

SAJJAD TEXTILE MILLS LIMITED

QUARTERLY REPORT

MARCH 31, 2020

(Un-audited)

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





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DIRECTORS' REPORT

Dear Shareholders,
Assalam-o-Alaikum,

The Directors are pleased to present the unaudited financial statements for the 3rd Quarter and Nine Months ended March 31, 2020.

Financial Results

The financial results are as under:

	Jan. - Mar. 2020 (Rupees)	Jul. 2019 - Mar. 2020 (Rupees)
Sales - Net	0	0
Cost of Sales	0	0
Gross (Loss)	0	0
(Loss) Before Taxation	(9,910,594)	(36,110,470)
(Loss) After Taxation	(9,952,937)	(36,184,127)

The Company suffered before tax loss of Rs. (9.910) million and Rs. (36.110) million for the 3rd quarter and nine months ended March 31, 2020 respectively, as against before tax loss of Rs. (11.255) million and Rs. (30.304) million for the corresponding periods last year.

Earnings/ (Loss) per share

Loss after tax per share was Rs. (0.47) and Rs. (1.70) for the 3rd quarter and nine months ended March 31, 2020 respectively, as against per share loss of Rs. (0.54) and Rs. (1.48) for the corresponding periods last year.

The manufacturing operations of the Company remained suspended during the period as per intimation sent to Pakistan Stock Exchange and Securities and Exchange Commission of Pakistan on September 22, 2016. The Company obtained approval of its Members in the Extraordinary General Meeting held on February 18, 2019 to dispose off the land, building and other assets of the Company and to utilize their sale proceeds partially to meet the pressing liabilities of the Company and the remaining amount in trading activities along with the amount generated on account of renting/letting out of the Company's premises as permissible under the Memorandum of Association of the Company. An advertisement inviting tenders from prospective buyers of Land, Building and other assets was published and few prospective buyers have shown interest in the purchase of aforesaid assets. However, the sale of aforesaid assets could not be materialized within twelve months from the date of approval due to unsuitable price offers and thus the management abstained from disposing the aforesaid assets at throwaway price in the best interest of the shareholders. All the relevant details with respect to previous disposal of assets including book value of assets sold, sale proceeds, gain/(loss) on disposal and utilization of sale proceeds along with book value of remaining assets to be sold are attached with this report. Further, the Shareholders of the Company passed a special resolution for voluntary delisting of the Company through buy back of shares at Rs. 25.00 per share in the Extra Ordinary General Meeting of the Company held on March 07, 2020 as approved by PSX. Presently, the said buy-back of shares is in process and the share purchase offer is valid from March 19, 2020 to May 17, 2020. The future operations of the company mainly depend upon disposal of assets and repayments and settlements of outstanding liabilities subsequent to the voluntary delisting of the Company.

For and on behalf of the Board


Chief Executive Officer


Director

Lahore: 29th April, 2020

SAJJAD TEXTILE MILLS LIMITED**Sale of Assets Detail as per SRO 1227(I)/2005****for the Quarter ended: 31 March, 2020**

Sr. No.	SALE DATE	PARTICULARS OF ASSETS (MACHINERY)	QTY.	SALES AMOUNT	BUYING PARTY'S NAME
1	13-Apr-2017	Draw Frames-RSB D-22 (2013+2015)	2	12,000,000	Asher Imran Spinning Mills
2	18-Apr-2017	Draw Frames-DYH 500C	3	900,000	Waqas Rafiq International
3	20-Apr-2017	Blowroom One Line Complete Set	1	2,900,000	Crescent Cotton Mills Ltd
4	20-Apr-2017	Dust Filter Plant	2	2,500,000	Crescent Cotton Mills Ltd
5	25-Apr-2017	Cone Winding-Murata 7-II	2	1,200,000	Anwar Spinning Mills Ltd
6	03-May-2017	Cone Winding-Murata 7-II	1	600,000	Combine Spinning Pvt. Ltd.
7	05-May-2017	Bale Breaker GBR1000-Complete Set	1	1,400,000	Shahzad Textile Mills Ltd.
8	05-May-2017	Draw Frames-DYH 500C	2	600,000	Shahzad Textile Mills Ltd.
9	11-May-2017	Murata Japan 7-II, Cone Winding	1	563,025	Anjum Tariq, Faisalabad
10	19-May-2017	Mono Axial Flow Opener, Multimixer & Dustex DX	3	1,000,000	Waqas Rafiq International
11	22-May-2017	Murata Japan 7-II, Cone Winding	1	563,025	Zeeshan Traders
12	24-May-2017	Schlofhorst 338-RM, Cone Winding	3	11,400,000	Crescent Cotton Mills Ltd
13	26-May-2017	EJM 1008 Ring Frame	1	210,882	Anjum Mehtab
14	16-Jun-2017	Used/ Damaged Cans & Bobbins	1 Lot	300,000	Crescent Cotton Mills Ltd
15	17-Jun-2017	Blendomat BDT-019, Auto Plucker FA-002, Krishner Beater RV	1 Lot	1,450,000	Crescent Cotton Mills Ltd
16	07-Jul-2017	Card Machines DK - 740 with FBK-533 feeder	4	1,560,000	Ideal Trading Co.
17	25-Jul-2017	Drawing Machine RSB D-22	1	6,800,000	Kohat Textile Mills Limited
18	27-Jul-2017	Laboratory Equipments	1 Lot	363,000	Crescent Cotton Mills Ltd
19	27-Jul-2017	Stores & Spare Parts	1 Lot	2,400,000	Crescent Cotton Mills Ltd
20	07-Aug-2017	Air Conditioned Plant - Luwa Switzerland	1	1,500,000	Zeeshan Traders
21	12-Aug-2017	Card Machines DK - 740 with FBK-533 feeder	6	2,340,000	Ideal Trading Co.
22	19-Aug-2017	Card Machines DK - 740 with FBK-533 feeder	12	4,680,000	Ideal Trading Co.
23	20-Aug-2017	Card Machines DK - 740 with FBK-533 feeder	2	780,000	Ideal Trading Co.
24	28-Aug-2017	Simplex FL16 Machine - 120 Spindles	1	1,378,000	National Spinning Mills
25	29-Aug-2017	Compressors: Comp Air L-22, SANCO VS-15C & Meiji SO-15C	5	275,000	Bahoo Cotton Corporation
26	29-Aug-2017	Lab. Equipments: Lee Strength Tester and Fibro Graph etc.	2	325,000	Bahoo Cotton Corporation
27	09-Sep-2017	Ring Frames RY-5 Toyoda Japan - 960 Spindles each	2	1,600,000	Qadri Textile Mills Ltd.
27	06-Oct-2017	Ring Frames RY-5 Toyoda Japan - 960 Spindles each	2	1,600,000	Qadri Textile Mills Ltd.
28	13-Sep-2017	Simplex FL16 Machine - 120 Spindles	4	5,385,283	Gulf Tex Machines
29	19-Oct-2017	Compressor L-55 with Air Dryer SD-0850A	1	725,000	ACT Air Compressor Tech.
30	16-Nov-2017	Ring Frame RY-5 Japan 960 spindles each	2	1,200,000	Ideal Trading Co.
31	17-Nov-2017	Drawing Frames Toyoda Japan DYH-2C	2	84,000	Mr. Muhammad Nawaz
32	22-Nov-2017	Simplex Roving Frames Huwa RME 93	2	1,400,000	Beacon Impex
33	05-Dec-2017	Ring Frame RY-5 Japan 960 spindles each	4	2,400,000	Ideal Trading Co.
34	07-Dec-2017	Ring Frames EJM-168	3	2,100,000	Crescent Cotton Mills Ltd
35	13-Dec-2017	Ring Frame RY-5 Japan 960 spindles each	2	1,200,000	Ideal Trading Co.
36	26-Dec-2017	Ring Frame RY-5 Japan 960 spindles each	4	2,400,000	Ideal Trading Co.
37	27-Dec-2017	Roving Frame Simplex FL-100 Toyoda Japan	1	2,500,000	Al-Nasr Textile Limited
38	03-Jan-2018	Ring Frames EJM-168	2	1,200,000	Ulfat textile Mills (Pvt) Ltd
39	05-Jan-2018	Draw Frames-DYH 500C	3	300,000	The Lahore Textile & Gen. Mills
40	16-Jan-2018	Ring Frames EJM-168	1	600,000	Ulfat textile Mills (Pvt) Ltd
41	10-Feb-2018	Draw Frames-DYH 500C	2	200,000	Ideal Trading Co.
42	02-Apr-2018	Ring Frame EJM-168	2	800,000	Nagra Spinning Mills (Pvt) Ltd.
43	04-Apr-2018	Workshop Equipments	1 Lot	134,500	Mr. Muhammad Pervaiz
TOTAL				85,816,715	

SAJJAD TEXTILE MILLS LIMITED**Plant & Machinery's Disposal and Funds Utilization Upto 31 March, 2020**

SR. No.	DESCRIPTION	COST/ REVALUED FIGURE	WRITTEN DOWN (BOOK VALUE)	SALE PROCEEDS (Upto 30 June, 2018)	TOTAL SALE PROCEEDS (upto 31 March, 2019)	REMAINING ASSETS' BOOK VALUE	GAIN / (LOSS) (upto 31 March, 2019)	REMARKS
1	P & M-Blow Room	5,625,000	5,484,375	6,750,000	6,750,000	-	1,265,625	COMPLETE SOLD
2	P & M-Drawing Machine	21,150,000	20,782,500	20,884,000	20,884,000	-	101,500	COMPLETE SOLD
3	P & M- Card Machine	14,400,000	14,268,750	9,360,000	9,360,000	-	(4,908,750)	COMPLETE SOLD
4	P & M-Drawing Simplex Frames	10,758,082	10,650,112	10,663,283	10,663,283	-	13,171	COMPLETE SOLD
5	P & M-Ring Spinning Frames	25,041,000	24,709,025	15,310,882	15,310,882	-	(9,398,143)	COMPLETE SOLD
6	P & M-Auto Cone Winder	14,250,000	13,893,750	14,326,050	14,326,050	-	432,300	COMPLETE SOLD
7	P & M-Air Conditioning and	4,125,000	4,071,875	4,000,000	4,000,000	-	(71,875)	COMPLETE SOLD
8	P & M-Laboratory Equipments	675,000	658,125	688,000	688,000	-	29,875	COMPLETE SOLD
9	P & M- Workshop Equipments, Spare Parts	130,000	126,750	134,500	134,500	-	7,750	COMPLETE SOLD
10	P & M- Compressor	1,020,000	994,500	1,000,000	1,000,000	-	5,500	COMPLETE SOLD
11	Store and Spares	4,988,552	4,988,552	2,700,000	2,700,000	-	(2,288,552)	COMPLETE SOLD
12	Transformer & Electrification	7,500,000	7,312,500	-	-	7,312,500	-	NOT SOLD

HELD FOR SALE AFTER APPROVAL IN EOGM HELD ON FEBRUARY 18, 2019

13	Free hold Land	86,500,000	86,500,000	-	-	86,500,000	-	NOT SOLD
14	Buildings (Production Hall, Godowns and	96,945,804	70,549,480	-	-	70,549,480	-	NOT SOLD
15	Other related Assets	20,141,187	10,987,505	-	-	10,987,505	-	NOT SOLD
	TOTAL	313,249,625	275,977,798	85,816,715	85,816,715	175,349,484	(14,811,599)	

Utilization of Funds Detail

Sr. No	PAYMENTS' DETAIL	AMOUNT (Rs.)
1	Creditors and Other Payables	42,056,695
2	Salaries & Wages	18,174,367
3	Electricity/ Gas / Utilities Bills	3,610,468
4	Repair & Maint./Travelling/Conveyance/Legal & Professional/ Fees/ Advertisement/ Repair & Maintenance/ Postage/ Printing & Stationery/ Other Expenses/ Insurance & Taxes	11,581,241
6	Sponsor Loan Repayment	5,650,000
7	Investment in Al-Meezan Funds & NAFA Stock Funds	4,743,944
	TOTAL	85,816,715

ڈائریکٹرز رپورٹ

محترم حصص یافتگان،
السلام علیکم،

ڈائریکٹرز 31 مارچ، 2020 تیسری سہ ماہی اور نو ماہ کے اختتام پر کمپنی کا غیر آڈٹ کردہ مالیاتی جائزہ آپ کو پیش کرتے ہیں۔

مالیاتی نتائج

مالیاتی نتائج حسب ذیل ہیں:

Jul. 2019 - Mar. 2020 (Rupees)	Jan. - Mar., 2020 (Rupees)	
0	0	سیلز - ٹیٹ
0	0	فروخت کی مالیت
0	0	مجموعی نقصان کے
(36,110,470)	(9,910,594)	قبل از ٹیکسیشن نقصان
(36,184,127)	(9,952,937)	ٹیکسیشن کے بعد نقصان

کمپنی کا قبل از ٹیکس نقصان (9.910) ملین روپے اور (36.110) ملین روپے بالترتیب برائے زیر بحث تیسری سہ ماہی اور نو ماہ میں ہوا جبکہ گزشتہ سال اسی مدت میں کمپنی کا بالترتیب قبل از ٹیکس نقصان (11.255) ملین روپے رہا اور قبل از ٹیکس نقصان (30.304) ملین روپے رہا۔

کمپنی کا بعد از ٹیکس نقصان فی حصص (0.47) روپے اور (1.70) روپے بالترتیب برائے زیر بحث تیسری سہ ماہی اور نو ماہ میں رہا، جبکہ گزشتہ سال اسی مدت میں کمپنی کا بالترتیب بعد از ٹیکس نقصان فی حصص (0.54) روپے اور بعد از ٹیکس نقصان فی حصص (1.48) روپے رہا۔

کمپنی کی مینوفیکچرنگ آپریشنز کے تیسری سہ ماہی 31 مارچ، 2020 میں، ستمبر 22، 2016 پر پاکستان اسٹاک ایکسچینج اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کو بھیجے اطلاع کے مطابق دوران معطل رہے۔ 18 فروری، 2019 کو منعقد غیر معمولی جنرل اجلاس میں اراکین نے کمپنی کی زمین، بلڈنگ اور کمپنی کے دیگر اثاثوں کو فروخت کرنے اور متبادل کاروباری منصوبہ کو نافذ کرنے کے ذریعے کمپنی کی بحالی کی منظوری دے دی۔ زمین، بلڈنگ اور دیگر اثاثوں کے ممکنہ خریداروں کو مدعو کرنے کے لئے ایک اشتہار شائع کیا گیا۔ پلانٹ اور مشینری کی فروخت اور تصرف کا مالیاتی جائزہ آپ کو پیش کیا ہے۔ مزید یہ کہ کمپنی کے حصص یافتگان نے کمپنی کو رضاکارانہ طور پر فہرست سے ہٹانے کے لئے ایک خصوصی قرار داد منظور کی جس کے ذریعے روپے میں حصص کی واپسی کی خریداری کی جاسکے۔ 07 مارچ، 2020 کو منعقدہ کمپنی کی غیر معمولی عام جنرل میٹنگ میں 25.00 فی حصص پی ایس ایکس کے ذریعہ منظور شدہ۔ حصص کی مذکورہ خریداری کا عمل جاری ہے اور حصص کی خریداری کی پیش کش 19 مارچ 2020 سے 17 مئی 2020 تک ہے۔ کمپنی کی آئندہ کارروائی بنیادی طور پر اثاثوں اور ادائیگیوں کے تصفیے اور بعد میں بقایا جات کی واجبات کی آبادکاری پر منحصر ہے۔

برائے اور بحکم بورڈ

Bahwa

ڈائریکٹر

Ch

محمد عاصم سجاد

چیف ایگزیکٹو آفیسر

اپریل 29، 2020

لاہور

SAJJAD TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH, 2020

	Un-Audited 31 Mar, 2020	Un-Audited 31 Mar, 2020	Audited 30 Jun, 2019	Audited 30 Jun, 2019
	Realizable / Settlement value	Book value	Realizable / Settlement value	Book value
Note	Rupees			
ASSETS				
Cash and cash equivalents	3,233,196	3,233,196	189,123	189,123
Tax refunds due from government	5,568,946	5,568,946	4,779,516	4,779,516
Advances, prepayments and other receivables	26,212,051	26,212,051	26,120,341	26,120,341
Long term investment	3,289,953	3,289,953	2,928,410	2,928,410
Non-current assets classified as held for sale	5 209,378,900	209,378,900	173,220,970	173,220,970
Property, plant and equipment	6 10,587,083	10,587,083	8,279,786	8,279,786
	258,270,129	258,270,129	215,518,146	215,518,146
LIABILITIES				
Provision for taxation	73,657	73,657	1,572,510	1,572,510
Accrued mark-up	81,458,021	81,458,021	62,248,853	62,248,853
Short term borrowings	7 372,486,461	372,486,461	357,796,461	357,796,461
Trade and other payables	8 88,363,256	88,363,256	81,497,295	81,497,295
Unclaimed dividend	166,942	166,942	166,942	166,942
Deferred liabilities	610,100	610,100	393,100	393,100
	543,158,437	543,158,437	503,675,161	503,675,161
NET ASSETS	(284,888,308)	(284,888,308)	(288,157,015)	(288,157,015)
REPRESENTED BY:				
Share capital	9 212,678,000	212,678,000	212,678,000	212,678,000
Surplus on revaluation of property, plant and equipment	157,656,399	157,656,399	118,586,946	118,586,946
Fair value loss on remeasurement of investments	(1,700,670)	(1,700,670)	(2,050,974)	(2,050,974)
Accumulated loss	(653,522,037)	(653,522,037)	(617,370,987)	(617,370,987)
	(284,888,308)	(284,888,308)	(288,157,015)	(288,157,015)
Contingencies and commitments	-	-	-	-
	(284,888,308)	(284,888,308)	(288,157,015)	(288,157,015)

The annexed notes 1 to 11 form an integral part of these financial statements.


 Chief Executive Officer


 Director

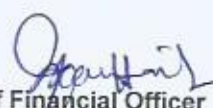

 Chief Financial Officer

SAJJAD TEXTILE MILLS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT /
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER PERIOD ENDED 31 MARCH, 2020

	Nine Months ended		Quarter ended	
	31 Mar, 2020	31 Mar, 2019	31 Mar, 2020	31 Mar, 2019
	Rupees		Rupees	
Other income	4,603,298	6,464,700	2,515,710	1,876,540
Operating expenses:				
Administrative expenses	(21,494,025)	(24,497,861)	(5,995,420)	(8,461,770)
Finance cost	(19,219,743)	(12,270,496)	(6,430,884)	(4,670,022)
	(40,713,768)	(36,768,357)	(12,426,304)	(13,131,792)
Loss before taxation	(36,110,470)	(30,303,657)	(9,910,594)	(11,255,252)
Taxation	(73,657)	(1,178,355)	(42,343)	(281,481)
Loss after taxation	(36,184,127)	(31,482,012)	(9,952,937)	(11,536,733)
Other comprehensive loss				
Fair value (loss) / gain on remeasurement of investments classified at fair value	350,304	(437,736)	(161,045)	(347,853)
Total comprehensive loss	(35,833,823)	(31,919,749)	(10,113,982)	(11,884,586)
Loss per share - basic and diluted	(1.70)	(1.48)	(0.47)	(0.54)


Chief Executive Officer


Director

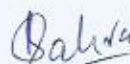

Chief Financial Officer

SAJJAD TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER PERIOD ENDED 31 MARCH, 2020

	Share capital	Surplus on revaluation of property, plant and equipment	Fair value loss on remeasurement of investment	Accumulated loss	Total Equity
	----- Rupees -----				
Balance as at June 30, 2018	212,678,000	118,586,946	(1,172,922)	(545,948,656)	(215,856,632)
Effect of rectification of error	-	-	-	(19,576,627)	(19,576,627)
Restated balance as at July 01, 2018	212,678,000	118,586,946	(1,172,922)	(565,525,283)	(235,433,259)
Loss for the year	-	-	-	(51,845,703)	(51,845,703)
Other comprehensive loss for the year	-	-	(878,052)	-	(878,052)
Balance as at June 30, 2019	212,678,000	118,586,946	(2,050,974)	(617,370,986)	(288,157,014)
Balance as at July 01, 2019	212,678,000	118,586,946	(2,050,974)	(617,370,986)	(288,157,014)
Loss for the period	-	-	-	(36,184,127)	(36,184,127)
Increase in Revaluation surplus on account of revaluation during the period	-	39,102,529	-	-	39,102,529
Other comprehensive income for the period	-	-	350,304	-	350,304
Revaluation surplus on account of incremental depreciation current period	-	(33,076)	-	33,076	-
Balance as at March 31, 2020	212,678,000	157,656,399	(1,700,670)	(653,522,037)	(284,888,308)



Chief Executive Officer



Director



Chief Financial Officer

SAJJAD TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER PERIOD ENDED 31 MARCH, 2020

	Nine Months ended	
	31 Mar, 2020	31 Mar, 2019
 Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(36,110,470)	(30,303,657)
Adjustments for non-cash charges / items:		
Depreciation	637,303	689,982
Finance cost	19,219,743	12,270,496
Provision for gratuity	217,000	217,000
	<u>20,074,046</u>	<u>13,177,479</u>
Loss before working capital changes	(16,036,424)	(17,126,178)
Working capital changes :		
(Decrease) / increase in current assets		
Advances, prepayments and other receivables	(2,391,230)	1,809,297
(Decrease) in trade and other payables	6,865,961	7,366,572
	<u>4,474,731</u>	<u>9,175,869</u>
Cash used in operations	(11,561,693)	(7,950,309)
Income taxes paid	(73,657)	(6,015)
Finance cost paid	(10,577)	12,014
Net cash used in operating activities	<u>(11,645,927)</u>	<u>(7,944,310)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	-	-
(Increase) in long-term deposits	-	-
Net cash out flow in investing activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short term loan from directors and sponsors	14,690,000	6,468,911
Net cash inflow from financing activities	<u>14,690,000</u>	<u>6,468,911</u>
Net increase / (decrease) in cash and cash equivalents	<u>3,044,073</u>	<u>(1,475,399)</u>
Cash and cash equivalents at beginning of period	189,123	2,761,765
Cash and cash equivalents at end of period	<u>3,233,196</u>	<u>1,286,366</u>



Chief Executive Officer



Director



Chief Financial Officer

SAJJAD TEXTILE MILLS LIMITED
SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER PERIOD ENDED 31 MARCH, 2020

1 STATUS AND ACTIVITIES

1.1 Sajjad Textile Mills Limited ("the Company") was incorporated in Pakistan as a public limited Company on June 12, 1988 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and got listed on Pakistan Stock Exchange on December 31, 1990. The Company is principally engaged in manufacturing, selling, buying and dealing in all types of yarn. The registered office of the Company is situated at 19-B, Off Zafar Ali Road, Gulberg-V, Lahore. The manufacturing facility of the Company is situated at 65 Km Multan Road, Jhambar Klan, Distt Kasur.

1.2 Material uncertainty related to going concern

The Company suspended its operations in September 2016 and after obtaining approval from shareholder intended to dispose off its entire assets including freehold land, building, plant and machinery and other assets to settle its liabilities and to initiate new business of trading / investing activities. However, the proposed plan could not be implemented during the period ended March 31, 2020 and the Company's accumulated losses stand at Rs. 653.522 million and negative equity balance of Rs. 284.888 million as at March 31, 2020.

The Company obtained approval from shareholders to dispose off freehold land, building, plant and machinery and other assets installed at the production facility in an Extra Ordinary General Meeting held on April 6, 2017. Process of disposal of fixed assets of the Company and approved by the shareholders in the aforesaid Extra Ordinary General Meeting could not be completed within one year. Therefore, in accordance with the requirements of the Companies Act, 2017 the Company again obtain approval from shareholders for the said disposal in an Extra Ordinary General Meeting held on February 20, 2018 and on February 18, 2019.

The shareholders of the Company approved the delisting of the Company from Pakistan Stock Exchange Limited through buy back of shares from minority shareholders in Extraordinary General Meeting held on March 07, 2020. In view of the aforesaid reasons, the Company is not considered as going concern. Therefore, these financial statements have been prepared on non-going concern basis (i.e on the basis of estimated realizable value / settlement values of the assets and liabilities). Moreover, the process of delisting of the Company from Pakistan Stock Exchange Limited is currently underway.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRSs) 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 IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 34 – Interim Financial Reporting' and provisions of directives issued under the Act. In the cases where the requirements differ, the provisions or directives issued under the Act have been followed. This condensed interim financial information has, however, been subjected to limited scope review by the auditors, as required by the Code of Corporate Governance, and should be read in conjunction with the audited annual financial statements of the Company for the year ended 30 June 2019.

SAJJAD TEXTILE MILLS LIMITED
SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER PERIOD ENDED 31 MARCH, 2020

3 BASIS OF MEASUREMENT

Management of the company has decided to prepare these financial statements on the basis of estimated realizable/settlement value of the assets and liabilities respectively in addition to Historical cost invention. All assets and liabilities in these financial statements have been presented in order of liquidity.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method for computation adopted for the preparation of this condensed interim financial information is the same as those applied in preparation of the financial statements for the year ended 30 June 2019.

	Un-Audited	Audited
	31 Mar, 2020	30 June 2019
 Rupees	
5 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE		
Opening balance	173,220,970	176,891,338
Add: Surplus on revaluation	36,157,930	-
Less: Impairment loss for the period	-	(3,670,368)
	<u>209,378,900</u>	<u>173,220,970</u>
6 PROPERTY, PLANT AND EQUIPMENT		
Opening balance	8,279,787	9,199,763
Surplus on revaluation	2,944,599	-
Depreciation for the period	(637,303)	(919,976)
Closing book value	<u>10,587,083</u>	<u>8,279,787</u>
7 SHORT TERM BORROWINGS		
Interest free loan from directors and sponsors - unsecured	199,437,447	199,437,447
Interest bearing loan from directors and sponsors - unsecured	173,049,014	158,359,014
	<u>372,486,461</u>	<u>357,796,461</u>
7.1 The above loans are unsecured and are repayable to directors and sponsors on demand.		
7.2 These loans are unsecured and repayable on demand. The loan carries markup @ 3 months KIBOR + 2%.		
8 TRADE AND OTHER PAYABLES		
Creditors	21,585,239	24,432,294
Advances from customers	1,589,222	781,835
Withholding tax payables	241,250	239,884
Unearned income	309,677	52,599
Accrued liabilities	64,579,868	55,990,683
	<u>88,305,256</u>	<u>81,497,295</u>

SAJJAD TEXTILE MILLS LIMITED
SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER PERIOD ENDED 31 MARCH, 2020

	31 Mar, 2020	30 June 2019	31 Mar, 2020	30 June 2019
	----- Number of shares -----		Rupees	Rupees
9 SHARE CAPITAL				
Authorized capital				
Ordinary shares of Rs.10 each	<u>30,000,000</u>	<u>30,000,000</u>	<u>300,000,000</u>	<u>300,000,000</u>
Issued, subscribed and paid-up capital				
Ordinary shares of Rs.10 each fully paid	<u>21,267,800</u>	<u>21,267,800</u>	<u>212,678,000</u>	<u>212,678,000</u>

10 CORRESPONDING FIGURES

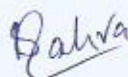
Corresponding figures have been re-classified and re-arranged, wherever necessary, to reflect more appropriate presentation of events and transactions for the purpose of comparison. However, no significant re-classification and re-arrangements were made in these financial statements.

11 AUTHORIZATION FOR ISSUE

These financial statements have been approved by the board of directors of the Company and authorized for issue on 29th April, 2020.



Chief Executive Officer



Director



Chief Financial Officer