

CONDENSED
INTERIM FINANCIAL
STATEMENTS

QUARTER ENDED

30 SEPTEMBER 2020

UN-AUDITED



Ravi Textile Mills Limited



DIRECTORS' REPORT

(INCLUDING STATUS OF DISPOSAL OF ASSETS AND STATUS OF IMPLEMENTATION OF BUSINESS PLAN)

With the grace of Almighty Allah, the management of the company has succeeded to start alternate business plan, as approved by the Board and the shareholders of the company.

A Ginning and Pressing Unit has been obtained on lease and is located at Lalaka Road, Haroonabad, District Bahawalnagar and a Cotton Pressing Factory has been obtained on lease and is situated at Bahawalpur Road, Multan.

During the quarter under review the company has made the sale of Rs.23.478 million excluding sale tax and the result of operation shows that the company has earned gross profit of Rs. 0.696 million and net profit of Rs. 0.613 million after accounting for administrative expenses amounted to Rs. 1.835 million, other expenses of Rs. 0.071 million and finance cost amounted to Rs. 0.225 million. Corresponding period's net profit was Rs .0.709 million.

The company has resumed commercial operations of cotton ginning, after more than five years from its forced closure of spinning operation, with the proceeds from sale of the total Assets of the company. Details in this regard were given in the preceding directors' report to the shareholders for the year 2020.

Keeping in view of forced closure of mills operations, the management of the company obtained the approval of the members of the Company was accorded in terms of Section 183(3)(a) of the Companies Act, 2017 to the disposal and sale of Company's assets located at 49 KM, Lahore-Multan Road, Chunian, District Kasur comprising of freehold land, buildings on freehold land, plant and machinery, electric fittings and installations, factory tools and equipment, furniture, fixtures and office equipment and other assets ("Assets") in Extraordinary General Meeting of the members of the Company held on 02 March 2018 at registered office of the Company. The Company signed an Assets Sale and Purchase Agreement on 26 February 2019 with M/s Waqas Rafique International. Total consideration amount for sale of the Assets except vehicles agreed between the parties to the Assets Sale and Purchase Agreement dated 26 February 2019 was Rupees 300,000,000. The Company had received the full consideration and Assets were disposed of in accordance with Assets Sale and Purchase Agreement. Proceeds from sale of the Assets are being utilized for repayment of liabilities of the Company. Financing from banks has been settled and balance amount is deposited in saving bank account of the Company. In the aforesaid meeting, the members of the company had also accorded the approval to utilize the remaining proceeds to start alternate business plan as approved and recommended by the Board of Directors of the Company.

The board of directors of the Company in their meeting held on 12 August 2020 approved to obtain a cotton ginning factory and oil mills situated at Lalaka Road, Haroonabad, District Bahawalnagar on operating lease. The lease agreement with M/s Noman Cotton Factory (the lessor) has been signed for an initial lease term of two years and extendable with mutual agreement by both parties, and annual lease rent of Rs. 1,600,000/- has been paid to the lessor. The cotton ginning factory under reference has been handed over to the Company on 13 August 2020. Further, pursuant to the approval of board of directors on 05 October 2020, lease agreement dated 06 October 2020 has been signed by the Company with M/s Naeem Corporation Cotton Pressing Factory on 06 October 2020 and the Company has taken over the possession of cotton pressing factory situated at Bahawalpur Road, Multan on 06 October 2020 and the agreed annual lease rent of Rs. 1,000,000 for the year 2020-2021 has been paid. Therefore, the Company has started cotton pressing operations.

IN-PROCESS ACQUISITION AND RESULTANT CHANGE OF CONTROL OF THE COMPANY

Pursuant to Regulation 6 of the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017, the Company has received on 16 October 2020 a notice of public announcement of intention from potential acquirers, Ch. Muhammad Shafique and Muhammad Ahmad Raza, whereby the potential acquirers have expressed their intention to acquire more than 51% shares of the Company, together with management control. The sponsors of the Company are now in the process of signing a Share Purchase Agreement (SPA) with the Ch. Muhammad Shafique and Muhammad Ahmad Raza. SPA is expected to be signed very shortly. Ch. Muhammad Shafique and Muhammad Ahmad Raza are the majority shareholders of Chaudhry Steel Re-Rolling Mills Limited and BECO Steel Re-Rolling Mills (Private) Limited which are engaged in manufacturing of steel and allied products. After completion of all legal and corporate formalities (including compliances with Takeover Laws), the prospective acquirers of the company will do their business .

For and on behalf of the Board

Multan:
30thOctober, 2020

Muhammad Waseem ur Rehman
Chief Executive

Director

ڈائریکٹرز رپورٹ

(باشمول اثاثوں کی فروخت اور عمل درآمد کاروباری منصوبہ کی صورت حال)

اللہ تعالیٰ کے فضل و کرم سے کمپنی کی انتظامیہ متبادل کاروباری منصوبہ چلانے میں کامیاب ہو چکی ہے جس کو بورڈ اور کمپنی کے ممبران نے منظور کیا۔ کمپنی نے ایک کائٹن جینگ اور پریسنگ فیکٹری لیز پر حاصل کر لی ہے جو کہ واقع ہے لا کاروڈ ہارون آباد ضلع بہاولنگر اور ایک کائٹن پریسنگ فیکٹری حاصل کر لی ہے واقع بہاولپور روڈ ملتان۔

دوران سہ ماہی زیر غور کمپنی نے سیل کی 23.478 ملین روپے بغیر شامل سیل ٹیکس، کمپنی کا کاروبار چلانے کا نتیجہ ظاہر کرتا ہے کہ اس نے غیر صافی منافع کمایا 0.696 ملین روپے اور صافی منافع 0.613 ملین روپے بعد از انتظامی اخراجات رقم 1.835 ملین روپے، دیگر اخراجات 0.071 ملین روپے اور مالی اخراجات رقم 0.225 ملین روپے منہا کر کے۔ برعکس پچھلے سہ ماہی صافی منافع 0.709 ملین روپے تھا۔

کمپنی نے تجارتی کاروبار کائٹن جینگ شروع کیا ہے مجبوراً بند شدہ کاروبار دہاگہ بنانا سے پانچ سال کے عرصہ کے بعد کمپنی کی فروخت شدہ تمام اثاثہ جات کے حاصل شدہ بقیہ رقم سے۔ تفصیلات اس سلسلہ کی بیان کر دی گئیں تھیں فوری پچھلی ڈائریکٹرز رپورٹ حصہ داران برائے سال 2020ء میں۔

مندرجہ بالا حالات کو مد نظر رکھتے ہوئے کمپنی کی انتظامیہ نے کمپنی کے ممبران سے کمپنی اثاثوں کی فروخت کی منظوری لی کمپنی ایکٹ 2017 کے زیر سیکشن a(3) 183 کے تحت جو کہ واقع ہیں 49۔ کلومیٹر لاہور ملتان روڈ چوئیاں ضلع قصور مشتمل ہیں فری ہولڈرز مین، بلڈنگ فری ہولڈرز مین، پلانٹ اور مشینری، بجلی دوسری تنصیبات اور دیگر اثاثے کمپنی اپنے غیر معمولی اجلاس عام منعقد ہوا 02 مارچ 2018 واقع رجسٹرڈ کمپنی آفس پر کمپنی نے اثاثوں کی فروخت و خرید کا معاہدہ مسز روقاص انٹرنیشنل کیساتھ مورخہ 26 فروری 2019 میں کیا۔ اثاثوں کی کل قیمت سوائے موٹر کار مابین فریقین معاہدہ فروخت و خرید مورخہ 26 فروری 2019 مبلغ 300,000,000 روپے طے پائی۔ کمپنی نے پوری قیمت طے شدہ معاہدہ وصول کر چکی ہے اور اثاثوں کو معاہدہ کے مطابق خریدار کے حوالے کر دیا ہے۔ اثاثوں کی فروخت سے حاصل شدہ رقم سے کمپنی کی واجب الادا ادائیگیاں کو ادا کر کے کم کیا ہے۔ ٹیکسوں کے قرضوں کو معہ سودا اثاثوں سے حاصل شدہ رقم سے ادا کر دیا ہے اور بقایا رقم کمپنی کے منافع بخش بینک اکاؤنٹ میں موجود ہے۔ مذکورہ مینٹگ میں حصہ داران نے یہ بھی منظور کیا تھا کہ اثاثے فروخت سے آدائیگیوں سے بچنے والی رقم سے کمپنی متبادل کاروبار کو شروع کر لے جو کہ کمپنی کے بورڈ آف ڈائریکٹران نے منظور کر کے حصہ داران کو پیش کیا۔

کمپنی کے بورڈ آف ڈائریکٹرز کی مینٹگ منعقد ہوئی مورخہ 12 اگست 2020ء نے منظور کیا کہ کمپنی کائٹن جینگ اینڈ پریسنگ فیکٹری واقع لا کاروڈ ہارون آباد ضلع بہاولنگر کو آپریشن لیز پر حاصل کرے۔ لیز معاہدہ کمپنی نے (LESSEE) میسرز نعمان کائٹن فیکٹری (LESSOR) نے ابتدائی طور پر دو سال کے لیے کر لیا ہے جس کو دونوں فریقین باہمی رضامندی سے مزید مدت بڑھا سکتے ہیں اور سالانہ لیز ریٹ مبلغ -/1,600,000 روپے (LESSOR) کو ادا کر دیا ہے۔ زیر بحث کائٹن جینگ فیکٹری کا قبضہ کمپنی نے 13 اگست 2020ء کو لے لیا تھا۔ مزید بورڈ آف ڈائریکٹرز کی منظوری مورخہ 5 اکتوبر 2020ء کے تحت کمپنی نے لیز معاہدہ مورخہ 6 اکتوبر 2020ء دستخط کیا نعیم کارپوریشن کائٹن پریسنگ فیکٹری کے ساتھ اور کائٹن پریسنگ فیکٹری واقع بہاولپور روڈ ملتان کا قبضہ لے لیا اور طے شدہ سالانہ لیز ریٹ مبلغ -/1,000,000 روپے برائے سال 2020-21 ادا کر دیا ہے۔ اس لیے کمپنی نے کائٹن پریسنگ کا کاروبار بھی شروع کر لیا ہے۔

ایکویزیشن ان پراسس نتیجہ نکلتا ہے کمپنی کی انتظامی تبدیلی کا

لیڈنگ کمپنی (سینٹنشل وونگ شیمز ٹیک اور) ریگولیشن 6 2017ء کے تحت کمپنی کو 16 اکتوبر 2020 کو نوٹس برائے عوام الناس موصول ہوا کہ چوہدری محمد شفیق اور محمد احمد رضا کی طرف سے کہ وہ ارادہ رکھتے ہیں کہ وہ کمپنی کے 51% سے زیادہ حصص کو حاصل کریں باشمول کمپنی کے نوٹل انتظامی کنٹرول کے ساتھ۔ کمپنی انتظامیہ کے سپانسر اب حصص خریداری کے معاہدے کو دستخط کرنے کے عمل میں مصروف ہیں چوہدری محمد شفیق اور محمد احمد رضا کے ساتھ۔ حصص خریداری کے معاہدہ کی توقع ہے کہ بہت جلد دستخط ہوگا۔ چوہدری محمد شفیق اور محمد احمد رضا کے پاس اکثریت حصص ہیں چوہدری سٹیبل ری رولنگ ملز لمیٹڈ میں اور بیکو سٹیبل ری رولنگ ملز (پرائیویٹ) لمیٹڈ میں جو کہ سٹیبل اور اس سے ملتی جلتی اشیاء بنانے میں مصروف عمل ہیں۔ بعد از مکمل قانونی، کارپوریٹ کاروائی باشمول ٹیک اور قانون کے عمل کو پورا کرنے پر کمپنی کے متوقع خریدار امید منافع سے اپنے کاروبار کو کریں گے۔

مجاہد بورڈ

محمد وسیم الرحمن

(چیف ایگزیکٹو)

(ڈائریکٹر)

ملتان۔ 30 اکتوبر 2020



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2020

	UN AUDITED 30, September 2020	AUDITED 30, June 2020
Note	Rupees	Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised share capital 30,000,000 (2020: 30,000,000) ordinary shares of Rs. 10 each	300,000,000	300,000,000
Issued, subscribed and paid up share capital	250,000,000	250,000,000
Loan from directors	66,586,220	66,586,220
Revenue reserve - general reserve	9,000,000	9,000,000
Accumulated loss	(306,039,670)	(306,652,770)
	19,546,550	18,933,450
NON- CURRENT LIABILITIES		
Staff retirement benefit	3,869,380	3,741,887
Deferred taxation	-	-
CURRENT LIABILITIES		
Trade and other payables	125,676,132	124,173,926
Accrued mark-up	850,000	850,000
Loan from ex-chief executive	832,223	832,223
Unclaimed dividend	1,034,090	1,034,090
Provision for taxation	5,331,495	5,205,920
	133,723,940	132,096,159
	137,593,320	135,838,046
CONTINGENCIES AND COMMITMENTS	-	-
	157,139,870	154,771,496
ASSETS		
NON -CURRENT ASSETS		
Property, plant and equipment	3,765,189	-
Long term security deposits	115,000	1,115,000
	3,880,189	1,115,000
CURRENT ASSETS		
Stock in trade	18,161,265	-
Stores, spare parts and loose tools	1,403,126	-
Trade debts	4,495,981	-
Advances	4,176,611	3,798,811
Trade deposit and short term prepayments	1,525,027	2,870
Other receivable	658,202	827,618
Short term investment	972,420	949,314
Cash and bank balances	121,867,049	148,077,883
	153,259,681	153,656,496
	157,139,870	154,771,496

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**

FOR THE QUARTER ENDED 30 SEPTEMBER 2020

(UNAUDITED)

	Note	Quarter Ended	Quarter Ended
		30 September	30 September
		2020	2019
		Rupees	Rupees
SALES		23,478,002	-
COST OF SALES		22,781,728	-
GROSS PROFIT		696,274	-
ADMINISTRATIVE EXPENSES		1,835,392	1,947,002
OTHER EXPENSES		70,734	220,302
		1,906,126	2,167,304
OTHER INCOME	15	2,173,617	4,539,981
PROFIT FROM OPERATIONS		963,765	2,372,677
FINANCE COST		225,090	267,873
PROFIT BEFORE TAXATION		738,675	2,104,804
TAXATION		125,575	1,396,000
PROFIT AFTER TAXATION		613,100	708,804
EARNINGS PER SHARE- BASIC AND DILUTED		0.02	0.03

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2020

(UNAUDITED)

	Quarter Ended	Quarter Ended
	30 September	30 September
	2020	2019
	Rupees	Rupees
PROFIT AFTER TAXATION	613,100	708,804
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to statement of profit or loss:		
Remeasurement of defined benefit obligation	-	-
Items that may be reclassified to statement of profit or loss	-	-
Other comprehensive income for the period	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	613,100	708,804

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**
FOR THE QUARTER ENDED 30 SEPTEMBER 2020
(UNAUDITED)

	SHARE CAPITAL	LOAN FROM DIRECTORS	REVENUE RESERVE	ACCUMULATED LOSS	TOTAL EQUITY
			General reserve		
----- Rupees -----					
Balance as at 30 June 2019 - restated	250,000,000	-	9,000,000	(336,849,780)	(77,849,780)
Profit for the quarter ended 30 September 2019	-	-	-	708,804	708,804
Balance as at 30 September 2019	250,000,000	-	9,000,000	(336,140,976)	(77,140,976)
Profit for the nine month ended 30 June 2020	-	-	-	29,488,206	29,488,206
Loan from directors reclassified	-	66,586,220	-	-	66,586,220
Other comprehensive income nine month ended 30 June 2020	-	-	-	-	-
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 quarter ended 30 September 2020	-	-	-	613,100	613,100
Balance as at 30 September 2020	250,000,000	66,586,220	9,000,000	(306,039,670)	19,546,550

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2020
(UNAUDITED)

	Quarter Ended 30 September 2020 Rupees	Quarter Ended 30 September 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	738,675	2,104,804
Adjustment for following items:		
Depreciation	131,611	-
Provision for workers' profit participation fund	54,215	129,502
Provision for workers' welfare fund	16,519	90,800
Profit on terms deposit receipt	(23,106)	(21,210)
Staff retirement benefit	127,493	127,493
Finance cost	225,090	267,873
Operating profit before working capital changes	1,270,497	2,699,262
(Increase) / decrease in current assets:		
Stock- in- trade	(18,161,265)	-
Stores, spares parts and loose tools	(1,403,126)	-
Trade debts- unsecured but considered goods	(4,495,981)	-
Trade deposits and short term prepayments	(1,522,157)	-
Advances	(27,696)	-
Other receivables	169,416	(210,719)
	(25,440,809)	(210,719)
Increase / (decrease) in current liabilities:		
Trade and other payables	1,210,790	(9,592,613)
Cash used in operations	(22,959,522)	(7,104,070)
Finance cost paid	(4,408)	(267,873)
Income tax paid	(350,104)	(648,216)
	(354,512)	(916,089)
Net cash used in operating activities	(23,314,034)	(8,020,159)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment	(3,896,800)	-
Security deposit refund	1,000,000	-
Net cash used in investing activities	(2,896,800)	-
Net decrease in Cash and cash equivalents	(26,210,834)	(8,020,159)
Cash and cash equivalent at the beginning of the period	148,077,883	151,972,610
Cash and cash equivalent at the end of the period	121,867,049	143,952,451

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2020

(UNAUDITED)

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 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.

1.2 Pursuant to Regulation 6 of the the Listed Companies (Substantial Acquisition of Voting Shares and Take-overs) Regulations, 2017, the Company has received on 16 October 2020 a notice of public announcement of intention from potential acquirers, Ch. Muhammad Shafique and Muhammad Ahmad Raza, whereby the potential acquirers have expressed their intention to acquire more than 51% shares of the Company, together with management control. The sponsors of the Company are now in the process of signing a Share Purchase Agreement (SPA) with the Ch. Muhammad Shafique and Muhammad Ahmad Raza. SPA is expected to be signed very shortly. Ch. Muhammad Shafique and Muhammad Ahmad Raza are the majority shareholders of Chaudhry Steel Re-Rolling Mills Limited and BECO Steel Re-Rolling Mills (Private) Limited which are engaged in manufacturing of steel and allied products. After completion of all legal and corporate formalities (including compliances with Takeover Laws), the prospective acquirers of the company will do their business.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at Bungalow No. 120, Defence Officers Housing Scheme, Sher Shah Road, Multan Cantt, Multan. A Ginning and Pressing Unit obtained on lease is located at Lalaka Road, Haroonanbad, District Bahawalnagar and a Cotton Pressing Factory obtained on lease is situated at Bahawalpur Road, Multan.

3 IMPACT OF COVID-19 ON THE FINANCIAL STATEMENTS

Please refer to Note 3 to the audited annual published financial statements of the company for the year ended 30 June 2020.

4 GOING CONCERN ASSUMPTION

During the year 2019 and after the approval of the members of the Company vide their meeting held on 02 March 2018, the assets of the Company comprising of freehold land, buildings on freehold land, plant and machinery, electric fittings and installations, factory tools and equipment, furniture, fixtures and office equipment and other assets were sold out to M/s Waqas Rafique International for a total consideration of Rs. 300 million. The sale and purchase transaction was completed during the year 2019.

The board of directors of the Company in their meeting held on 12 August 2020 approved to obtain a cotton ginning factory and oil mills situated at Lalaka Road, Haroonanbad, District Bahawalnagar on operating lease. The lease agreement with M/s Noman Cotton Factory (the lessor) has been signed for an initial lease term of two years and extendable with mutual agreement by both parties, and annual lease rent of Rs. 1,600,000/- has been paid to the lessor. The cotton ginning factory under reference has been handed over to the Company on 13 August 2020. For the smooth running of operations, working capital has been arranged; business arrangements with vendors and customers have been completed; compliances with legal, corporate and miscellaneous matters have also been made by the company. Further, pursuant to the approval of board of directors on 05 October 2020, lease agreement dated 06 October 2020 has been signed by the Company with M/s Naeem Corporation Cotton Pressing Factory on 06 October 2020 and the Company has taken over the possession of cotton pressing factory situated at Bahawalpur Road, Multan on 06 October 2020 and the agreed annual lease rent of Rs. 1,000,000 for the year 2020-2021 has been paid. Therefore, the Company has started cotton pressing operations with immediate effect.

In view of the above new arrangements, start of commercial operations by the Company and the in-process acquisition and resultant change of control of the Company (refer Note 1.2), these condensed interim financial statements have been prepared under going concern basis of accounting.

5 Basis of preparation

a) Statement of compliance

'These condensed interim financial statements are un-audited and are being submitted to shareholders as required by section 237 of Companies Act 2017. These condensed interim financial statements of the Company for the quarter ended 30 September 2020 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of International Accounting Standard 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. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements do not include all the information and disclosures required in the annual audited published financial statements and should be read in conjunction with the audited annual published financial statements of the Company for the year ended 30 June 2020.

b) Accounting convention

These condensed interim financial statements have been prepared using the going concern basis of accounting and in conformity with approved Accounting Standards as disclosed in audited annual published financial statement of the company for the year ended 30 June 2020. As per IFRS 16 "Leases", for the operating lease arrangements referred to in Note 4, the right-of-use assets and corresponding lease liabilities are not to be recognized in the statement of financial position as the Company, after signing of SPA referred in Note 1.2, shall be assigning these arrangements to outgoing sponsors.

6. 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.

7. 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.

	Un-Audited 30 September 2020 Rupees	Audited 30 June 2020 Rupees
8. TRADE AND OTHER PAYABLES	<u>125,676,132</u>	<u>124,173,926</u>
8.1 This include an amount of Rupees 39.927 million (30 June 2020: 39.927 million) is being interest free due to an associated Company.		
9. ACCRUED MARK-UP		
Bank Alfalah Limited	<u>850,000</u>	<u>850,000</u>
10. CONTINGENCIES AND COMMITMENTS		
There is no change in the status of contingencies and commitments from the date of preceding annual published financial statements of the company for the year ended 30 June 2020.		
	Un-Audited 30 September 2020 Rupees	Audited 30 June 2020 Rupees
11. PROPERTY, PLANT AND EQUIPMENT		
Opening book value	-	-
Add:- Addition during the period	<u>3,896,800</u>	-
	3,896,800	-
Less:- Depreciation charged during the period	<u>131,611</u>	-
	<u>3,765,189</u>	-
12. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS		
Advance lease rent (Noman Cotton factory) Note 12.1	1,384,947	-
Advance office rent Haroon Abad Mandi office	137,500	-
Sui gas receivable	<u>2,580</u>	<u>2,870</u>
	<u>1,525,027</u>	<u>2,870</u>
12.1 The company (Lessee) signed a Lease Agreement with M/S Noman Cotton Ginning Pressing Factory (partnership lessor) situated Lalaka Road, Haroonabad, District Bahawalnagar on 13 August 2020 and taken over the possession of the factory from the lessor on the same day. This Lease Agreement is the operative for a period of two years commencing from 13th day of August 2020. Both parties of the agreement may extend the lease period after expiry of the aforesaid lease at mutually agreed terms and conditions. The agreed annual lease rent has paid amount Rs. 1,600,000/- for the year 2020-21.		
13. OTHER RECEIVABLE		
Considered good, unsecured:		
Accrued profit on saving bank account	<u>658,202</u>	<u>827,618</u>
	658,202	827,618
Considered doubtful	<u>11,330,999</u>	<u>11,330,999</u>
Less: Allowance for expected credit losses	<u>11,330,999</u>	<u>11,330,999</u>
	-	-
	<u>658,202</u>	<u>827,618</u>



	Un-Audited 30 September 2020 Rupees	Audited 30 June 2020 Rupees
14. SHORT TERM INVESTMENT		
Term deposit receipt	925,942	925,942
Add: Profit accrued thereon	46,478	23,372
	<u>972,420</u>	<u>949,314</u>

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

	UN-AUDITED	
	Quarter Ended 30 September 2020 Rupees	Quarter Ended 30 September 2019 Rupees
15. OTHER INCOME		
Profit on saving bank account	2,150,511	4,518,771
Profit on term deposit bank account	23,106	21,210
	<u>2,173,617</u>	<u>4,539,981</u>

16. TRANSACTION 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 statements are as follows:

	UN-AUDITED	
	Quarter Ended 30 September 2020 Rupees	Quarter Ended 30 September 2019 Rupees
Remuneration of Chief Executive	255,000	255,000
Allowances:		
Reimbursement - travelling	27,660	53,250
Utilities	41,931	69,897
	<u>324,591</u>	<u>378,147</u>

17. 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.

18. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 30 October, 2020.

19. GENERAL

Figures have been rounded off to nearest of Rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

COMPANY INFORMATION

BOARD OF DIRECTORS

Muhammad Waseem-ur-Rehman	(Chief Executive)
Aftab Sarwar	(Chairman)
Tahir Majeed	
Muhammad Riaz	
Muhammad Shahid	
Amir Khurshid Chandia	
Waseem Ejaz	

AUDIT COMMITTEE

Tahir Majeed	(Non - Executive Director)	Chairman
Aftab Sarwar	(Non - Executive Director)	Member
Muhammad Riaz	(Non - Executive Director)	Member

HR & R COMMITTEE

Muhammad Shahid	(Non - Executive Director)	Chairman
Tahir Majeed	(Non - Executive Director)	Member
Muhammad Riaz	(Non - Executive Director)	Member

COMPANY SECRETARY/ CHIEF FINANCIAL OFFICER

Munsaf Khan

AUDITORS

Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants
71-C-3, Gulberg-III, Lahore-54600

BANKERS

National Bank of Pakistan Limited
Bank Alfalah Limited
Habib Metropolitan Bank Limited
The Bank of Punjab

REGISTERED OFFICE

Bungalow No.120 Defence Officers Housing
Scheme, Sher Shah Road, Multan Cantt. Multan
Phone: 92-61-4503620 - 30 Fax: 92-61-4503640
E-mail: info@ravitextile.com Web: www.ravitextile.com

SHARE REGISTRAR

Hameed Majeed Associates (Pvt) Limited
H.M House 7-Bank square, Lahore.
Tel: 92-42 37235081-82



GINNING AND PRESSING UNIT COTTON PRESSING FACTORY

Lalaka Road, Haroon Abad	Bahawalpur Road
District, Bahawalnagar	Multan

BOOK POST

Under Postal Certificate

