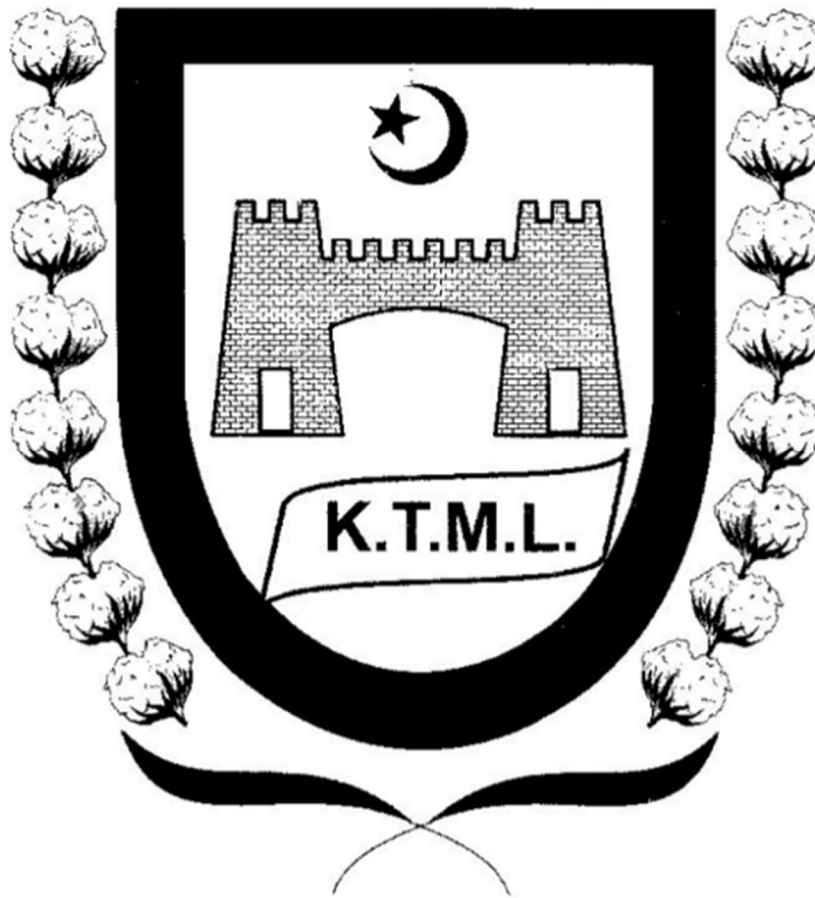


# **KHYBER TEXTILE MILLS LIMITED**

## **QUARTERLY ACCOUNTS (Unaudited)**

**As on September 30, 2022**



**Baldher, District Haripur, Khyber Pakhtunkhawa**

## COMPANY INFORMATION

<b>CHAIRMAN</b>	Mr. Aurangzeb Khan
<b>CHIEF EXECUTIVE</b>	Mr. Adam Jadoon
<b>DIRECTORS</b>	Mr. Aurangzeb Khan Mr. Adam Jadoon Mr. Hassan Ovais Mr. Amanullah Khan Jadoon Mr. Muhammad Bahauddin Mr. Nusrat Iqbal Mrs. Aamna Jadoon
<b>AUDIT COMMITTEE</b>	
<b>CHAIRMAN</b>	Mr. Hassan Ovais
<b>MEMBER</b>	Mrs. Aamna Jadoon
<b>MEMBER</b>	Mr. Muhammad Bahauddin
<b>HR COMMITTEE</b>	
<b>CHAIRMAN</b>	Mr. Hassan Ovais
<b>MEMBER</b>	Mr. Muhammad Bahauddin
<b>MEMBER</b>	Mr. Adam Jadoon
<b>SECRETARY</b>	Mr. Sadaqat Khan
<b>C.F.O</b>	Mr. Taj Muhammad
<b>AUDITORS</b>	M/s Clarkson Hyde Saud Ansari Chartered Accountants
<b>SHARE REGISTRAR</b>	F.D. Registrar Services (SMC-Pvt) Ltd
<b>REGISTERED OFFICE &amp; HEAD OFFICE</b>	Khyber Textile Mills Ltd. Baldher, District Haripur, Khyber Pakhtunkhawa
<b>MILLS</b>	Baldher, District Haripur, Khyber Pakhtunkhawa

**Website address:-** [www.khybertextile.com](http://www.khybertextile.com)  
**Email Address:-** [info@khybertextile.com](mailto:info@khybertextile.com)  
**Phone No:-** 0995-655048

## Directors Report

On behalf of the Board of Directors (BOD) we are pleased to present the unaudited condensed interim financial statements for the 1<sup>st</sup> quarter ended 30<sup>th</sup> September 2022. The BOD reviewed the current business activities and operations of the Company, further they discussed the restriction on access to credit due to the on-going banking litigation and the closure of textile production.

As per the decisions made during previous AGMs and per the BODs instructions and approval, Management has repurposed the majority of its empty land for agricultural activities, including a Livestock Farm for the purchasing, rearing and sale of cattle. Management has reduced input costs by growing fodder on the Company's agricultural land for consumption by the livestock and has further increased the livestock sales for the 1<sup>st</sup> quarter of FY 2023. Moreover, Management has continued to rent some of its vacant buildings and warehouses to generate income, using this funding to reinvest in the Company's operations. Therefore, Management has generated significant revenue for the Company during the period under review, which has been reflected in the Financial Statements annexed herewith.

It was also discussed by the BOD that the main obstacle in restarting textile production has been the restrictions on access to credit facilities due to the false defaulter status placed on the Company and the litigation pending in the High Courts by the Banks to recover fictional liabilities. It was noted by the BOD that the banks were delaying the finalization of litigation to extend their financial constraints and pressurize the Company to give into their unjust demands. Nonetheless, efforts are being made to defend the Company's interest before the Courts to end this baseless litigation.

In spite of all odds, the Management is successfully defending the Company's interests in the High Courts, covering expenses, operating as an active taxpayer, investing in and generating revenue from its business activities.

For and on Behalf of Board of Directors,



Chief Executive

Adam Jadoon



Director

Muhammad Bahauddin

Baldher, Haripur Dated: 25<sup>th</sup> October 2022

## ڈائریکٹر ز رپورٹ

بورڈ آف ڈائریکٹرز (BOD) کی جانب سے ہمیں 30 ستمبر 2022 کو ختم ہونے والی پہلی سہ ماہی کے غیر آڈٹ شدہ عبوری مالیاتی گوشواروں کو پیش کرنے پر خوشی ہے۔ کمپنی کے آپریشنز، مزید، BOD نے جاری بینکنگ قانونی چارہ جوئی اور ٹیکسٹائل کی پیداوار کی بندش کی وجہ سے کریڈٹ تک رسائی پر پابندی کا جائزہ لیا۔

گزشتہ AGM کے دوران کیے گئے فیصلوں کے مطابق اور BOD کی ہدایات اور منظوری کے مطابق مینجمنٹ نے اپنی زیادہ تر خالی زمین کو زرعی سرگرمیوں کے لیے استعمال کیا ہے، جس میں مویشیوں کی خرید، پرورش اور فروخت کے لیے لائیو سٹاک فارم بھی شامل ہے۔ انتظامیہ نے مویشیوں کے استعمال کے لیے کمپنی کی زرعی زمین پر چارہ اگانے سے ان پٹ لاگت کو بھی کم کیا ہے۔ اس طرح، مینجمنٹ نے مالی سال 2023 کی پہلی سہ ماہی کے لیے مویشیوں کی فروخت میں اضافہ کیا ہے۔ اس کے علاوہ کمپنی کے لیے مزید آمدنی حاصل کرنے کے لیے انتظامیہ نے اپنی کچھ خالی عمارتوں اور گودام کو کرائے کے مقاصد کے لیے رکھا ہے، اس فنڈنگ کو کمپنی میں دوبارہ سرمایہ کاری کے لیے استعمال کیا جا رہا ہے۔ اس طرح، مینجمنٹ نے زیر جائزہ مدت کے دوران کمپنی کے لیے آمدنی حاصل کی ہے، جس کی عکاسی اس کے ساتھ منسلک مالی بیانات میں ہوئی ہے۔

BOD کی طرف سے اس بات پر بھی تبادلہ خیال کیا گیا کہ ٹیکسٹائل کی پیداوار کو دوبارہ شروع کرنے میں بنیادی رکاوٹ کمپنی پر دیے گئے غلط ڈیفالٹس اور بینکوں کی جانب سے فرضی واجبات کی وصولی کے لیے ہائی کورٹ میں زیر التوا قانونی چارہ جوئی کی وجہ سے کریڈٹ سہولیات تک رسائی پر پابندیاں ہیں۔ BOD کی طرف سے نوٹ کیا گیا کہ بینک قانونی چارہ جوئی کو حتمی شکل دینے میں تاخیر کر رہے ہیں تاکہ ان کی مالی مجبوریوں کو بڑھایا جائے اور کمپنی پر دباؤ ڈالا جائے کہ وہ اپنے غیر منصفانہ مطالبات کو تسلیم کرے۔ اس کے باوجود، اس بے بنیاد قانونی چارہ جوئی کو ختم کرنے کے لیے عدالتوں کے سامنے کمپنی کے مفاد کا دفاع کرنے کی کوششیں کی جا رہی ہیں۔

تمام تر مشکلات کے باوجود، انتظامیہ ہائی کورٹس میں کمپنی کے مفادات کا کامیابی سے دفاع کر رہی ہے، اخراجات کا احاطہ کر رہی ہے، ایک فعال ٹیکس دہندہ کے طور پر کام کر رہی ہے، سرمایہ کاری کر رہی ہے اور اپنی کاروباری سرگرمیوں سے آمدنی پیدا کر رہی ہے۔

بورڈ آف ڈائریکٹرز کے لیے اور اس کی جانب سے،



ڈائریکٹر  
محمد بہاؤ الدین



چیف ایگزیکٹو  
آدم جدون

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
AS AT SEPTEMBER 30, 2022  
UN-AUDITED

	Note	30/09/2022 Un-Audited	30/06/2022 Audited
----- Amount in Rupees -----			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment		960,327,061	962,873,700
Long Term Deposits		88,983	88,983
		<u>960,416,044</u>	<u>962,962,683</u>
<b>CURRENT ASSETS</b>			
Inventory - Livestock (Biological Assets)		-	7,890,000
Inventory - Animal Feed and Medicines		58,280	238,440
Stores and Spares	5	-	-
Advances, Deposits and Other Receivables		1,592,000	1,247,000
Cash and Bank Balances	6	13,333,719	2,006,927
		14,983,999	11,382,367
		<u>975,400,043</u>	<u>974,345,050</u>
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized Share Capital (1,500,000) Ordinary Share of 10/- each		<u>15,000,000</u>	<u>15,000,000</u>
Subscribed & paid-up Share Capital		<u>12,275,030</u>	<u>12,275,030</u>
		12,275,030	12,275,030
<b>Capital Reserve</b>			
Statutory Reserve		257,782	257,782
Revaluation Surplus on Property, Plant & Equipment		927,295,959	927,295,959
<b>Revenue Reserve</b>			
Accumulated Loss		<u>(15,491,703)</u>	<u>(16,786,696)</u>
		924,337,068	923,042,075
<b>NON CURRENT LIABILITIES</b>			
Loan from Director	7	16,500,757	16,500,757
Deferred Taxation		24,175,818	24,175,818
		40,676,575	40,676,575
<b>CURRENT LIABILITIES</b>			
Short Term Loan from Directors	8	8,559,718	8,959,718
Trade and Other Payables	9	592,558	432,558
Provision for Taxation		1,234,124	1,234,124
		10,386,400	10,626,400
<b>CONTINGENCIES AND COMMITMENTS</b>			
	10	<u>975,400,043</u>	<u>974,345,050</u>

The annexed notes form an integral part of these financial statements



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2022**  
**UN-AUDITED**

	Three months ended	
	30/09/2022	30/09/2021
	----- Amount in Rupees -----	
<b>SALES</b>	12,280,000	10,554,500
<b>Less: COST OF SALES</b>	8,244,108	7,851,850
<b>GROSS PROFIT</b>	4,035,892	2,702,650
Less: Administrative Expenses	4,085,191	1,355,235
Financial Expenses - Bank Charges	638	-
	4,085,829	1,355,235
<b>OPERATING (LOSS)/PROFIT</b>	<b>(49,937)</b>	<b>1,347,415</b>
Other Operating Income - Rent	1,344,930	1,422,150
Agriculture Income	-	70,000
<b>PROFIT BEFORE TAXATION</b>	<b>1,294,993</b>	<b>2,839,565</b>
<b>TAXATION</b>	-	-
<b>PROFIT AFTER TAXATION</b>	<b>1,294,993</b>	<b>2,839,565</b>
<b>OTHER COMPREHENSIVE INCOME</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>1,294,993</b>	<b>2,839,565</b>
<b>EARNINGS PER SHARE - BASIC AND DILUTED</b>	12	2.31

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



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2022**  
**UN-AUDITED**

	Issued, Subscribed & Paid Up Capital	Capital Reserves		Accumulated Loss	Total
		Statutory Reserve	Revaluation Surplus		
	'----- Rupees -----'				
Balance as at June 30, 2021 - <b>Audited</b>	12,275,030	257,782	893,475,826	(1,150,047)	904,858,591
Correction of Prior Period Error (As per note no. 4 of annual audited accounts 2022)			50,762,322	(32,692,415)	18,069,907
Balance as at July 1, 2021 - <b>Restated</b>	12,275,030	257,782	944,238,148	(33,842,462)	922,928,498
<i>Total Comprehensive Income for the quarter</i>					
Net Profit for the period	-	-	-	2,839,565	2,839,565
Other Comprehensive Income	-	-	-	-	-
	-	-	-	2,839,565	2,839,565
Balance as at September 30, 2021 - <b>Un Audited</b>	<b>12,275,030</b>	<b>257,782</b>	<b>944,238,148</b>	<b>(31,002,897)</b>	<b>925,768,063</b>
Balance as at June 30, 2022 - <b>Audited</b>	12,275,030	257,782	927,295,959	(16,786,696)	923,042,075
<i>Total Comprehensive Income for the quarter</i>					
Net Profit for the period	-	-	-	1,294,993	1,294,993
Other Comprehensive Income	-	-	-	-	-
	-	-	-	1,294,993	1,294,993
Balance as at September 30, 2022 - <b>Un Audited</b>	<b>12,275,030</b>	<b>257,782</b>	<b>927,295,959</b>	<b>(15,491,703)</b>	<b>924,337,068</b>



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
 FOR THE QUARTER ENDED 30TH SEPTEMBER 2022  
 UN-AUDITED

Three months ended	
30/09/2022	30/09/2021
----- Amount in Rupees -----	
1,294,993	2,839,565
2,546,639	-
638	-
3,842,270	2,839,565
7,890,000	7,441,000
180,160	(393,840)
11,912,430	9,886,725
160,000	-
12,072,430	9,886,725
(638)	-
(345,000)	(320,000)
11,726,792	9,566,725
-	-
(400,000)	(250,000)
(400,000)	(250,000)
11,326,792	9,316,725
2,006,927	54,372
13,333,719	9,371,097



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**



**KHYBER TEXTILE MILLS LIMITED**  
**NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2022**  
**UN-AUDITED**

**1 CORPORATE AND GENERAL INFORMATION**

Khyber Textile Mills Limited is a Public Limited Company, incorporated on 26th August, 1961 under the Companies Act, 1913 (Now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The activities of the Company were the manufacture and sale of cotton, polyester yarn and cloth, however due external factors the production was halted. Consequently the Company has been operating an agricultural livestock business on its vacant land since 2017, as a revised principal line of business of the Company, that is agricultural, which was approved by the Registrar of Companies in September 2019. It has also been carrying on alternative business activities of renting excess buildings for warehousing and rental purposes since 2016.

The geographical locations and addresses of Company's premises are as under:

- The registered office of the Company, the production facility and agricultural farms are located at Baldher, District Haripur, Khyber Pakhtunkhwa.

**2 BASIS OF PRESENTATION**

**2.1 Statement of Compliance**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable 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 Standards 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 provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2** Comparative financial position numbers are extracted from the annual financial statement of the Company from the year ended June 30, 2022, whereas comparative statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity are stated from unaudited Condensed interim financial statements of the Company for the three months period ended September 30, 2021.
- 2.3** The Company's financial risk objectives and policies are consistent with those disclosed in the preceding annual financial statements for the year ended June 30, 2022.
- 2.4** The accounting policies and methods of computation adopted in the preparation of annual financial statements for the preceding year ended June 30, 2022 have been consistently applied in the preparation of these interim financial statements.

**3 ESTIMATES AND JUDGMENTS**

The preparation of condensed interim financial information requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2022.

**4 TAXATION**

No provision for taxation is made in these interim accounts.

**KHYBER TEXTILE MILLS LIMITED**  
**NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2022**  
**UN-AUDITED**

	30/09/2022 Un-Audited	30/06/2022 Audited
	----- Amount in Rupees -----	
<b>5 STORES AND SPARES</b>		
General stores	3,000,000	3,000,000
Less: Provision for Obsolescence	(3,000,000)	(3,000,000)
	<u>-</u>	<u>-</u>
<b>6 CASH AND BANK BALANCES</b>		
Cash in Hand	354,076	88,732
Cash at Bank - Current Accounts	12,979,643	1,918,195
	<u>13,333,719</u>	<u>2,006,927</u>
<b>7 LOAN FROM DIRECTORS</b>	<u>16,500,757</u>	<u>16,500,757</u>
This represents the amount received from one of the directors of the Company for the purpose of working capital requirements. The loan is interest free, unsecured and the director has deferred his right to repayment at least twelve months from the date of these financial statements.		
<b>8 SHORT TERM LOAN FROM DIRECTORS</b>	<u>8,559,718</u>	<u>8,959,718</u>
This represents the amount received from a director of the Company for the purpose of working capital requirements. The loan is interest free, unsecured and repayable on demand.		
<b>9 TRADE AND OTHER PAYABLES</b>		
Advance against rent	240,000	80,000
Accrued Liabilities	324,000	324,000
Other Liabilities	28,558	28,558
	<u>592,558</u>	<u>432,558</u>
<b>10 CONTINGENCIES &amp; COMMITMENTS</b>		
Contingencies reported in the preceding annual financial statements remain un-changed.		
<b>11 RELATED PARTY TRANSACTIONS</b>		
Related parties comprise of group companies ( associates ), directors, major shareholders, their close family members and key management personnel. Transactions with related parties during the period, other than and including those which have been disclosed elsewhere in these financial statements, are given below:		

<u>Name of Related Party</u>	<u>Nature of Transaction</u>		
Mr. Jadoon Adam - CEO/Director	Loan ( repaid )	<u>(400,000)</u>	<u>(1,100,000)</u>

**KHYBER TEXTILE MILLS LIMITED**  
**NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2022**  
**UN-AUDITED**

**12 EARNINGS / (LOSS) PER SHARE**

	30/09/2022 Un-Audited	30/09/2021 Un-Audited
	----- Amount in Rupees -----	
Net profit for the year	1,294,993	2,839,565
Number of shares outstanding during the year	1,227,503	1,227,503
Earnings per share - Basic and diluted	1.05	2.31

**13 DATE OF AUTHORISATION**

These unconsolidated condensed interim financial statements were authorized for issue on 25th October 2022 by the Board of Directors of the Company.

**14 GENERAL**

**14.1** Figures have been rounded off to the nearest thousand of Rupee.

**14.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation, the effect of which is not material.



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**