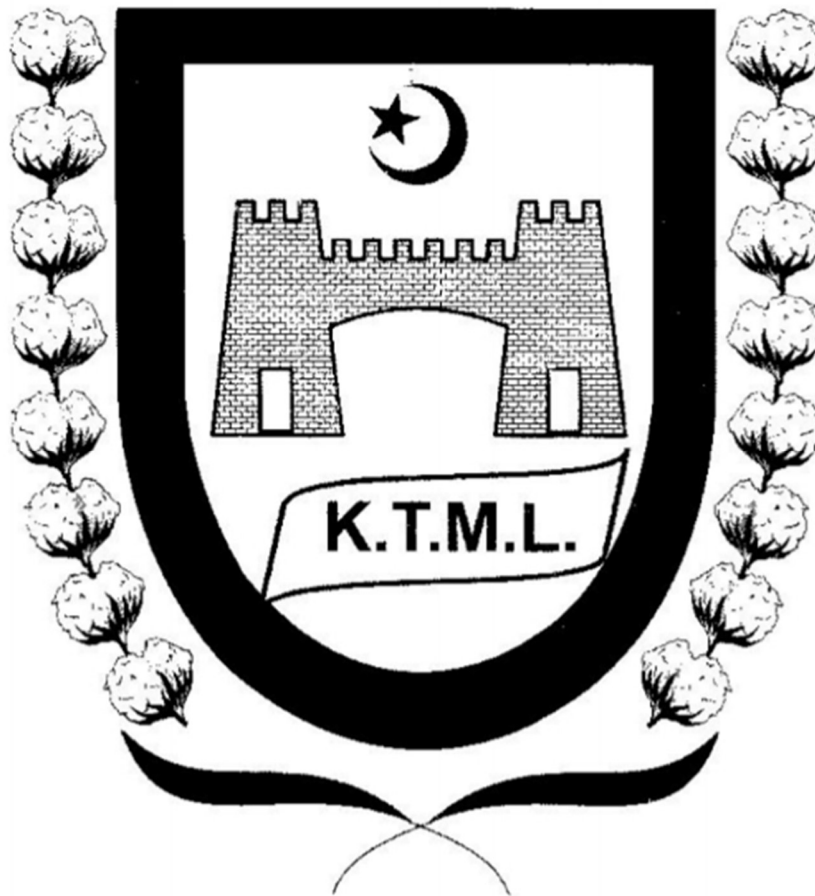


# **KHYBER TEXTILE MILLS LIMITED**

## **QUARTERLY ACCOUNTS (Unaudited)**

**As on March 31, 2023**



**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. Nusrat Iqbal
<b>MEMBER</b>	Mrs. Aamna Jadoon
<b>MEMBER</b>	Mr. Muhammad Bahauddin
<b>HR &amp; R COMMITTEE</b>	
<b>CHAIRMAN</b>	Mr. Nusrat Iqbal
<b>MEMBER</b>	Mr. Muhammad Bahauddin
<b>MEMBER</b>	Mr. Adam Jadoon
<b>COMPANY SECRETARY</b>	Mr. Sadaqat Khan
<b>CHIEF FINANCIAL OFFICER</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
<b>Website address:-</b>	<b><u><a href="http://www.khybertextile.com">www.khybertextile.com</a></u></b>
<b>Email Address:-</b>	<b><u><a href="mailto:info@khybertextile.com">info@khybertextile.com</a></u></b>
<b>Phone No:-</b>	<b>0995-655048</b>

## Directors Report

On behalf of the Board of Directors (BOD), we are pleased to present the unaudited 3rd Quarter Accounts for the nine-month period ending 31<sup>st</sup> March 2023. The Board of Directors reviewed the current business activities, the restrictions on access to credit due to the ongoing banking litigation, and the closure of textile production.

As per the decisions made during previous AGMs and the BOD's instruction and approval, Management has repurposed most of its empty land for agricultural activities, including a Company farm for the rearing and sale of livestock. Management has also reduced input costs by growing fodder on the Company's agricultural land for the livestock farm. Furthermore, Management has continued to let some of its empty buildings for warehousing and rental purposes and has used this financial stream to reinvest in the Company's current operations. Through these endeavors, the Company has successfully generated revenue during the period under review, which has been reflected in the Financial Statements annexed herewith.

It was further discussed by the BOD that the main obstacle for the Company in restarting textile production has been the restriction on access to credit facilities required for working capital, this is due to the litigation pending in the High Courts by the banks to recover fabricated liabilities. Additionally, the banks are delaying the finalization of litigation to extend their financial squeeze on the Company. Nevertheless, efforts are being made to defend the Company's interest before the Courts to end this litigation.

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

For and on behalf of the Board of Directors



Chief Executive

Adam Jadoon



Director

Muhammad Bahauddin

Baldher, Haripur Dated: 19<sup>th</sup> April 2023

## ڈائریکٹرز رپورٹ

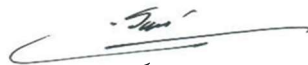
بورڈ آف ڈائریکٹرز (BOD) کی جانب سے ہمیں 31 مارچ 2023 کو ختم ہونے والی نو ماہ کی مدت کے لیے غیر آڈٹ شدہ تیسری سہ ماہی کے اکاؤنٹس پیش کرتے ہوئے خوشی ہو رہی ہے۔ بورڈ آف ڈائریکٹرز نے موجودہ کاروباری سرگرمیوں، کریڈٹ تک رسائی پر پابندیوں، حبابی بینکنگ و قانونی چہارہ جوئی اور ٹیکسٹائل کی پیداوار کی بندش کا بھی جائزہ لیا۔

گزشتہ AGM کے دوران کیے گئے فیصلوں کے مطابق اور BOD کی ہدایات اور منظوری کے مطابق، مینجمنٹ نے اپنی حبابی زمین کی اکثریت کو زرعی سرگرمیوں کے لیے دوبارہ استعمال کیا ہے، جس میں مویشیوں کی پرورش اور فروخت کے لیے کمپنی کا فارم بھی شامل ہے۔ انتظامیہ نے مویشیوں کے فارم کے لیے کمپنی کی زرعی زمین پر چہارہ اگا کر ان پٹ لاگت کو بھی کم کیا ہے۔ مسزید بر آں، مینجمنٹ نے اپنی کچھ حبابی عمارتوں کو گودام اور کرائے کے مقاصد کے لیے استعمال کیا ہے اور حاصل شدہ آمدنی سے کمپنی کے موجودہ آپریشنز میں دوبارہ سرمایہ کاری کی ہے۔ ان کوششوں کے ذریعے کمپنی نے زیر جائزہ مدت کے دوران کامیابی کے ساتھ آمدنی حاصل کی ہے، جس کی عکاسی اس کے ساتھ منسلک مالی بیانات میں ہوئی ہے۔


بی او ڈی (BOD) کی جانب سے مسزید بحث کی گئی کہ ٹیکسٹائل کی پیداوار کو دوبارہ شروع کرنے میں کمپنی کے لیے بنیادی رکاوٹ ورننگ کیٹیبل کے لیے درکار کریڈٹ سہولیات تک رسائی پر پابندی ہے، اس کی وجہ بینکنگ کی جانب سے من گھڑت واجبات کی وصولی کے لیے ہائی کورٹس میں زیر التواء مقدمہ ہے۔ مسزید بر آں، بینک و قانونی چہارہ جوئی کو حتمی شکل دینے میں تاخیر کر رہے ہیں تاکہ کمپنی کے مالیاتی دباؤ کو بڑھایا جاسکے۔ اس کے باوجود، اس بے بنیاد و قانونی چہارہ 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 احراجات کو پورا کر رہی ہے، اپنی موجودہ کاروباری سرگرمیوں میں سرمایہ کاری کر رہی ہے اور اس سے آمدنی پیدا کر رہی ہے، ایک فعال ٹیکس دہندہ کے طور پر کام کر رہی ہے اور ہائی کورٹس میں کمپنی کے مفادات کا دفاع کر رہی ہے۔

بورڈ آف ڈائریکٹرز کے لیے اور اس کی جانب سے

  
ڈائریکٹر

محمد بہاؤ الدین

  
چیف ایگزیکٹو

آدم جدون

بالتذہیر ہری پور بتاریخ: 19 اپریل 2023

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2023  
UN-AUDITED

	Note	31/03/2023 Un-Audited	30/06/2022 Audited
----- Amount in Rupees -----			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	4	955,233,781	962,873,700
Long Term Deposits		88,983	88,983
		955,322,764	962,962,683
<b>CURRENT ASSETS</b>			
Inventory - Livestock (Biological Assets)		9,174,885	7,890,000
Inventory - Animal Feed and Medicines		710,800	238,440
Stores and Spares	5	-	-
Advances, Deposits and Other Receivables		913,626	1,247,000
Cash and Bank Balances	6	1,553,139	2,006,927
		12,352,450	11,382,367
		967,675,214	974,345,050
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized Share Capital (1,500,000) Ordinary Share of 10/- each		15,000,000	15,000,000
Subscribed & paid-up Share Capital		12,275,030	12,275,030
		12,275,030	12,275,030
<b>Capital Reserve</b>			
Statutory Reserve		257,782	257,782
Revaluation Surplus on Property, Plant & Equipment		920,495,398	927,295,959
<b>Revenue Reserve</b>			
Accumulated Loss		(11,785,633)	(16,786,696)
		921,242,577	923,042,075
<b>NON CURRENT LIABILITIES</b>			
Loan from Director	7	16,500,757	16,500,757
Deferred Taxation		21,801,804	24,175,818
		38,302,561	40,676,575
<b>CURRENT LIABILITIES</b>			
Short Term Loan from Directors	8	8,009,718	8,959,718
Trade and Other Payables	9	120,358	432,558
Provision for Taxation		-	1,234,124
		8,130,076	10,626,400
<b>CONTINGENCIES AND COMMITMENTS</b>			
	10	-	-
		967,675,214	974,345,050

The annexed notes form an integral part of these condensed 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 AND NINE MONTHS ENDED MARCH 31, 2023  
UN-AUDITED

	3 Months Ended		9 Months Ended	
	2023	2022	2023	2022
	----- Amount in Rupees -----		----- Amount in Rupees -----	
<b>SALES</b>	424,000	383,000	12,704,000	10,937,500
<b>Less: COST OF SALES</b>	513,342	519,054	8,813,998	8,486,066
<b>GROSS (LOSS) / PROFIT</b>	(89,342)	(136,054)	3,890,002	2,451,434
Less: Administrative Expenses	3,780,904	3,864,684	12,373,714	11,950,805
Financial Expenses - Bank Charges	2,398	-	3,410	1,207
	3,783,302	3,864,684	12,377,124	11,952,012
<b>OPERATING LOSS</b>	<b>(3,872,644)</b>	<b>(4,000,738)</b>	<b>(8,487,122)</b>	<b>(9,500,578)</b>
Other Operating Income - Rent	1,468,430	1,511,850	4,229,110	4,113,700
Agriculture Income	-	-	84,500	151,250
<b>LOSS BEFORE TAXATION</b>	<b>(2,404,214)</b>	<b>(2,488,888)</b>	<b>(4,173,512)</b>	<b>(5,235,628)</b>
<b>TAXATION</b>				
Current	-	-	-	-
Deferred	(791,338)	(714,931)	(2,374,014)	(2,144,792)
	(791,338)	(714,931)	(2,374,014)	(2,144,792)
<b>LOSS AFTER TAXATION</b>	<b>(1,612,876)</b>	<b>(1,773,957)</b>	<b>(1,799,498)</b>	<b>(3,090,836)</b>
<b>OTHER COMPREHENSIVE INCOME</b>	-	-	-	-
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>(1,612,876)</b>	<b>(1,773,957)</b>	<b>(1,799,498)</b>	<b>(3,090,836)</b>
<b>LOSS PER SHARE - BASIC AND DILUTED</b>	<b>(1.31)</b>	<b>(1.45)</b>	<b>(1.47)</b>	<b>(2.52)</b>



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2023**  
**UN-AUDITED**

	Issued, Subscribed & Paid Up Capital	Capital Reserves		Accumulated Loss	Total
		Statutory Reserve	Revaluation Surplus		
----- Rupees -----					
Balance as at July 1, 2021	12,275,030	257,782	882,744,077	19,721,321	914,998,210
Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment (net of tax)	-	-	(7,395,835)	7,395,835	-
<i>Total Comprehensive Income for the half year</i>					
Net loss for the period	-	-	-	(3,090,836)	(3,090,836)
Other Comprehensive Income	-	-	-	-	-
	-	-	-	(3,090,836)	(3,090,836)
Balance as at March 31, 2022	<b>12,275,030</b>	<b>257,782</b>	<b>875,348,242</b>	<b>24,026,320</b>	<b>911,907,374</b>
Balance as at July 1, 2022 - <b>Restated</b>	12,275,030	257,782	927,295,959	(16,786,696)	923,042,075
Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment (net of tax)	-	-	(6,800,561)	6,800,561	-
<i>Total Comprehensive Income for the half year</i>					
Net loss for the period	-	-	-	(1,799,498)	(1,799,498)
Other Comprehensive Income	-	-	-	-	-
	-	-	-	(1,799,498)	(1,799,498)
Balance as at March 31, 2023	<b>12,275,030</b>	<b>257,782</b>	<b>920,495,398</b>	<b>(11,785,633)</b>	<b>921,242,577</b>



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2023  
UN-AUDITED

	July to March	
	2023	2022
----- Amount in Rupees -----		
<b>CASH FROM OPERATING ACTIVITIES</b>		
Loss before Taxation	(4,173,512)	(5,235,628)
Adjustments for:		
Depreciation	7,639,919	8,324,296
Financial Expenses	2,398	-
Operating profit before working capital changes	<u>3,468,805</u>	<u>3,088,668</u>
 (Increase)/Decrease in Operating Assets		
Inventory - Livestock	(1,284,885)	368,083
Inventory - Animal Feed	(472,360)	(277,020)
	<u>1,711,560</u>	<u>3,179,731</u>
 Increase/(Decrease) in Operating Liabilities		
Trade and Other Payables	(312,200)	(243,000)
Cash generated from operations	<u>1,399,360</u>	<u>2,936,731</u>
 Financial Expenses	(2,398)	-
Tax deducted at source/Paid	(900,750)	(971,456)
	<u>(903,148)</u>	<u>(971,456)</u>
<b><i>Net Cashflow from Operating Activities</i></b>	<u>496,212</u>	<u>1,965,275</u>
 <b>CASH FROM INVESTING ACTIVITIES</b>		
<b><i>Net Cashflow in Investing Activities</i></b>	-	-
 <b>CASH FROM FINANCING ACTIVITIES</b>		
Loan from Directors	(950,000)	(785,000)
<b><i>Net Cash (used in) Financing Activities</i></b>	(950,000)	(785,000)
 <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(453,788)</u>	<u>1,180,275</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	2,006,927	54,372
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u><u>1,553,139</u></u>	<u><u>1,234,647</u></u>



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**



**KHYBER TEXTILE MILLS LIMITED**  
**NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2023**  
 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 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;
- Provisions of and directives issued under the Companies Act, 2017.

Where 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.

These condensed interim financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and Rule Book of Pakistan Stock Exchange Limited.

These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2022.

**3 SIGNIFICANT ACCOUNTING POLICIES**

**3.1** The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited financial statements for the year ended June 30, 2022.

**3.2** The estimates, assumptions and judgments made in the preparation of these condensed interim financial statements are substantially the same as those applied in the preparation of audited financial statements for the year ended June 30, 2022.

**KHYBER TEXTILE MILLS LIMITED**  
**NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2023**  
**UN-AUDITED**

	<b>31/03/2023</b> <b>Un-Audited</b>	<b>30/06/2022</b> <b>Audited</b>
	<b>----- Amount in Rupees -----</b>	
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>		
Cost - Opening Balance	1,274,600,879	1,274,600,879
Addition/ deletion during the period	-	-
	<u>1,274,600,879</u>	<u>1,274,600,879</u>
Accumulated Depreciation - Opening Balance	311,727,179	300,628,117
Depreciation for the period	7,639,919	11,099,062
	<u>319,367,098</u>	<u>311,727,179</u>
Written down value	<u><b>955,233,781</b></u>	<u><b>962,873,700</b></u>
<b>5 STORES AND SPARES</b>		
General stores	3,000,000	3,000,000
Less: Provision for Obsolescence	<u>(3,000,000)</u>	<u>(3,000,000)</u>
	<u>-</u>	<u>-</u>
<b>6 CASH AND BANK BALANCES</b>		
Cash in Hand	1,009,657	88,732
Cash at Bank - Current Accounts	<u>543,482</u>	<u>1,918,195</u>
	<u>1,553,139</u>	<u>2,006,927</u>
<b>7 LOAN FROM DIRECTORS</b>	<u>16,500,757</u>	<u>16,500,757</u>
<p>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 the these financial statements.</p>		
<b>8 SHORT TERM LOAN FROM DIRECTORS</b>	<u>8,009,718</u>	<u>8,959,718</u>
<p>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.</p>		
<b>9 TRADE AND OTHER PAYABLES</b>		
Advance against rent	-	80,000
Accrued Liabilities	91,800	324,000
Other Liabilities	28,558	28,558
	<u>120,358</u>	<u>432,558</u>
<b>10 CONTINGENCIES &amp; COMMITMENTS</b>		
<p>Contingencies reported in the annual audited financial statements for the year ended June 30, 2022 remain unchanged.</p>		

**KHYBER TEXTILE MILLS LIMITED**  
**NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2023**  
**UN-AUDITED**

31/12/2022 Un-Audited	30/06/2022 Audited
----- Amount in Rupees -----	

**11 RELATED PARTY TRANSACTIONS**

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 )	(950,000)	(1,100,000)

**12 FINANCIAL RISK EXPOSURE AND RISK MANAGEMENT**

The Company's financial risk exposures and risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2022.

**13 CORRESPONDING FIGURES**

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

**14 FIGURES**

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

**15 DATE OF AUTHORISATION**

These unconsolidated condensed interim financial statements were authorized for issue on April 19,, 2023 by the Board of Directors of the Company.



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**