

PAKISTAN PVC LIMITED
DIRECTOR'S REPORT TO THE SHAREHOLDERS

SHAVYL®

On behalf of my colleagues on the Board, I present the unaudited accounts for the 3rd quarter ended March 31, 2014.

Sales during the year under review was increased to Rs. 5.903 million as compared to Rs. 2.594 million of the same period last year and net loss during the year was Rs. 14.64 million as compared to a net loss of Rs. 15.48 million during the previous year. The lower production of PVC Pipes & Fittings is due to prevailing economic conditions in the country.

The financial position of your company during the quarter ended March 31, 2014, further deteriorated due to high raw material cost, political situation, financial charges, idle cost and depreciation. As reported previously, Ghato Plant remains closed and there was no production during the period under review.

QUARTERLY REPORT AND ACCOUNT MARCH 31, 2014 (UNAUDITED)

(ARIF SHAFI)
Chief Executive

Islamabad, April 20, 2014

PAKISTAN PVC LIMITED

Registered Office
Shaffiabad, Gharo Dist. Thatta.

PAKISTAN PVC LIMITED
DIRECTOR'S REPORT TO THE SHAREHOLDERS

On behalf of my colleagues on the Board, I present the unaudited accounts for the 3rd quarter ended March 31, 2014.

Sales during the year under review was increased to Rs. 5.903 million as compared to Rs. 2.594 million of the same period last year and net loss during the year was Rs. 14.641 million as compared to a net loss of Rs. 15.487 million during the previous year. The lower production of PVC Pipes & Fittings at Islamabad is due to shortage of funds and prevailing economic conditions in the country.

The financial position of your company during the quarter ended March 31, 2014 further deteriorated due to high raw material cost, political situation, financial charges, idle cost and depreciation. As reported previously, Gharo Plant remains closed and there was no production during the period under review.

Islamabad: April 26, 2014

(ARIF SHAFFI)
Chief Executive

PAKISTAN PVC LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2014

	Un-audited March 31, 2014	Audited June 30, 2013		Un-audited March 31, 2014	Audited June 30, 2013
Note	Rupees		Note	Rupees	
SHARE CAPITAL AND RESERVES			NON CURRENT ASSETS		
Authorized capital 15,000,000 (June 30, 2013: 15,000,000) ordinary shares of Rs.10/- each	150,000,000	150,000,000	Property, plant and equipment	7 171,398,710	179,225,571
Issued, subscribed and paid up capital 14,958,000 (June 30, 2013: 14,958,000) ordinary shares of Rs.10/- each	149,580,000 (413,991,912) (264,411,912)	149,580,000 (407,343,877) (257,763,877)	Long term investments	58,500	58,500
Accumulated loss	(264,411,912)	(257,763,877)			
Surplus on revaluation of property, plant and equipment	153,664,808	161,657,388			
NON CURRENT LIABILITIES			CURRENT ASSETS		
Long term financing	20,041,401	20,041,401	Stores, spare parts and loose tools	9,400	-
Deferred liabilities Staff retirement benefits - gratuity	178,576	175,260	Stocks in trade	628,041	1,020,855
CURRENT LIABILITIES			Trade debts	1,941,014	1,475,247
Trade and other payables	60,622,154	62,302,689	Loans and advances	229,793	141,569
Accrued mark up / interest	153,895,391	148,466,158	Other receivables	2,339	101,705
Short term borrowings	18,749,320	18,757,587	Tax refunds due from Government	2,752,597	600,030
Current portion of long term financing	32,991,000	32,991,000	Cash and bank balances	105,879	4,004,127
Provision for taxation - net	1,395,535	-			
	267,653,399	262,517,433		5,669,062	7,343,534
CONTINGENCIES AND COMMITMENTS					
	177,126,273	186,627,605		177,126,273	186,627,605

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

ARIF SHAFFI
CHIEF EXECUTIVE

MUHAMMAD SHAFFI
DIRECTOR

PAKISTAN PVC LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	Quarter Ended		Third Quarter Ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Note	-----Rupees-----			
Sales - net	5,273,088	1,699,868	5,902,810	2,594,048
Cost of sales	8 (6,252,224)	(5,529,395)	(18,773,223)	(15,705,015)
Gross loss	(979,136)	(3,829,527)	(12,870,413)	(13,110,967)
Other income	3,072,804	5,286,870	9,304,868	9,259,053
Distribution cost	(595,852)	(1,505,124)	(2,423,049)	(2,299,811)
Administrative expenses	(1,258,699)	(1,876,287)	(3,094,529)	(2,696,319)
Other operating expenses	-	-	(101,705)	-
Finance cost	(1,814,556)	(3,622,379)	(5,436,746)	(5,435,797)
Loss before taxation	(1,575,440)	(5,546,447)	(14,621,575)	(14,283,841)
Taxation	(13,835)	(1,202,667)	(19,041)	(1,202,667)
Loss for the period	(1,589,274)	(6,749,114)	(14,640,615)	(15,486,508)
Loss per share - basic and diluted	(0.11)	(0.45)	(0.98)	(1.04)

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

ARIF SHAFFI
CHIEF EXECUTIVE

MUHAMMAD SHAFFI
DIRECTOR

PAKISTAN PVC LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	Quarter Ended		Third Quarter Ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	-----Rupees-----			
Loss for the period	(1,589,274)	(6,749,114)	(14,640,615)	(15,486,508)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	(1,589,274)	(6,749,114)	(14,640,615)	(15,486,508)

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

ARIF SHAFFI
CHIEF EXECUTIVE

MUHAMMAD SHAFFI
DIRECTOR

PAKISTAN PVC LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	March 31, 2014	March 31, 2013
-----Rupees-----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(14,621,575)	(14,283,841)
<i>Adjustments for :</i>		
Depreciation	7,826,861	7,914,792
Finance cost	5,436,746	5,435,797
Long term Deposits write off	-	160,315
Bad debts	101,705	281,227
Other income	-	-
Provision for staff retirement benefits - gratuity	3,316	3,316
Trade deposits	-	12,500
Rental income	(9,304,868)	(9,540,280)
	4,063,760	4,267,667
Operating cash flows before changes in working capital	(10,557,815)	(10,016,174)
(Increase) / decrease in current assets		
Stores, spares and loose tools	(9,400)	(240)
Stock in trade	392,814	(467,386)
Trade debts	(465,767)	84,449
Loans and advances	(88,224)	(287,084)
Trade deposits	-	(12,500)
Tax refunds due from Government - sales tax	139,162	(99,184)
	(31,414)	(781,945)
Increase in current liabilities		
Trade and other payables	426,561	3,149,506
	395,147	2,367,562
Net cash used in operations	(10,162,668)	(7,648,613)
Income tax paid	(915,234)	(656,594)
Finance cost paid	(7,513)	(6,564)
	(922,747)	(663,158)
Net cash used in operating activities	(11,085,415)	(8,311,771)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(2,015,000)
Long term deposits	-	(160,315)
Rent received	7,195,433	7,582,735
Net cash generated from investing activities	7,195,433	5,407,420
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase / (decrease) in short term borrowings	(8,267)	708,699
Net cash generated from financing activities	(8,267)	708,699
Net increase / (decrease) in cash and cash equivalents	(3,898,248)	(2,195,652)
Cash and cash equivalent at the beginning of the period	4,004,127	234,617
Cash and cash equivalent at the end of the period	10 ₹	38,966

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

ARIF SHAFFI
CHIEF EXECUTIVE

MUHAMMAD SHAFFI
DIRECTOR

PAKISTAN PVC LIMITED**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2014**

	Share capital	Accumulated loss	Total
	-----RUPEES-----		
Balance as at July 1, 2012	149,580,000	(404,856,007)	(255,276,007)
Total comprehensive loss for the period	-	(10,445,295)	(10,445,295)
Transfer from revaluation surplus on account of incremental depreciation	-	4,599,773	4,599,773
Balance as at December 31, 2012	<u>149,580,000</u>	<u>(410,701,529)</u>	<u>(261,121,529)</u>
Balance as at July 1, 2013	149,580,000	(407,343,877)	(257,763,877)
Total comprehensive loss for the period	-	(14,640,615)	(14,640,616)
Transfer from revaluation surplus on account of incremental depreciation	-	7,992,580	7,992,580
Balance as at March 31, 2014	<u>149,580,000</u>	<u>(413,991,912)</u>	<u>(264,411,913)</u>

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ARIF SHAFFI
CHIEF EXECUTIVE

MUHAMMAD SHAFFI
DIRECTOR

