

Service Industries Textiles Limited

QÚARTERLY REPORT UN-AUDITED 1st Quarter Ended September 30, 2019 Service Industries Textiles Limited

COMPANY INFORMATION

BOARD OF DIRECTORS	: Ijaz Hameed (Chairman/Non Executive Director) Mohammad Hameed (Chief Executive/Executive Director) Aamer Hameed (Executive Director) Uzma Hameed (Non Executive Director) Tariq Hameed (Non Executive Director) Omer Mohyudin Malik (Independent Director) Murtaza Hameed (Non Executive Director) Sajid Saleem Minhas (Non Executive Director)
CHIEF FINANCIAL OFFICER	: M. Muddasar Shahzad
COMPANY SECRETARY	: Usman Khalid
AUDIT COMMITTEE	: Omer Mohyudin Malik (Chairman) Sajid Saleem Minhas (Member) Murtaza Hameed (Member)
HUMAN RESOURCE & REMUNERATION COMMITTEE	: Omer Mohyudin Malik (Chairman) Ijaz Hameed (Member) Tariq Hameed (Member)
BANKERS	: MCB Bank Limited Bank Alfalah Limited
AUDITORS	: Horwath Hussain Chaudhury & Co., Chartered Accountants
INTERNAL AUDITOR	: Awan & Co. Chartered Accountants
REGISTERED OFFICE	: 38-Empress Road, Lahore Telephones: 36304561-3, 36367861-3 Telefax: (92-42) 3636 7861 E-mail: info@prime-service.com
MILLS	: G.T Road, Gujrat Telephone: (92-53) 3514065, 3535085 Telefax: (92-53) 3513700
Web Reference	: www.sitl.com.pk
Share Registrar	: Corplink (Pvt) Ltd. Wings Arcade, 1-K Commercial Model Town, Lahore Tel: 042-35839182, 35916719



DIRECTORS' REPORT

The Directors of your Company present before you the un-audited financial statements for the quarter ended September 30, 2019. The financial results are as follows:

	30.09.19 (Rupees 000)	30.09.18 (Rupees 000)
Net Profit for the period	2,034	17,052
Accumulated loss brought forward	(142,422) (140,388)	<u>(184,791)</u> (167,739)
Transfer from surplus on revaluation Of fixed assets in respect of incremental Depreciation- net of deferred tax	4,318	1,576
Accumulated Loss	(136,070)	(166,163)
Earning per share - Basic	0.46	3.83

During the current period Company has earned a net profit of Rs.2.034 million as compared to net profit of Rs. 17.052 million for the same period in previous year. Major reasons for the decrease in profit in the current quarter are levy of sales tax on zero rated industry by abolishing SRO 1125, increase in the rate of turnover tax, uncertainty on imposition of CNIC condition, higher borrowing rates. Moreover target cotton crop could not be met again this year and as a result raw material prices have started showing inflationary trend which may further squeeze the profit in coming days and the only option left is to import the cotton to meet the domestic demands.

Currently Government is providing support price to textile sector in respect of electricity @7.5 cent / KWH plus 6.5\$ per MMBTU on gas in order to remove the disparity between the mills located in Punjab and Sindh. This support price will be available to the industry till December 2019 and if this support provided by the Government does not continue thereafter we foresee that no. of units based in Punjab may be forced to shut down or cut their production in coming days which will seriously cause unemployment in the country and it will adversely affect the Government efforts for the industrialization and revival of the economy of the country.

We foresee challenging times ahead but we are hopeful that current crisis will be over in the coming years by the combine efforts of Government and industry and we remain hopeful of the improving macro and micro economic situation of the Country.

For and on behalf of the Board of Directors

Aamer Hameed Director

Lahore 30 October, 2019

Mohammad Hameed Chief Executive

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2019 (UN AUDITED)

	September 30 2019	June 30 2019
Note	(Unaudited) Rupees	(Audited) Rupees
ASSETS		
Non Current Assets		
Property, plant and equipment 4	691,520	697,318
Long term deposits	17,036	17,036
Current Assets		
Stores and spares Stock in trade Trade debts- Unsecured considered good Sales tax refund due from the Government Advances and other receivables Cash and bank balances	4,452 48,660 - - 13,943 20,235 87,290	$\begin{array}{r} 4.041 \\ 57.899 \\ 270 \\ 1.558 \\ 10.809 \\ 22.128 \\ 96.705 \end{array}$
Less: Current Liabilities		
Trade and other payables Unclaimed dividend Accrued markupon long term financing Current and overdue portion of non current liabilities Provision for taxation Less: Non Current Liabilities Long term financing Staff retirement benefits Deferred tax liabilitiy	86,774 233 2,312 12,000 15,085 116,404 33,700 10,498 61,693	105,401 233 3,939 12,000 11,205 132,778 36,700 10,182 59,882
	105,891	106,764
	573,551	571,517
REPRESENTED BY: Authorised capital 20,000,000 (June 30,2019: 20,000,000) ordinary shares		
of Rs 10 each.	200,000	200,000
Issued, subscribed and paid up capital 4,449159(June 30,2019: 4,449159) ordinary shares of Rs. 10 each. Share deposit money General reserve Revaluation surplus Accumulated loss	44,492 150,000 - 515,129 (136,070) 573,551	44,492 150,000 519,447 (142,422) 571,517

Mohammad Hameed Chief Executive

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Aamer Hameed Director

Shahzad

M. Muddasar Shahzad Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UN AUDITED)

	Notes	Quarter Ended September 30, 2019 (Unaudited) Rupees (000)	Quarter Ended September 30, 2018 (Unaudited) Rupees (000)
Sales		257,213	260,180
Cost of Sales	5	(238,709)	(232,220)
Gross Profit		18,504	27,960
Operating Expenses:			
Distribution Cost Administrative expenses	6	(210) (6,184)	(224) (5,986)
Operating Profit		12,110	21,750
Financel cost Other operating expenses Other operating Income		(3,477) (907) - (4,384)	(1,350) (1,391) <u>14</u> (2,727)
Profit before taxation		7,726	19,022
Provision for taxtation		(5,692)	(1,970)
Profit after taxation		2,034	17,052
Earnings per Share - Basic		0.46	3.83

Mohammad Hameed Chief Executive

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Aamer Hameed Director

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M. Muddasar Shahzad Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UN-AUDITED)

	Quarter Ended September 30, 2019	Quarter Ended September 30, 2018
	(Unaudited) Rupees (000)	(Unaudited) Rupees (000)
Net Profit for the period	2,034	17,052
Other Comprehensive Income for the period		
Items that will not be reclassified to profit and loss		
Experience adjustment on remeasurement of staff retirement benefits - net of deferred tax	-	-
Unrecognized acturial losses / transitional liability on remeasurement of staff retirement benefits - net of deferred tax	-	
Total Comprehensive Income for the period	2,034	17,052

Mohammad Hameed Chief Executive

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Aamer Hameed Director

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M. Muddasar Shahzad Chief Financial Officer

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UN-AUDITED)

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	Quarter Ended September 30, 2019	Quarter Ended September 30, 2018
	(Unaudited) Rupees (000)	(Unaudited) Rupees (000)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	7,726	19,022
Adjustments for :		
Depreciation	9,029	4,730
Provision for gratuity for the period	1,201	939
Worker's (profit) participation fund	521	1,021
Worker's welfare fund	386	369
Finance cost	3,477	1,350
	14,614	8,409
Operating Profit before working capital changes	22,340	27,431
(Increase) / decrease in current assets:		
Stores and spares	(410)	(483)
Stock in trade	9,239	18,224
Trade debts	270	1,002
Sales tax refund due from the government	1,558	(492)
Advances, deposits, prepayments and other receivables Increase/(Decrease) in current liabilities:	146	69
Creditors, accrued and other liabilities	(19,534)	(63,161)
	(8,731)	(44,841)
Cash used in operations	13,609	(17,410)
Income tax paid	(3,281)	(2,087)
Financial charges paid	(5,104)	(1,728)
Gratuity paid	(885)	(755)
Net Cash used in operating activities	4,339	(21,980)
CASH FLOW FROM INVESTING ACTIVITIES		
Property , plant and equipment purchased	(3,232)	(493)
Capital Work in process	-	(819)
Net cash used in Investing Activities	(3,232)	(1,312)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finances	(3,000)	(3,000)
Net cash used in Financing Activities	(3,000)	(3,000)
Net Decrease in Cash and Cash Equivalents	(1,893)	(26,292)
Cash and Cash Equivalents at the begining of the Year	22,128	37,203
Cash and Cash Equivalents at the end of the Period	20,235	10,911

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Mohammad Hameed Chief Executive

Aamer Hameed Director

Shahzad

M. Muddasar Shahzad Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UN-AUDITED)

	Share capital	General Reserve	Share deposit money	Surplus on General Share deposit Revaluation of Reserve money Fixed Assets	Accumulated loss	Total
		Rupees (000)	Rupees (000)		Rupees (000)	Rupees (000)
Balance as at June 30, 2018	44,492		150,000	353,984	(184, 791)	363,685
Net profit for the year ended September 30, 2018					17,052	17,052
Other comprehensive income for the period ended September 30, 2018 - net of deferred tax					ı	
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current year - net of deferred tax	- +			(1,576)	1,576	I
Balance as on September 30, 2018	44,492		150,000	352,408	(166, 163)	380,737
Balance as at June 30, 2019	44,492		150,000	519,447	(142, 422)	571,517
Net profit for the year ended September 30, 2019					2,034	2,034
Other comprehensive income for the period ended September 30, 2018 - net of deferred tax					1	
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current year - net of deferred tax	- +			(4,318)	4,318	1
Balance as on September 30, 2019	44,492	,	150,000	515.129	(136.070)	573.551

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Mohammad Hameed Chief Executive

Aamer Hameed Director ShahBad M. Muddasar Shahzad Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UN-AUDITED)

Note 1

The Company and its Operations

1.1 Service Industries Textiles Limited (the Company) was incorporated in Pakistan in 1962 as a Private Limited Company under the Companies Act 1913, (now The Companies Ordinance, 1984) and was subsequently converted into a Public Limited Company in 1970. The Company is listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn made from raw cotton and synthetic fiber. The registered office of the Company is situated at 38 - Empress Road, Lahore.

Note 2 Basis of Preparation

- 2.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as pplicable in Pakistan for interim financial reporting. The accounting and reporting standards as 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 the Companies Act, 2017:

and

- Provisions of and directives issued under the Companies Act, 2017.

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

- 2.2 This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended June 30, 2019. Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2019 whereas comparative profit and loss account, comparative statement of comparative income, comparative cash flows statement and comparative statement of changes in equity are extracted from unaudited interim financial information for the quarter ended September 30, 2018.
- 2.3 This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentational currency. All the figures have been rounded off to the nearest rupees, unless otherwise stated.

Note 3 Significant Accounting Policies

> The Company's accounting and financial risk management policies and methods of computation of this condensed interim financial information are the same as those followed in the preparation of annual financial statements for the preceding financial year ended June 30, 2019.



Unaudited) Rupees (000) (Unaudited) Rupees (000) (Unaudited) Rupees (000) (Unaudited) Rupees (000) Note 5 September 30 September 30 COST OF SALES 2019 2018 (Unaudited) Rupees (000) (Unaudited) Rupees (000) (Unaudited) Rupees (000) Rupees (000) Raw material consumed 2.489 3.168 Stores and spares consumed 2.268 4.711 Packing material consumed 2.489 3.168 Fuel and power 34.266 22.417 Salaries & wages 26.790 27.399 Insurace 1.507 1.848 Depreciation 8.894 4.569 Opening Closing 6.684 3.562 Opening Closing 1.384 3.111 Closing 1.384 3.111 Closing 2019 2018 Quees (000) September 30 2019 2019 2019 2018 Quees (000) Salaries & Benefits 3.501 4.068 Utilities 2.50 Rupees	Note 4 PROPERTY, PLANT & EQUIPMENT	September 30 2019	September 30 2018
Note 5 September 30 September 30 COST OF SALES (Unaudited) (Unaudited) Raw material consumed 164,895 168,484 Stores and spares consumed 2,489 3,168 Fuel and power 34,266 22,117 Salaries & wages 26,790 27,399 Insurance 187 131 Repair & maintenance 1,507 1,848 Depreciation 8,894 4,569 Opening (6,684) (2,239) Opening (1,532) (677) Finished Goods (1,532) (677) Opening (1,334) (3,111) Closing (1,532) (677) Finished Goods (000) 2018 Opening (2,055) 170 Z38,709 232,220 221,82 Note 6 September 30 September 30 ADMINISTRATIVE AND SELLING EXPENSES (Unaudited) Rupees (000) 2019 2018 2018 Communication	¥	(Unaudited) Rupees	Rupees
Note 5 COST OF SALES September 30 2019 September 30 2018 Image: Cost of SALES (Unaudited) Rupees (000) (Unaudited) Rupees (000) (Unaudited) Rupees (000) Raw material consumed 168,484 5000000000000000000000000000000000000	Operating fixed assets	691,520	472,259
COST OF SALES 2019 2018 (Unaudited) Rupees (000) (Unaudited) Rupees (000) (Unaudited) Rupees (000) (Unaudited) Rupees (000) Raw material consumed 164,895 168,484 Stores and spares consumed 3,268 4,711 Packing material consumed 2,489 3,168 Fuel and power 3,266 22,417 Salaries & wages 26,790 27,399 Insurance 187 131 Repair & maintenance 1,507 1,848 Depreciation 8,894 4,569 Opening 6,684 3,562 Closing (1,532) (677) Finished Goods (1,532) (677) Opening 1,384 3,111 Closing 1,384 3,111 Closing 2019 2018 Note 6 September 30 2019 ADMINISTRATIVE AND SELLING EXPENSES September 30 2019 2018 (Unaudited) Rupees (000) Salaries & Benefits		691,520	472,259
Rupees (000) Rupees (000) Rupees (000) Raw material consumed 164,895 168,484 Stores and spares consumed 3,268 4,711 Packing material consumed 2,489 3,168 Fuel and power 34,266 22,417 Salaries & wages 26,790 27,399 Insurance 187 131 Repait & maintenance 1,507 1,848 Depreciation 8,894 4,569 Qpening 6,684 3,562 Closing (1,532) (677) Finished Coods (1,532) (677) Opening 1,384 3,111 Closing 1,384 3,111 Closing (1,532) (677) Finished Coods (Unaudited) (Unaudited) Qpening 1,384 3,111 Closing (2,055) 170 Z38,709 232,220 2019 Note 6 September 30 2019 ADMINISTRATIVE AND SELLING EXPENSES 2019 <td< td=""><td></td><td></td><td></td></td<>			
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Raw material consumed 164,895 168,484 Stores and spares consumed 3,268 4,711 Packing material consumed 2,489 3,168 Fuel and power 34,266 22,417 Salaries & wages 26,790 27,399 Insurance 187 131 Repair & maintenance 1,507 1.848 Depreciation 8,894 4,569 Vork in process 0pening 6,684 (4,233) Opening 6,684 (4,233) (6,77) Finished Goods (1,532) (677) Opening 1,384 (2,941) (2,941) (2,055) 170 238,709 232,220 Note 6 September 30 2019 2018 MININISTRATIVE AND SELLING EXPENSES 2019 2018 Utilities 240 162 Printing & Stationery 23 52 Communication 130 140 Travelling & conveyance 275 252 Repairs & Maintenance 92 19 Rent, rates & Taxes 244		Rupees	Rupees
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Packing material consumed 2,489 3,168 Fuel and power 34,266 22,417 Salaries & wages 26,790 27,399 Insurance 187 131 Repair & maintenance 1,507 1,848 Depreciation 8,894 4,569 Work in process 242,296 232,727 Work in process (1,532) (677) Finished Goods (1,532) (677) Opening 1,384 3,111 Closing 1,384 (2,941) (2,055) 170 238,709 232,220 Note 6 September 30 2019 2018 ADMINISTRATIVE AND SELLING EXPENSES 2019 2018 (Unaudited) Rupees (000) (000) Salaries & Benefits 3,501 4,068 Utilities 240 162 Rupees (0000) 130 140 140 Travelling & conveyance 275 252 Repairs & Maintenance 92 19 Rent, rates & Taxes 244 21	Raw material consumed	164,895	168,484
Fuel and power $34,266$ $22,417$ Salaries & wages $26,790$ $27,399$ Insurance 187 131 Repair & maintenance 187 131 Depreciation 8.894 4.569 Depreciation 6.684 3.562 Opening 6.684 (8.216) Closing 6.684 (4.239) Opening (1.532) (677) Finished Goods $(1,532)$ (677) Opening (2.055) 170 Z38,709 Z32,220 $232,220$ Note 6 September 30 September 30 ADMINISTRATIVE AND SELLING EXPENSES September 30 2018 Utilities $3,501$ 4.068 Velicle running & Maintenance 2219 92 Rent, rates & Taxes 244 <	Stores and spares consumed	3,268	4,711
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	Packing material consumed	2,489	3,168
Insurance 187 131 Repair & maintenance 1,507 1,848 Depreciation 242,296 232,727 Work in process 242,296 232,727 Opening 6,684 3,562 Closing 6,684 (4,239) Finished Goods (1,532) (677) Opening 1,384 3,111 Closing 1,384 (3,111) Closing 232,220 Note 6 September 30 2019 ADMINISTRATIVE AND SELLING EXPENSES September 30 2019 2018 (Unaudited) Rupees (000) Salaries & Benefits 3,501 4,068 Utilities 240 162 Printing & Stationery 23 52 Communication 130 140 Travelling & conveyance 275 252 Repairs & Maintenance 92 19 Rent, rates & Taxes 244 21 Vehicle running & Maintenance 526 427 Fee and Subscription 222 22	Fuel and power	34,266	22,417
Repair & maintenance $1,507$ 1.848 Depreciation $8,894$ $4,569$ Work in process $242,296$ $232,727$ Work in process 0 pening $6,684$ $3,562$ Closing $6,684$ $(4,239)$ Finished Goods $(1,532)$ (677) Finished Goods $(1,532)$ (677) Opening $1,384$ $3,111$ Closing $1,384$ $3,111$ Closing $232,220$ Note 6 September 30 2019 ADMINISTRATIVE AND SELLING EXPENSES 2019 2018 (Unaudited) (Unaudited) Rupees (000) Salaries & Benefits 240 162 Printing & Stationery 23 52 Communication 130 140 Travelling & conveyance 275 252 Repairs & Maintenance 92 19 Rent, rates & Taxes 244 211 Vehicle running & Maintenance 526 427 $76e$ and Subscription 22 212 133 Legal & Professional charg	Salaries & wages	26,790	27,399
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Work in process $242,296$ $232,727$ Work in process Opening $6,684$ $3,562$ Closing $(1,532)$ (677) Finished Goods $(1,532)$ (677) Opening $1,384$ $3,111$ Closing $(2,941)$ $(2,941)$ Closing $238,709$ $232,220$ Note 6 September 30 September 30 ADMINISTRATIVE AND SELLING EXPENSES 2019 2018 (Unaudited) Rupees Rupees (000) 0000 0000 Salaries & Benefits $3,501$ $4,068$ Utilities 240 162 Printing & Stationery 23 52 Communication 130 140 Travelling & conveyance 275 2525 Repairs & Maintenance 92 19 Rent, rates & Taxes 244 21 Vehicle running & Maintenance 526 427 Fee and Subscription 22 22 Legal & Professional charges 314 243 <td>Repair & maintenance</td> <td>1,507</td> <td>1,848</td>	Repair & maintenance	1,507	1,848
Work in process Opening Closing $6,684$ (8,216) $3,562$ (4,239)Finished Goods Opening Closing $(1,532)$ (677) Finished Goods Opening Closing $1,384$ (3,439) $3,111$ (2,941)Closing $1,384$ (3,439) $3,111$ (2,941)Closing $238,709$ $232,220$ Note 6 ADMINISTRATIVE AND SELLING EXPENSESSeptember 30 2019 September 30 2018Note 6 ADMINISTRATIVE AND SELLING EXPENSES $(Unaudited)$ Rupees (000)Rupees (000)Salaries & Benefits Utilities $3,501$ $4,068$ UtilitiesUtilities 240 162 Printing & Stationery 23 52 252 Repairs & MaintenancePrinting & Stationery 23 252 252 Repairs & Maintenance 92 Ig end, rates & Taxes 244 214 211 Vehicle running & Maintenance 526 427 Fee and Subscription 22 Legal & Professional charges 314 243 25 $-$ Newspaper & Periodicals 12 13 314 72 Gardening Expenses 2 2 $-$ Miscellaneous 7 49 9 0 0 7 49	Depreciation		
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Image: Colspan="2" (1,532)Finished Goods Opening Closing $1,384$ (3,439) $3,111$ (2,941)Closing $1,384$ (3,439) $3,111$ (2,941)(2,055)170238,709232,220Note 6 ADMINISTRATIVE AND SELLING EXPENSES 2019 (Unaudited) Rupees (000)(Unaudited) (Unaudited) Rupees (000)Salaries & Benefits Utilities $3,501$ $4,068$ Rupees (000)Salaries & Benefits Utilities $3,501$ $4,068$ Rupees (000)Salaries & Benefits Utilities $3,501$ $4,068$ Rupees (000)Salaries & Benefits Utilities $3,501$ $4,068$ Rupees (000)Salaries & Benefits Utilities 240 162 Rupes (000)Printing & Stationery Travelling & conveyance Repairs & Maintenance P2 29 19 Rent, rates & Taxes Legal & Professional charges 314 243 244Legal & Professional charges Legal & Professional charges 314 243 25 2 2 2 3Newspaper & Periodicals Donations 12 3 314 135 3<			
Finished Goods Opening Closing1,384 (3,439)3,111 (2,941)Closing $1,384$ (3,439) $3,111$ (2,941)(2,055)170238,709232,220Note 6 ADMINISTRATIVE AND SELLING EXPENSES 2019 2018(Unaudited) Rupees (000)(Unaudited) Rupees (000)Salaries & Benefits Utilities $3,501$ 20094.0000 $3,501$ (000)Salaries & Benefits Utilities $3,501$ 2407 Printing & Stationery Communication 23 23 227 Repairs & Maintenance Painting & Conveyance Repairs & Maintenance 92 219 219 219 219 219 219 219 21108 Communication 314 243 226 226 221 227 226 226 227 223 22019 Rent, rates & Taxes 244 211 Vehicle running & Maintenance 226 236 227 226 226 227 227 223 22010 Rent Rupes 22023 Repairs & Maintenance 220 220 220244 221 221 221 221 221 221 221 221 221 221 222023 23220244 243 244 <b< td=""><td>Closing</td><td></td><td></td></b<>	Closing		
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$\begin{array}{c c c c c c c c c c c c c c c c c c c $		1 384	3 111
Note 6September 30September 30ADMINISTRATIVE AND SELLING EXPENSES20192018(Unaudited)(Unaudited)Rupees (000)Rupees (000)Salaries & Benefits3,5014,068Utilities240162Printing & Stationery2352Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription2223Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161			
Note 6 ADMINISTRATIVE AND SELLING EXPENSESSeptember 30 2019September 30 2018(Unaudited) Rupees (000)(Unaudited) Rupees (000)(Unaudited) Rupees (000)Salaries & Benefits3,5014,068Utilities240162Printing & Stationery2352Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription2222Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161	crossing	·	
Note 6 ADMINISTRATIVE AND SELLING EXPENSESSeptember 30 2019September 30 2018(Unaudited) Rupees (000)(Unaudited) Rupees (000)(Unaudited) Rupees (000)Salaries & Benefits3,5014,068Utilities240162Printing & Stationery2352Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription2222Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161		228 700	222 220
ADMINISTRATIVE AND SELLING EXPENSES20192018(Unaudited) Rupees (000)(Unaudited) Rupees (000)(Unaudited) Rupees (000)Salaries & Benefits3,5014,068Utilities240162Printing & Stationery2352Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription2222Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161		238,709	232,220
ADMINISTRATIVE AND SELLING EXPENSES20192018(Unaudited) Rupees (000)(Unaudited) Rupees (000)(Unaudited) Rupees (000)Salaries & Benefits3,5014,068Utilities240162Printing & Stationery2352Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription2222Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161	Note 6	September 30	September 30
Rupees (000)Rupees (000)Salaries & Benefits3,5014,068Utilities240162Printing & Stationery2352Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription2221Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161	ADMINISTRATIVE AND SELLING EXPENSES	*	*
(000)(000)Salaries & Benefits3,5014,068Utilities240162Printing & Stationery2352Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription2221Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161		(Unaudited)	(Unaudited)
Salaries & Benefits3,5014,068Utilities240162Printing & Stationery2352Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription2221Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161			
Utilities240162Printing & Stationery2352Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription22Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161		(000)	(000)
Printing & Stationery2352Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription22Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161	Salaries & Benefits	3,501	4,068
Communication130140Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription22Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161	Utilities	240	162
Travelling & conveyance275252Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription22Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161	Printing & Stationery	23	52
Repairs & Maintenance9219Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription22Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161	Communication	130	140
Rent, rates & Taxes24421Vehicle running & Maintenance526427Fee and Subscription22Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161			
Vehicle running & Maintenance526427Fee and Subscription22Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161			
Fee and Subscription22Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161			
Legal & Professional charges314243Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161		526	
Entertainment344284Advertisment25-Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161		214	
Advertisment25Newspaper & Periodicals12Donations314Gardening Expenses2Miscellaneous749Depreciation135	8		
Newspaper & Periodicals1213Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161			
Donations31472Gardening Expenses2-Miscellaneous749Depreciation135161			13
Gardening Expenses2Miscellaneous7Depreciation135			
Miscellaneous 7 49 Depreciation 135 161			-
	Miscellaneous	7	49
6,184 5,986	Depreciation		
		6,184	5,986



Note 7 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise directors of the Company and their close relatives, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties and balances due to/ from them are as uder:

	September 30	September 30
Transactions during the year	2019	2018
	(Unaudited)	(Unaudited)
	Rupees	Rupees
	(000)	(000)
Related party Relationship Nature of transaction		
Directors and close Associated Long term financing repaid to directors	3,000	3,000
relatives thereof persons Markup on long term financing from di	rectors 1,668	1,344
Markup on long term financing repaid	/ adjusted 3,295	1,722
Balance outstanding as at September 30, 2018		
Directors, executives and close relatives thereof		
Long term financing	45,700	57,700
Accrued markup on long term financing	2,312	9,732
Share deposit money	150,000	150,000
	198,012	217,432

Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place.

Sr No	Company Name/ Party Name	Basis or association	Aggregate % of Shareholding
1	Mr. Aamer Hameed	Director	9.25
2	Mr. Ijaz Hameed	Director	6.03
3	Mr. Muhammad Hameed	CEO	2.02
4	Mr. Tariq Hameed	Director	2.02
5	Ms. Uzma Hameed	Director	2.48

Note 8 Date of Authorization for Issue

These financial statements were approved by the board of directors and authorized for issue on 30 October, 2019.

Note 9 CORRESPONDING FIGURES

Figures have been rounded off to the nearest thousand of rupee.

Corresponding figures have been re-arranged and re-grouped where-ever necessary for the purpose of comparison.

Mohammad Hameed Chief Executive

Aamer Hameed Director

Shahzaq

M. Muddasar Shahzad Chief Financial Officer