

# SUHAIL JUTE MILLS LIMITED

## CONDENSED BALANCE SHEET AS AT 30.09.2019 (UN-AUDITED)

	(UN-AUDITED) 30.09.2019 Rupees	(AUDITED) 30.06.2019 Rupees
<b>SHARE CAPITAL AND RESERVES</b>		
Share capital	43,328,190	43,328,190
Reserves	(814,567,622)	(804,242,575)
Surplus on revaluation of fixed assets	1,337,543,530	1,338,470,742
Merger reserve	196,362,085	196,362,085
	762,666,183	773,918,442
<b>LIABILITIES</b>		
Staff retirement benefits	6,323,910	6,323,910
Short term borrowings	190,875,536	190,215,865
Unclaimed dividend	384,359	384,359
Loan from Directors	191,732,477	185,418,953
Trade and other payables	173,671,901	170,072,639
Accrued markup	54,086,276	54,086,276
	617,074,458	606,502,002
<b>CONTINGENCIES AND COMMITMENTS</b>		
	1,379,740,642	1,380,420,444
<b>ASSETS</b>		
Cash and bank balances	4,418,527	279,980
Short term investment	-	3,752,309
Advances deposits and prepayments	5,431,307	5,413,825
Stores and spare parts	1,922,629	1,922,629
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	1,366,691,309	1,367,774,829
	1,379,740,642	1,380,420,444

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

Rawalpindi

CHIEF EXECUTIVE

DIRECTOR

# SUHAIL JUTE MILLS LIMITED

## CONDENSED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30.09.2019 (UN-AUDITED)

	30.09.2019 Rupees	30.09.2018 Rupees
<b>SALES</b>	-	-
<b>COST OF SALES</b>	-	-
<b>GROSS LOSS</b>	-	-
<b>ADMINISTRATIVE EXPENSES</b>	(9,437,528)	(8,454,888)
<b>FINANCE COST</b>	(1,814,730)	(1,723,146)
<b>OTHER OPERATING INCOME</b>	-	-
<b>LOSS BEFORE TAXATION</b>	(11,252,258)	(10,178,034)
<b>TAXATION</b>	-	-
<b>NET LOSS AFTER TAXATION</b>	(11,252,258)	(10,178,034)
<b>(LOSS) PER SHARE</b>	(2.60)	(2.35)

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 30.09.2019 (UN-AUDITED)

	30.09.2019 Rupees	30.09.2018 Rupees
LOSS FOR THE PERIOD AFTER TAXATION	(11,252,258)	(10,178,034)
OTHER COMPREHENSIVE INCOME	-	-
Actuarial gain on re-measurement of staff benefits	-	-
<b>TOTAL COMPREHENSIVE (LOSS)</b>	<b>(11,252,258)</b>	<b>(10,178,034)</b>

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

Rawalpindi,

CHIEF EXECUTIVE

DIRECTOR

# SUHAIL JUTE MILLS LIMITED

## CONDENSED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30.09.2019 (UN-AUDITED)

	30.09.2019 Rupees	30.09.2018 Rupees
Cash flows from operating activities		
Loss before taxation	(11,252,258)	(10,178,034)
Adjustments for non cash items		
Depreciation	1,083,522	1,126,783
Working capital changes (Increase) / decrease in current assets	(10,168,736)	(9,051,251)
Advances, deposits, prepayments and other receivables Increase/(decrease) in current liabilities	(17,482)	67,286
Trade and other payables	3,638,062	2,562,216
Cash used in operations	3,620,580	2,629,502
Taxes paid	(38,800)	60,783
Net cash used in operating activities	(6,586,956)	(6,360,966)
Cash flow from investing activities		
Short term investments	3,752,309	(31,519)
Net cash flow from investing activities	3,752,309	(31,519)
Cash flow from financing activities		
Loan from director	6,973,195	6,295,117
Net cash used in financing activities	6,973,195	6,295,117
Net increase/(decrease) in cash and cash equivalents	4,138,549	(97,368)
Cash and cash equivalents at the beginning of the year	279,980	227,223
Cash and cash equivalents at the end of the period	4,418,527	129,856

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 30.09.2019 (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, 2018	43,328,190	3,380,000	7,490,000	1,251,607	(779,390,522)	(767,268,915)	1,342,300,767	196,362,085	814,772,128
Total comprehensive loss for the year	-	-	-	-	(40,803,686)	(40,803,686)	-	-	(40,803,686)
Effect of incremental depreciation	-	-	-	-	3,830,025	3,830,025	(3,830,025)	-	-
Balance as at June 30, 2019	43,328,190	3,380,000	7,490,000	1,251,607	(816,364,183)	(804,242,576)	1,338,470,742	196,362,085	773,918,442
Total comprehensive loss for the period	-	-	-	-	(11,252,258)	(11,252,258)	-	-	(11,252,258)
Effect of incremental depreciation	-	-	-	-	927,212	927,212	(927,212)	-	-
Balance as at 30.09.2019	43,328,190	3,380,000	7,490,000	1,251,607	(826,689,229)	(814,567,622)	1,337,543,530	196,362,085	762,666,183

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

  
DIRECTOR

  
CHIEF EXECUTIVE



# SUHAIL JUTE MILLS LIMITED

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE PERIOD ENDED 30.09. 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 Kabul River Railway Station, Mardan Road, Nowshera KPK.

The production facilities are situated at Kabul River Railway Station, Mardan Road, Nowshera, Khyber Pakhtunkhwa and G-T Road, Nowshera, Khyber Pakhtunkhwa consisting of 872 kanals 3 marlas and 7/44 kanals 2 marlas piece of land respectively.

The merger of formerly (Colony) Sarhad Textile Mills Ltd (CSTM) with and into the Company, was made in pursuance of the court order sanctioning the scheme of arrangement for merger, whereby the entire undertaking of CSTM, including all properties assets, liabilities, rights and obligations of CSTM as at June 30, 2012 were merged with and vest in the Company in consideration for issue of 150,050 fully paid ordinary shares to the shareholders of CSTM which rank Par passu with existing shares of the Company.

### 2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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 / settlement values of assets and liabilities respectively in addition to historical cost convention. All assets and liabilities in these financial statements have been presented in order of liquidity.

### 3 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan Where provisions of and directives issued under the Act differ from IFRS, the provisions of and directives issued under the Act 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, 2019

### 5 TRADE AND OTHER PAYABLES

	30.09.2019 Rupees	30.06.2019 Rupees
Creditors	23,828,586	22,517,919
Accrued expenses	68,659,904	58,188,129
Security deposits	1,600	1,600
Advance from customers	3,400,000	3,400,000
Workers profit participation fund	58,932,227	49,815,967
Workers welfare fund	269,503	269,503
Other taxes payable	478,011	476,498
Taxation	500,000	500,000
Others	2,681,669	2,679,329
Payable to employee (retirement benefit)	32,320,402	32,223,695
	<u>173,671,901</u>	<u>170,072,639</u>

# SUHAIL JUTE MILLS LIMITED

### 6 SHORT TERM BORROWINGS

	30.09.2019 Rupees	30.06.2019 Rupees
Secured from financial institution		
Faysal Bank	128,809,828	128,809,828
Al Baraka Bank	30,000,000	30,000,000
Bridge Finance	32,065,707	31,406,037
	<u>190,875,536</u>	<u>190,215,865</u>

### 7 PROPERTY PLANT AND EQUIPMENT

	30.09.2019 Rupees	30.06.2019 Rupees
Opening written down value	1,367,774,829	1,372,317,467
Disposal		(44,383)
	<u>1,367,774,829</u>	<u>1,372,273,084</u>
Depreciation for the period / year	1,083,522	4,498,255
	<u>1,366,691,309</u>	<u>1,367,774,829</u>

### 8 ADVANCES DEPOSITS PREPAYMENTS AND OTHER RECEIVABLES

	30.09.2019 Rupees	30.06.2019 Rupees
Advances - considered good		
-Employees	286,598	279,598
-Expenses	89,735	18,800
Deposits	501,940	501,940
Prepayments	-	175,432
Sarhad Development Authority	2,550,000	2,550,000
Income tax withheld	1,963,034	1,888,055
Other receivables	40,000	-
	<u>5,431,307</u>	<u>5,413,825</u>



# SUHAIL JUTE MILLS LIMITED

## 9 CASH AND BANK BALANCES

Cash in hand	75,866	70,393
Cash at banks:		
- in current accounts	4,342,661	209,587
	<u>4,418,527</u>	<u>279,980</u>

## 10 RELATED PARTY TRANSACTIONS

The related parties comprise of key management personnel, entities over which the Company are able to exercise influence and employers funds. All transactions with related parties are carried out at arms length prices determined in accordance with comparable uncontrolled price method. Balances outstanding and transaction made with related parties at the period end are as follows.

Related party	Basis of relationship	Percentage of share holding
Surriya Farooq Charitable Foundation	Associated Company	0.50%
Ismail Farooq Industries Pvt Ltd	Associated Company	0.01%
Sohail Farooq Shaikh	Key Management Personnel	51.92%
Staff retirement benefits fund	Provident fund trust	Nil

### Transaction and balances with related parties

#### Contribution to staff retirement benefits

30.09.2019  
Rupees

30.06.2019  
Rupees

Gratuity expense charged		
Mr. Sohail Farooq Shaikh		643,884
Loan Received	6,973,195	21,549,978

## 11 DATE OF AUTHIRISATION OF ISSUE

The financial statements are authorised for issue on October 28, 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 JUTE MILLS LIMITED

## BRIEF REVIEW

### QUARTER ENDED 30 SEPTEMBER 2019

The Directors are pleased to present the condensed interim condensed interim financial statements for the quarter ended 30 September 2019 as that date.

The Company incurred a loss of RS. 11.252 Million (Loss of Rs. 2.60 per share) as compared with a loss of RS 10.17 Million (Loss of RS 2.35 Per share) for the corresponding period of last year.

The Company continues to incur administrative expenses to manage, protect and preserve the valuable assets of the Company and is not in a position to commence commercial production due to lack of working capital.

The Company has identified surplus assets for disposal and it is intended to to generate funds to pay off bank liabilities and raise working capital from the proceeds of the disposed surplus assets.

In view of the extraordinary losses it is not possible to make any recommendation for a payout and we thank the shareholders for their continued support and patience in these difficult times.

ON BEHALF OF THE BOARD OF DIRECTORS.

SOHAIL FAROOQ SHAIKH

CHIEF EXECUTIVE

RAWALPINDI 28 OCTOBER 2019