

**CONDENSED
INTERIM FINANCIAL
STATEMENTS
QUARTER ENDED
31 MARCH 2021
UN-AUDITED**



DIRECTORS' REVIEW

The results for the nine months ended 31 March 2021 show that the Company had earned net profit of Rs. 16.945 million. This net profit figure is attributable to profit on saving bank account and gross profit on sales after accounting for administrative and general expenses amounting to Rs. 4.743 million, distribution and selling amounting to Rs. 1.844 million, other expenses amounting to Rs. 0.790 million and finance cost amounting to Rs. 0.156 million against corresponding period net profit of Rs. 4.215 million.

Acquisition and Resultant Change of Management Control of the Company

During the period under review, Ch. Muhamad Shafique and Muhammad Ahmed Raza have acquired more than 51% shares of Ravi Textile Mills Limited ("the Company"), together with management control of the Company. All the legal formalities regarding change of management have been fulfilled.

Result of change of management.

The following directors have resigned from the BOD with effect from 04 March 2021.

Sr No.	Name	Designation
1	Mohammad Waseem-ur Rehman	Chief Executive / Director
2	Aftab Sarwar	Chairman / Director
3	Tahir Majeed	Director
4	Muhammad Riaz	Director
5	Muhammad Shahid	Director
6	Amir Khurshid Chandia	Director
7	Waseem Ijaz	Director

In place of above outgoing directors, the following directors have Joined the Board with effect from 04 March 2021.

Sr No.	Name	Designation
1	Ch. Muhammad Shafique	Director/CEO
2	Sarwar Sultana	Non-Executive Director/Chairperson
3	Mahmood Aslam	Independent Director
4	Muhammad Hashim Tareen	Independent Director
5	Muhammad Ahmed Raza	Executive Director
6	Aniqa Shafique	Non-Executive Director
7	Waheed Akbar	Non-Executive Director

The shares under the Sale Purchase Agreement have been transferred to the Acquirers in compliance with applicable provisions of the Securities Act, 2015 and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017.

The accompanying condensed interim financial statements of the Company for the nine months ended 31 March 2021 reflect the results of commercial operations of cotton ginning and pressing carried out by the Company under the Sellers' management.

Future Plan of the Company

Mr. Ch. Muhammad Shafique and Mr. Muhammad Ahmad Raza are the majority shareholders of Chaudhry Steel Re-Rolling Mills Limited and BECO Steel Re-Rolling Mills (Private) Limited respectively, which are engaged in manufacturing of steel and allied products. Hence, the Company shall engage in steel business in future.

The Company has issued notice dated 19 April 2021 (for details refer to original notice) for holding extra ordinary general meeting on 11 May 2021 for conducting of special businesses including the following:

- Change of name of the Company from Ravi textile Mills Limited to Beco Steel Limited.
- Change of principal line of business to manufacturing of steel and allied products, along with approving the alterations to the Memorandum of Association of the Company.
- Increase the authorized share capital of the Company from PKR 300,000,000/- (Pak Rupees Three Hundred Million) to PKR 1,500,000,000/- (Pak Rupees One Billion Five Hundred Million).
- Change of registered office of the Company from city of Multan to city of Lahore.
- Issuance of ordinary shares of the Company, other than by way of right, for consideration other than cash, in favour of the associated company and directors / related parties of the Company, against the acquisition of immovable properties, plant and machinery by the Company.

For and on behalf of the board

Lahore:
29 April 2021



Ch. Muhammad Shafique
Chief Executive

RAVI TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 31 MARCH 2021

	Note	Un-audited 31-Mar-2021 Rupees	Audited 30-Jun-2020 Rupees
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital: 30,000,000 (30 June 2020: 30,000,000) ordinary shares of Rs.10 each		300,000,000	300,000,000
Issued, subscribed and paid up capital		250,000,000	250,000,000
Loan from directors		32,961,220	66,586,220
Revenue reserve		9,000,000	9,000,000
Accumulated loss		(289,707,710)	(306,652,770)
		2,253,510	18,933,450
Non current liabilities			
Staff retirement benefits		-	3,741,887
Deferred taxation		-	-
Current liabilities			
Trade and other payables	5	-	124,173,926
Accrued mark-up	6	850,000	850,000
Loan from ex-chief executive		-	832,223
Unclaimed dividend		1,034,090	1,034,090
Provision for taxation		2,307,702	5,205,920
		4,191,792	132,096,159
		4,191,792	135,838,046
Contingencies and commitments		-	-
		6,445,302	154,771,496
ASSETS			
Non current assets			
Property, plant and equipment	7	-	-
Long term security deposits		-	1,115,000
		-	1,115,000
Current assets			
Stock in trade		-	-
Trade debts- unsecured but considered good		1,376,324	-
Advances		2,657,746	3,798,811
Trade deposits and short term prepayments	8	-	2,870
Other receivable	9	60,245	827,618
Short term investment	10	1,009,088	949,314
Cash and bank balances		1,341,899	148,077,883
		6,445,302	153,656,496
		6,445,302	154,771,496

The annexed notes from 01 to 16 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER

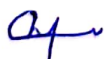

DIRECTOR


CHIEF FINANCIAL OFFICER

RAVI TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2021

	Note	Nine months ended		Quarter ended	
		31-Mar-2021	31-Mar-20	31-Mar-2021	31-Mar-2020
		Rupees	Rupees	Rupees	Rupees
Sales	11	230,770,190	-	10,192,476	-
Cost of Sales	12	(226,711,589)	-	(10,418,743)	-
Gross profit		4,058,601	-	(226,267)	-
Distribution and selling expenses		(1,844,454)	-	-	-
Administrative and general expenses		(4,743,511)	(5,927,236)	(1,326,064)	(1,744,951)
Other expenses		(790,521)	(535,171)	(719,787)	(202,088)
		(7,378,486)	(6,462,407)	(2,045,851)	(1,947,039)
Operating profit /(loss)		(3,319,885)	(6,462,407)	(2,272,118)	(1,947,039)
Other income		22,311,482	13,747,823	10,454,549	4,584,797
Profit from operations		18,991,597	7,285,416	8,182,431	2,637,758
Finance cost		(156,839)	(776,412)	(3,485)	(255,759)
Profit before taxation		18,834,758	6,509,004	8,178,946	2,381,999
Taxation		(1,889,698)	(2,293,616)	(101,925)	(859,906)
Profit after taxation		16,945,060	4,215,388	8,077,021	1,522,093
Earnings per share- basic and diluted		0.68	0.17	0.32	0.06

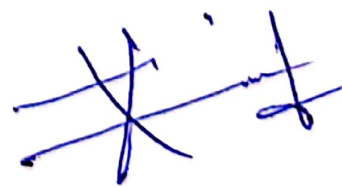
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CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

RAVI TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2021

	Note	Nine months ended		Quarter ended	
		31-Mar-2021 Rupees	31-Mar-2020 Rupees	31-Mar-2021 Rupees	31-Mar-2020 Rupees
Profit for the period		16,945,060	4,215,388	8,077,021	1,522,093
Other comprehensive income:					
Item that will not be reclassified to statement of profit or loss:		-	-	-	-
Items that may be reclassified to statement of profit or loss:		-	-	-	-
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		<u>16,945,060</u>	<u>4,215,388</u>	<u>8,077,021</u>	<u>1,522,093</u>

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CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

RAVI TEXTILE MILLS LIMIED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 March 2021

	(Rupees)				
	Share capital	Loan from directors	Revenue reserve General reserve	Accumulated Loss / profit	Total equity
Balance as at 30 June 2019 (Audited)	250,000,000	-	9,000,000	(336,849,780)	(77,849,780)
Profit for the Nine months ended 31 March 2020	-	-	-	4,215,388	4,215,388
Other comprehensive income for the Nine months ended 31 March 2020	-	-	-	-	-
Total comprehensive income for the Nine months ended 31 March 2020	-	-	-	4,215,388	4,215,388
Balance as at 31 March 2020 (Un-audited)	250,000,000	-	9,000,000	(332,634,392)	(73,634,392)
Profit for the quarter ended 30 June 2020	-	-	-	25,981,622	25,981,622
Loan from directors reclassified during the quarter	-	66,586,220	-	-	66,586,220
Other comprehensive income for the quarter ended 30 June 2020	-	-	-	-	-
Total comprehensive income for the quarter ended 30 June 2020	-	66,586,220	-	25,981,622	92,567,842
Balance as at 30 June 2020 (Audited)	250,000,000	66,586,220	9,000,000	(306,652,770)	18,933,450
Profit for the Nine months ended 31 March 2021	-	-	-	16,945,060	16,945,060
Loan from directors repaid	-	(35,175,000)	-	-	(35,175,000)
Loan from directors	-	1,550,000	-	-	1,550,000
Other comprehensive income for the Nine months ended 31 March 2021	-	-	-	-	-
Total comprehensive profit for the nine months ended 31 March 2021	-	(33,625,000)	-	16,945,060	(16,679,940)
Balance as at 31 March 2021 (Un-audited)	250,000,000	32,961,220	9,000,000	(289,707,710)	2,253,510

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CHIEF EXECUTIVE OFFICER



DIRECTOR

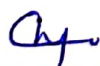


CHIEF FINANCIAL OFFICER

RAVI TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2021

	Note	Nine months ended	
		(Un-audited) 31-Mar-2021 Rupees	(Un-audited) 31-Mar-2020 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period before taxation		18,834,758	6,509,004
Adjustments for following items:			
Depreciation		456,048	-
Profit on term deposit receipt		-	(63,400)
Staff retirement benefits		-	382,479
Loss on sale of fixed assets		541,252	-
Finance cost		156,839	776,412
		<u>1,154,139</u>	<u>1,095,491</u>
Operating profit before working capital changes		19,988,897	7,604,495
(Increase) / decrease in current assets			
Stock-in-trade		-	-
Trade debts- unsecured but considered good		(1,376,324)	-
Advances		1,141,065	(35,500)
Trade deposits and short term prepayments		2,870	-
Other receivable		767,373	756,224
Short term investment		(59,774)	-
		<u>475,210</u>	<u>720,724</u>
Increase / (decrease) in current liabilities			
Trade and other payables		(124,173,926)	(8,092,644)
		<u>(124,173,926)</u>	<u>(8,092,644)</u>
Cash generated from operations		(103,709,819)	232,575
Finance cost paid		(156,839)	(776,412)
Income tax paid		(4,787,916)	(2,032,300)
Staff Retirement Benefits paid		(3,741,887)	-
		<u>(8,686,642)</u>	<u>(2,808,712)</u>
Net cash used in operating activities		(112,396,461)	(2,576,137)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(3,896,800)	-
Sale of property, plant and equipment		2,899,500	-
Security deposit		1,115,000	(1,000,000)
Net cash (used in) / generating from investing activities		117,700	(1,000,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of director's Loan		(35,175,000)	-
Repayment of Ex-chief Executive Loan		(832,223)	-
Loan Given to director		1,550,000	-
Net cash flows generated from / (used in) financing activities		(34,457,223)	-
Net increase / (decrease) in cash and cash equivalents		(146,735,984)	(3,576,137)
Cash and cash equivalents at the beginning of the period		148,077,883	151,972,610
Cash and cash equivalents at the end of the period		<u>1,341,899</u>	<u>148,396,473</u>

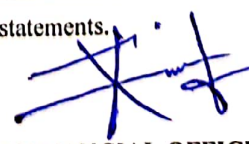
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CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

RAVI TEXTILE MILLS LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 MARCH 2021 (UN-AUDITED)

1 LEGAL STATUS AND NATURE OF BUSINESS

1.01 M/s Ravi Textile Mills Limited (“the Company”) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The principal activity of the Company is cotton ginning and pressing; processing of cotton seeds; trading of cotton and yarn.

1.02 Acquisition and Resultant Change of Management Control of the Company

During the period under review, Ch. Muhamad Shafique and Muhammad Ahmed Raza have acquired more than 51% shares of Ravi Textile Mills Limited (“the Company”), together with management control of the Company. All the legal formalities regarding change of management have been fulfilled.

The shares under the Sale Purchase Agreement have been transferred to the Acquirers in compliance with applicable provisions of the Securities Act, 2015 and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017.

These condensed interim financial statements of the Company for the nine months ended 31 March 2021 reflect the results of commercial operations of cotton ginning and pressing carried out by the Company under the Sellers' management.

Mr. Ch. Muhammad Shafique and Mr. Muhammad Ahmad Raza are the majority shareholders of Chaudhry Steel Re-Rolling Mills Limited and BECO Steel Re-Rolling Mills (Private) Limited respectively, which are engaged in manufacturing of steel and allied products. Hence, the Company shall engage in steel business in future.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.01 BASIS OF PREPARATION

a) Statement of compliance

These condensed interim financial statements comprise the condensed interim statement of financial position of the company as at March 31, 2021 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with notes forming part thereof.

These condensed interim financial statements 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 Standard Board (IASB) as notified under Companies Act, 2017; and
- Provisions of and directives issued under Companies Act, 2017

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended June 30, 2020. Comparative condensed interim statement of financial position is stated from annual financial statements as of June 30, 2020, whereas comparatives for condensed interim statement of profit or loss and condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and related notes are extracted from condensed interim financial statements of the Company for the nine months' period ended March 31, 2020.

3 ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2020.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2020.

4 CONTINGENCIES AND COMMITMENTS

There is no change in the status of contingencies and commitments since the preceding annual published financial statements of the Company for the year ended 30 June 2020.

	Note	Un-Audited 31-Mar-2021 Rupees	Audited 30-Jun-2020 Rupees
5 TRADE AND OTHER PAYABLES		-	124,173,926
6 ACCRUED MARK-UP			
Bank Alfalah Limited		850,000	850,000
7 PROPERTY, PLANT AND EQUIPMENT			
Opening book value		-	-
Add: Addition during the period		3,896,800	-
		3,896,800	-
Less: Depreciation charged during the period		(456,048)	-
Book value		3,440,752	-
Less: Disposal during the year (WDV)		3,440,752	-
		-	-
7.01 Loss on disposal of fixed assets			
Cost		3,896,800	-
Accumulated depreciation		(456,048)	-
Net book value		3,440,752	-
Sale proceed		2,899,500	-
Loss on sale of fixed assets		(541,252)	-
8 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Prepayments		-	2,870
9 OTHER RECEIVABLE			
Considered good, unsecured:			
Accrued profit on saving bank account		60,245	827,618

RAVI TEXTILE MILLS LIMITED

	Un-Audited 31-Mar-2021 Rupees	Audited 30-Jun-2020 Rupees
10 SHORT TERM INVESTMENT		
Debt instrument - at amortized cost		
Term deposit receipt	925,942	925,942
Add: Profit accrued thereon	83,146	23,372
	1,009,088	949,314

10.01 This term deposit receipt issued by banking company has maturity period of one year and carries profit at the rate 9.90% per annum.

		Nine months ended		Quarter ended	
		31-Mar-2021	31-Mar-2020	31-Mar-2021	31-Mar-2020
	Note	Rupees	Rupees	Rupees	Rupees
11 SALES - NET					
Sales - net		230,770,190	-	10,192,476	-
12 COST OF SALES					
Raw material consumed		215,978,005	-	-	-
Salaries, wages and others benefits		2,524,541	-	132,666	-
Packing Material consumed		1,272,764	-	-	-
Fuel and power		856,222	-	-	-
Insurance		61,197	-	-	-
Repair and maintenance		2,273,069	-	-	-
Other factory overheads		3,745,791	-	93,600	-
		226,711,589	-	226,266	-
Work in process					
Opening inventory		-	-	-	-
Closing inventory		-	-	-	-
		-	-	-	-
Cost of goods manufactured		226,711,589	-	226,266	-
Finished goods					
Opening inventory		-	-	10,192,477	-
Closing inventory		-	-	-	-
		-	-	10,192,477	-
Cost of sales		226,711,589	-	10,418,743	-

13 TRANSACTIONS WITH RELATED PARTIES

The related parties comprises of associated undertaking, directors and key management personnel. The Company in the normal course of business carried out transaction with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this condensed interim financial

i. Transactions	Nine months ended		Quarter ended	
	31-Mar-2021	31-Mar-2020	31-Mar-2021	31-Mar-2020
Related Party Transaction	Rupees	Rupees	Rupees	Rupees
Associated company				
Funds received	-	181,286	-	60,591
Funds repaid	39,927,406	181,286	-	161,635
Other related parties				
Remuneration to key management personnel	744,568	1,127,835	101,961	374,335

RAVI TEXTILE MILLS LIMITED

Un-audited	Audited
31-Mar-2021	30-Jun-2020
Rupees	Rupees

ii. Period end balances

Payable to Associated Company	-	39,927,406
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14 FINANCIAL RISK MANAGEMENT

The company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the company for the year ended 30 June 2020.

15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 29 April 2021.

16 GENERAL

Figures have been rounded off to nearest of Rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER