



**QUARTERLY REPORT  
AND ACCOUNT  
SEPTEMBER 30, 2019  
(UNAUDITED)**

**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 1<sup>st</sup> quarter ended September 30, 2019.

The financial position of your company during the quarter ended September 30, 2019 further deteriorated due to financial charges, idle cost and depreciation. As reported previously, Gharo Plant remains closed and there was no production during the period under review. Your management hopes that all old disputes can be resolved amicably.

The lower production of PVC Pipes & Fittings at Islamabad is due to shortage of fund and the prevailing economic conditions in the country. Sales during the period under review increased to Rs. 2.613 million as compared to Rs. 2.046 million of the same period last year. During the period under review your company sustained a loss of Rs. 3.530 million as compared to net loss of Rs. 4.270 million for the same period last year.

I want to repeat my words that unless and until your Gharo Plant goes into production no fruitful result can be achieved.

Karachi: October 26, 2019

**(ARIF SHAFFI)**  
**Chief Executive**

## پاکستان پی وی سی لمیٹڈ

### شیئر ہولڈرز کے لیے ڈائریکٹرز کی رپورٹ

بورڈ میں اپنے ساتھیوں کی جانب سے، میں آپ کے سامنے 30 ستمبر 2019 کو اختتام پذیر ہونے والی پہلی سہ ماہی کے لیے غیر آڈٹ شدہ اکاؤنٹس پیش کر رہا ہوں۔

30 ستمبر 2019 کو اختتام پذیر ہونے والی سہ ماہی کے دوران آپ کی کمپنی کی مالی حالت مزید خراب ہوئی جس کی وجہ مالیاتی چارجز، غیر فعالیت اور قدر میں کمی جیسے عناصر بنے۔ جیسا کہ پہلے بتایا جا چکا ہے، گھارو پلانٹ بند رہا تھا جس کی وجہ سے زیر جائزہ مدت کے دوران کسی قسم کی پیداوار نہیں ہوئی۔ آپ کی کمپنی انتظامیہ پر امید ہے کہ تمام تر پرانے تنازعات دوستانہ انداز میں حل کیے جا سکتے ہیں۔

فنڈز کی قلت اور ملک میں جاری موجودہ معاشی صورتحال کی وجہ سے اسلام آباد میں پی وی سی پائپوں اور فٹنگز کی کم پیداوار ہوئی۔ زیر جائزہ مدت کے دوران فروخت کا حجم گذشتہ سال اسی مدت کے دوران ہونے والی 2.046 ملین روپے کی نسبت 2.613 ملین روپے رہا۔ زیر جائزہ مدت کے دوران آپ کی کمپنی کو 3.530 ملین روپے کا نقصان ہوا جو کہ گذشتہ سال اسی عرصے کے دوران خالص 4.270 ملین روپے تھا۔

میں اپنے الفاظ کو دوبارہ دہرانا چاہتا ہوں کہ جب تک آپ کا گھارو پلانٹ پیداوار نہیں شروع کرے گا تب تک کوئی بار آور نتیجہ حاصل نہیں کیا جا سکتا۔

(عارف شفیع)  
چیف ایگزیکٹو

کراچی، 26 اکتوبر 2019

**PAKISTAN PVC LIMITED**  
STATEMENT OF FINANCIAL POSITION  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

Note	Sept. 30, 2019	June 30, 2019	Note	Sept. 30, 2019	June 30, 2019
-----Rupees-----			-----Rupees-----		
<b>SHARE CAPITAL AND RESERVES</b>			<b>NON CURRENT ASSETS</b>		
Authorized capital 15,000,000 (June 30, 2018 : 15,000,000) ordinary shares of Rs. 10/- each	150,000,000	150,000,000	Property, plant and equipment	179,443,240	180,989,185
Issued, subscribed and paid up capital	149,580,000	149,580,000	Long term investments	122,500	122,500
Accumulated loss	(494,429,233)	(491,138,135)			
Surplus on revaluation of fixed assets	167,970,167	169,285,442			
	(176,879,066)	(172,272,693)			
<b>NON CURRENT LIABILITIES</b>			<b>CURRENT ASSETS</b>		
Long term financing	-	-	Stock in trade	910,743	785,200
Deferred liabilities	-	-	Trade debts	1,303,880	1,045,312
<b>CURRENT LIABILITIES</b>			Loans and advances	299,445	1,123,023
Trade and other payables	90,327,921	90,656,392	Trade deposits	100,000	100,000
Unclaimed Dividend	45,980	45,980	Other receivables	220,662	789,559
Accrued interest / markup	193,709,771	191,900,027	Tax refunds due from Government	271,939	2,024,490
Short term borrowings	40,123,691	40,321,661	Cash and bank balances	215,337	58,510
Current portion of long term financing	32,991,000	32,991,000			
Provision for taxation - net	2,568,450	3,395,411			
	359,766,813	359,310,472		3,322,007	5,926,094
<b>CONTINGENCIES AND COMMITMENTS</b>				182,887,747	187,037,779
	182,887,747	187,037,779			

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

**Arif Shaffi**  
CHIEF EXECUTIVE

**Mohammad Shaffi**  
DIRECTOR

**Asif Shaffi**  
CHIEF FINANCIAL OFFICER

**PAKISTAN PVC LIMITED**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Sept. 30, 2019	Sept. 30, 2018
Note	-----Rupees-----	
Sales	2,613,126	2,046,032
Cost of sales	(6,823,081)	(6,782,084)
Gross loss	(4,209,955)	(4,736,052)
Other income	4,691,979	3,914,586
Distribution cost	(541,644)	(507,744)
Administrative expenses	(1,660,293)	(1,131,211)
Other operating expenses	-	-
Finance costs	(1,809,744)	(1,809,744)
Loss before taxation	(3,529,657)	(4,270,164)
Taxation	(1,076,716)	(74,859)
Loss for the year	<u>(4,606,373)</u>	<u>(4,345,023)</u>
Loss per share - basic and diluted	<u>(0.31)</u>	<u>(0.29)</u>

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

*Arif Shaffi*  
**CHIEF EXECUTIVE**

*Mohammad Shaffi*  
**DIRECTOR**

*Asif Shaffi*  
**CHIEF FINANCIAL OFFICER**

**PAKISTAN PVC LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Sept. 30, 2019	Sept. 30, 2018
Note	-----Rupees-----	
Loss for the year	(4,606,373)	(4,345,024)
Items that will not be subsequently reclassified to statement of profit or loss		
Gain on revaluation of land and buildings	-	-
Impact of deferred tax	-	-
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	(4,606,373)	(4,345,024)

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

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**CHIEF EXECUTIVE**

**Mohammad Shaffi**  
**DIRECTOR**

**Asif Shaffi**  
**CHIEF FINANCIAL OFFICER**

**PAKISTAN PVC LIMITED**  
STATEMENT CASH FLOW  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

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	Sept. 30, 2019	Sept. 30, 2018
	-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(3,529,657)	(4,270,164)
<i>Adjustments for :</i>		
Depreciation	1,545,945	1,722,985
Accrued Interest	-	-
Credit balances charged to other income	-	-
Debit balances written off	-	-
Finance cost	1,809,744	1,809,744
Staff retirement benefits - gratuity	-	-
Provision for slow moving damaged stock	-	-
Rental income	(4,691,979)	(3,914,586)
Operating cash flows before changes in working capital	(4,865,947)	(4,652,021)
<b>(Increase) / decrease in current assets</b>		
Stores, spare part and loose tools	-	-
Stock in trade	(125,543)	24,501
Trade debts	(258,568)	(177,176)
Loans and advances	823,579	820,872
Tax refunds due from Government	(84,818)	(76,710)
<b>Increase/ (decrease) in current liabilities</b>		
Trade and other payables	(803,315)	1,734,653
	(448,665)	2,326,139
<b>Net cash used in operation</b>	(5,314,612)	(2,325,882)
Income tax paid	(66,309)	(166)
Finance cost paid	-	-
Gratuity Paid	-	-
	(66,309)	(166)
<b>Net cash used in operating activities</b>	(5,380,921)	(2,326,048)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment acquired	-	(785,340)
Sale of fixed assets	-	-
Payment of long term advances	-	-
Rent received	5,735,718	3,839,894
<b>Net cash generated from investing activities</b>	5,735,718	3,054,554
<b>CASH FLOWS FROM FINANCING ACTIVITIES *</b>		
Short term borrowings - net	(197,970)	(480,527)
Repayment of long term financing	-	-
<b>Net cash generated from /(used) in financing activities</b>	(197,970)	(480,527)
Net (decrease) / increase in cash and cash equivalents	156,828	247,978
Cash and cash equivalent at the beginning of the year	58,510	134,026
<b>Cash and cash equivalent at the end of the year</b>	215,337	382,004

\* No non-cash items are included in these activities.

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

**Arif Shaffi**  
CHIEF EXECUTIVE

**Mohammad Shaffi**  
DIRECTOR

**Asif Shaffi**  
CHIEF FINANCIAL OFFICER

**PAKISTAN PVC LIMITED**  
STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Issued, subscribed and paid up capital	Revenue Reserve Accumulated loss	Capital Reserve Revaluation Surplus	Total
-----Rupees-----				
Balance as at July 1, 2006 (restated)	149,580,000	(416,811,715)		(267,231,715)
Amortization of surplus on revaluation of fixed assets due to incremental depreciation	-	3,129,412		3,129,412
Realization of surplus on revaluation	-	1,954,631		1,954,631
Profit / (Loss) after taxation	-	(19,154,384)		(19,154,384)
<b>Balance as at July 1, 2017</b>	<b>149,580,000</b>	<b>(468,446,415)</b>	<b>125,008,744</b>	<b>(193,857,672)</b>
Impact of Re-statement - note 6			-	-
<b>Balance as at July 1, 2018</b>	<b>149,580,000</b>	<b>(479,504,747)</b>	<b>175,131,108</b>	<b>(154,793,640)</b>
Transfer from surplus on revaluation on account of incremental depreciation	-	5,845,666	(5,845,666)	-
<b>Total comprehensive loss for the year ended June 30, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Loss for the year ended June 30, 2018	-	(17,479,053)	-	(17,479,053)
Other comprehensive income / (loss) for the year ended June 30, 2018	-	-	-	-
<b>Balance as at July 1, 2019</b>	<b>149,580,000</b>	<b>(491,138,135)</b>	<b>169,285,442</b>	<b>(172,272,693)</b>
Transfer from surplus on revaluation on account of incremental depreciation	-	1,315,275	(1,315,275)	-
<b>Total comprehensive loss for the year ended September 30, 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Loss for the year ended September 30, 2019	-	(4,606,373)	-	(4,606,373)
Other comprehensive income / (loss) for the year ended September 30, 2019	-	-	-	-
<b>Balance as at September 30, 2019</b>	<b>149,580,000</b>	<b>(494,429,233)</b>	<b>167,970,167</b>	<b>(176,879,066)</b>

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

## NOTES TO THE ACCOUNTS

### FOR THE QUARTER ENDED SEPTEMBER 30, 2019

- 1 These accounts are un-audited and are being submitted to the shareholders as required by SRO 764(1)/2001 dated November 5, 2001 issued by the Securities & Exchange Commission of Pakistan.
- 2 The accounting policies adopted for the preparation of these accounts are the same as those applied for preparation of the preceding annual published accounts of the company.
- 3 Provision for income-tax have been made on a quarterly basis. These are subject to change on final results.
- 4 Figures of previous year have been re-arranged where ever necessary for the purpose of comparison.

*Arif Shaffi*  
CHIEF EXECUTIVE

*Mohammad Shaffi*  
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