690,002,303	1,805,068,853
Long term investment	8	-	-
Long term deposits		12,012,134	12,012,134
		<u>1,702,014,437</u>	<u>1,817,080,987</u>
<b>CURRENT ASSETS</b>			
Stores and spares		41,345,213	48,924,029
Stock in trade		655,612,675	706,044,419
Trade debtors - Unsecured		224,135,489	300,744,221
Advances - Considered good		2,356,530	2,506,044
Short term deposits and other receivable		3,626,083	4,120,116
Taxes recoverable - Net		45,727,231	45,675,889
Cash and bank balances		9,254,162	8,474,273
		<u>982,057,383</u>	<u>1,116,488,991</u>
		<u>2,684,071,820</u>	<u>2,933,569,978</u>

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



**Ishtiaq Ahmed**  
Chief Executive Officer



**Shafqatullah**  
Chief Financial Officer



**Imran Ahmed Javid**  
Director

DEWAN TEXTILE MILLS LIMITED

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2019**

NOTE	Nine Months Ended		Quarter Ended	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
------(Rupees)-----				
Sales - Net	--	--	--	--
Cost of sales	(126,020,047)	(145,809,892)	(41,366,728)	(49,464,076)
Gross loss	(126,020,047)	(145,809,892)	(41,366,728)	(49,464,076)
<b>Operating expenses</b>				
Administrative expenses	(109,188,031)	(102,032,415)	(1,767,637)	(1,986,875)
Operating loss	(235,208,078)	(247,842,307)	(43,134,365)	(51,450,951)
Other charges / income				
Finance cost	10 (160,223,650)	(153,828,516)	(54,081,474)	(50,579,941)
Other Charges				
Other income	516,503	467,242	--	--
	(159,707,147)	(153,361,274)	(54,081,474)	(50,579,941)
Loss before taxation	(394,915,225)	(401,203,581)	(97,215,839)	(102,030,892)
Taxation				
- Current	--	--	--	--
- Deferred	16,485,014	19,528,691	5,495,005	6,509,563
	16,485,014	19,528,691	5,495,005	6,509,563
<b>Loss for the period</b>	<b>(378,430,211)</b>	<b>(381,674,890)</b>	<b>(91,720,834)</b>	<b>(95,521,329)</b>
Loss per share - Basic and diluted	11 (8.22)	(8.29)	(1.99)	(2.07)

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



**Ishtiaq Ahmed**  
Chief Executive Officer



**Shafqatullah**  
Chief Financial Officer

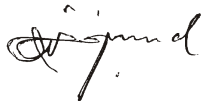


**Imran Ahmed Javid**  
Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2019**

	<b>Nine Months Ended</b>		<b>Quarter Ended</b>	
	<b>31 Mar 2019</b>	31 Mar 2018	<b>31 Mar 2019</b>	31 Mar 2018
	<i>(Restated)</i>		<i>(Restated)</i>	
	----- <b>(Rupees)</b> -----			
Loss for the period	<b>(378,430,211)</b>	(381,674,890)	<b>(91,720,834)</b>	(95,521,329)
<b>Other comprehensive income:</b>				
Effect of change in tax rates on balance of revaluation on property, plant and equipment	<b>6,882,838</b>	7,750,779	--	--
<b>Total comprehensive loss for the period</b>	<b><u>(371,547,373)</u></b>	<u>(373,924,111)</u>	<b><u>(91,720,834)</u></b>	<u>(95,521,329)</u>

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



**Ishtiaq Ahmed**  
Chief Executive Officer



**Shafqatullah**  
Chief Financial Officer



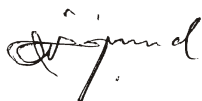
**Imran Ahmed Javaid**  
Director

**DEWAN TEXTILE MILLS LIMITED**

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2019**

	<b>31-Mar-19</b>	<b>31-Mar-18</b>
	----- <b>(Rupees)</b> -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) before taxation	<b>(394,915,225)</b>	(401,203,581)
Adjustment for non-cash and other items:		
Depreciation /amortisation expense	<b>114,383,053</b>	129,614,661
Gain on sale of fixed assets	<b>(516,503)</b>	(450,747)
Provision for doubtful debt	<b>49,228,551</b>	41,944,344
Provision for obsolete stock	<b>50,431,744</b>	53,306,734
Provision for slow moving stores and spares	<b>4,390,147</b>	--
Unwinding of discount	<b>9,751,682</b>	8,094,860
Finance Cost	<b>150,471,968</b>	145,733,656
	<b>378,140,642</b>	378,243,508
Cash outflows before working capital changes	<b>(16,774,583)</b>	(22,960,073)
<b>Working Capital changes</b>		
<b>(Increase)/ decrease in current assets</b>		
Stores & spares	<b>3,188,670</b>	--
Trade debtors	<b>27,380,181</b>	16,431,323
Advances	<b>149,514</b>	(33,250)
Short term deposit and other receivable	<b>494,033</b>	--
	<b>31,212,398</b>	16,398,073
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payable	<b>(823,735)</b>	(6,111,542)
Short term borrowings	<b>--</b>	18,348,000
	<b>(823,735)</b>	12,236,458
<b>Cash (used in ) generated form operation</b>	<b>13,614,080</b>	5,674,458
<b>Payments for:</b>		
Income Tax refund (Paid) - Net	<b>(51,342)</b>	7,374,297
Financial cost	<b>(10,235,538)</b>	(9,669,729)
	<b>(10,286,880)</b>	(2,295,432)
<b>Net cash igenerated form/used in operation activities</b>	<b>3,327,200</b>	3,379,026
<b>Cash flows from investing activities</b>		
Proceeds against sales of fixed assets	<b>1,200,000</b>	560,000
<b>Net cash outflow from investing activities</b>	<b>1,200,000</b>	560,000
<b>Cash flows from financing activities</b>		
Long term financing paid	<b>(3,747,311)</b>	(3,747,311)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(3,747,311)</b>	(3,747,311)
<b>Net decrease in cash and cash equivalents</b>	<b>779,889</b>	191,715
Cash and cash equivalents at beginning of the period	<b>8,474,273</b>	6,128,607
<b>Cash and cash equivalents at the end of period</b>	<b>9,254,162</b>	6,320,322

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



**Ishtiaq Ahmed**  
Chief Executive Officer



**Shafqatullah**  
Chief Financial Officer



**Imran Ahmed Javid**  
Director

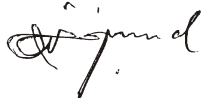
## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2019

Issued, subscribed and paid-up share capital	Revenue reserves			Capital reserves		Total capital reserves	Total equity
	General reserve	Accumulated losses	Total revenue reserves	Unrealised gain due to change in fair value of investment	Surplus on revaluation of property, plant and equipment		

----- (Rupees) -----

<b>Balance as at 1st July 2017 - as reported</b>	460,646,090	333,000,000	(2,862,140,556)	(2,529,140,556)	57,358,822	--	57,358,822	(2,011,135,644)
Impact of change in accounting policies (Note 4.2)			(158,518,938)	(158,518,938)	(57,358,822)	894,025,745	836,666,923	678,147,985
<b>Balance as at 1st July 2017 - restated</b>	460,646,090	333,000,000	(3,020,659,494)	(2,687,659,494)	--	894,025,745	894,025,745	(1,332,987,659)
<b>Total comprehensive loss for the period</b>								
Loss for the period	--	--	(381,674,890)	(381,674,890)	--	--	--	(381,674,890)
Other comprehensive income	--	--	--	--	--	7,750,779	7,750,779	7,750,779
	--	--	(381,674,890)	(381,674,890)	--	7,750,779	7,750,779	(373,924,111)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	45,566,947	45,566,947	--	(45,566,947)	(45,566,947)	--
<b>Balance as at 31st March' 2018</b>	460,646,090	333,000,000	(3,356,767,437)	(3,023,767,437)	--	856,209,577	856,209,577	(1,706,911,770)
<b>Balance as at 1st July 2018</b>	460,646,090	333,000,000	(3,561,889,004)	(3,228,889,004)	--	841,020,595	841,020,595	(1,927,222,319)
<b>Total comprehensive loss for the period</b>								
Loss for the period	--	--	(378,430,211)	(378,430,211)	--	--	--	(378,430,211)
Other comprehensive income	--	--	--	--	--	6,882,838	6,882,838	6,882,838
	--	--	(378,430,211)	(378,430,211)	--	6,882,838	6,882,838	(371,547,373)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	40,359,861	40,359,861	--	(40,359,861)	(40,359,861)	--
<b>Balance as at 31st March 2019</b>	460,646,090	333,000,000	(3,899,959,354)	(3,566,959,354)	--	807,543,572	807,543,572	(2,298,769,692)

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



**Ishtiaq Ahmed**  
Chief Executive Officer



**Shafqatullah**  
Chief Financial Officer



**Imran Ahmed Javid**  
Director

## DEWAN TEXTILE MILLS LIMITED

### NOTES TO THE CONDENSED INTERIM STATEMENT FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2019

#### 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 8th Floor, Block-A, Finance & Trade Centre, Shahrah-e-Faisal, 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 informations of the Company for the period ended nine months 31st March 2019 reflects that the Company has sustained a net loss after taxation of Rs. 378.430 million (2018: Rs.601.985 million) and as of that date the Company's negative reserves of Rs. 3,566.959 million (2018: Rs.3,228.889 million) have resulted in negative equity of Rs. 2,298.770 million (2018: Rs.1,927.222 million). Further the Company's short term borrowing facilities having limit to the extent of Rs.315 million 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 the repealed Companies Ordinance, 1984. 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.

These 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 statements using going concern assumption is justified.

#### 3 BASIS OF PREPARATION

**3.1** These condensed interim financial statements of the Company for the nine months ended 31 March 2019 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 2018.



#### **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 2018.

#### **4.2 Change in accounting policies**

During the financial year ended 30 June 2018 Company has changed its accounting policies for investment in associated company and revaluation surplus on property, plant and equipment. The detailed impacts of the said change are more fully explained in note 5.19 of the annual financial statement for the year ended 30 June 2018. The comparative figures in statement of comprehensive income and statement of changes in equity have been restated due to same.

#### **4.3 New standards, amendments and interpretation to published approved accounting and reporting standards which are effective during the nine months ended 31 March 2019**

There are certain amendments and an interpretation to approved accounting and reporting standards which are mandatory for the Company's annual accounting period which began on 1 July 2018. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.

In addition to that two new standards (i.e. IFRS 9 and IFRS 15) have become applicable to the Company effective 1 July 2018. Because of these new standards certain changes to the Company's accounting policies have been made in light of the following paragraphs:

- IFRS 9 'Financial instruments' - This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.
- IFRS 15 'Revenue from contracts with customers' - IFRS 15 replaces the previous revenue standards: IAS 18 Revenue, IAS 11 Construction Contracts, and the related interpretations on revenue recognition.

IFRS 15 introduces a single five-step model for revenue recognition and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognise revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The changes laid down by these standard do not have any significant impact on these condensed interim financial statements of the Company.

## DEWAN TEXTILE MILLS LIMITED

### 4.4 New standards and amendments to published approved accounting and reporting standards that are not yet effective

There is a new standard, certain amendments and an interpretation to the approved accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after 1 July 2019. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>31 March</b>	<b>30 June</b>
	<b>2019</b>	<b>2018</b>
	----- <b>(Rupees)</b> -----	
<b>5 REVENUE RESERVES</b>		
General reserve	333,000,000	333,000,000
Accumulated loss	<b>(3,899,959,354)</b>	<b>(3,561,889,004)</b>
	<b><u>(3,566,959,354)</u></b>	<b><u>(3,228,889,004)</u></b>
<b>6 CONTINGENCIES AND COMMITMENTS</b>		
There has been no significant change in the status of contingencies and commitments as reported in the annual financial statements for the year ended 30 June 2018.		
	<b>31 March</b>	<b>June 30,</b>
	<b>2019</b>	<b>2018</b>
	----- <b>(Rupees)</b> -----	
<b>7 PROPERTY, PLANT AND EQUIPMENT</b>	<b>Note</b>	
Operating fixed assets	7.1	1,794,763,464
Capital work in progress - At cost		
Civil works		10,305,389
		<b><u>1,690,002,303</u></b>
<b>7.1 Operating fixed assets</b>		
Opening net book value (NBV)		1,967,766,364
Disposal (NBV) during the period / year		(183,353)
Depreciation charged for the period / year		<b>(114,383,053)</b>
Closing net book value (NBV)		<b><u>1,794,763,464</u></b>
<b>8 LONG TERM INVESTMENT</b>		
<b>Investment in an associate company</b>		
Dewan Salman Fibre Limited	--	--
<b>8.1 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 and its ownership interest of 28.47% in investee company.</b>		
	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>31 March</b>	<b>30 June</b>
	<b>2019</b>	<b>2018</b>
	----- <b>(Rupees)</b> -----	
<b>8.2 Investment in Dewan Salman Fibre Limited - at equity method</b>		
Number of shares held	104,288,773	104,288,773
Cost of investment (Rupees)	<b>210,000,000</b>	210,000,000
Fair value of investment (Rupees)	<b>91,774,120</b>	91,774,120
Ownership interest	<b>28.47%</b>	28.47%

**8.3** 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.

**9 STOCK IN TRADE**

**9.1** Stocks valuing Rs.277.532 million (June 2018: Rs.277.532 million) was pledged with the banks against the finance facilities obtained by the Company.

**10 FINANCE COST AND MARK-UP ACCRUED**

In addition to the non-provisioning of mark-up eligible for waiver as disclosed in note 14.3 of the annual financial statement for the year ended 30 June 2018, Company has not made the provision of mark-up for the period amounting to Rs.41.526 million (up to 30th June 2018: Rs.412.457 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 Rs.453.983 million and accrued mark-up would have been higher and shareholders' equity would have been lower by Rs.453.983 million. The said non-provisioning is departure from the requirements of IAS 23 - 'Borrowing Costs'.

	(Un-audited) 31 March 2019	(Un-Audited) 31 March 2018
	----- (Rupees) -----	
<b>11 LOSS PER SHARE - Basic and diluted</b>		
Loss after taxation	<u>(378,430,211)</u>	<u>(381,674,890)</u>
	(number of shares)	
Weighted average	<u>46,064,609</u>	<u>46,064,609</u>
Loss per share - Basic and diluted (Rupees)	<u>(8.22)</u>	<u>(8.29)</u>

**12 TRANSACTIONS WITH RELATED PARTIES**

Related parties include associated group companies, directors, executives, key management personnel 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:

Staff retirement benefits	<u>63,780</u>	<u>181,278</u>
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**13 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 year.

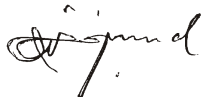
The comparative figures of the condensed interim statements of comprehensive income and changes in equity have been restated, as more fully explained in note 4.2 to the financial statements.

**14 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements have been authorized for issue on April 26, 2019 by the Board of Directors of the Company.

**15 GENERAL**

Figures have been rounded off to the nearest rupee.



**Ishtiaq Ahmed**  
Chief Executive Officer



**Shafqatullah**  
Chief Financial Officer



**Imran Ahmed Javid**  
Director

## ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز،

السلام علیکم،

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی میٹنگ، 2017 کی دفعہ 237 اور سیکورٹی اینڈ ایگزیکٹو کمیشن آف پاکستان کے جاری کردہ کوڈ آف کارپوریٹ گورننس کے تحت 31 مارچ 2019 کو ختم ہونے والی پہلی نو ماہی کے غیر آڈٹ شدہ عبوری مالیاتی حسابات پیش کر رہے ہیں۔

مالیاتی نتائج اور کارکردگی: (پیداوار معطل)

کمپنی کی فروخت اس سال اور گزشتہ سال کی نو ماہی میں پیداوار معطل ہونے کی وجہ سے صفر رہی۔ کمپنی نے وقتی طور پر دسمبر 2015ء سے اپنی پیداوار کے عمل کو معطل کر دیا ہے جو کہ صنعت میں نامساعد مشکلات، مارکیٹ میں طلب کی کمی اور کام چلانے کے لیے سرمایہ میں کمی کی وجہ سے ہے۔

مالیاتی حسابات چلتی ہوئی کمپنی کے جاری کردہ امور کے تحت مرتب کئے گئے ہیں کیونکہ کمپنی نے اپنے قرضہ جات کے حوالے سے دوبارہ ترتیب کیلئے قرض خواہوں سے رابطہ کیا ہے جو ان کے زیر غور ہے۔ انتظامیہ کو امید ہے کہ یہ نظر ثانی جلد مکمل ہو جائے گی جس سے کمپنی کو اپنی پیداوار بحال کرنے میں مدد ملے گی۔

مستقبل پر ایک نظر:

انتظامیہ کمپنی کی پیداواری سرگرمیوں کو بحال کرنے کی ہر ممکن کوشش کر رہی ہے جس کا دار و مدار مستقبل کے معاشی حالات پر ہے۔ انتظامیہ جلد ری اسٹرکچرنگ مکمل ہونے کے لئے پرامید ہے تاکہ کمپنی کو کام کرنے کے سرمائے کو فراہمی ہو سکے۔ اس کے علاوہ حکومت کی جانب سے براہ راست اقدامات کی ضرورت ہے تاکہ ٹیکسٹائل کی صنعت کو جاری و ساری رکھا جاسکے بالخصوص قابل برداشت گیس کی قیمتوں اور اس کی سپلائی کو موثر بنانے کیلئے اقدامات کرنے ہو گئے۔

اظہار تشکر اور نتیجہ:

آخر میں ہم اللہ تعالیٰ رحمن و رحیم سے دعا کرتے ہیں کہ 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 و قوم 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 شہ آمین۔

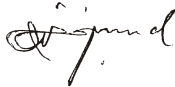
میرا پروردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)

بورڈ آف ڈائریکٹرز کی جانب سے

  
عمران احمد جاوید  
ڈائریکٹر

کراچی:

تاریخ: 26 اپریل 2019ء

  
اشتیاق احمد  
چیف ایگزیکٹو