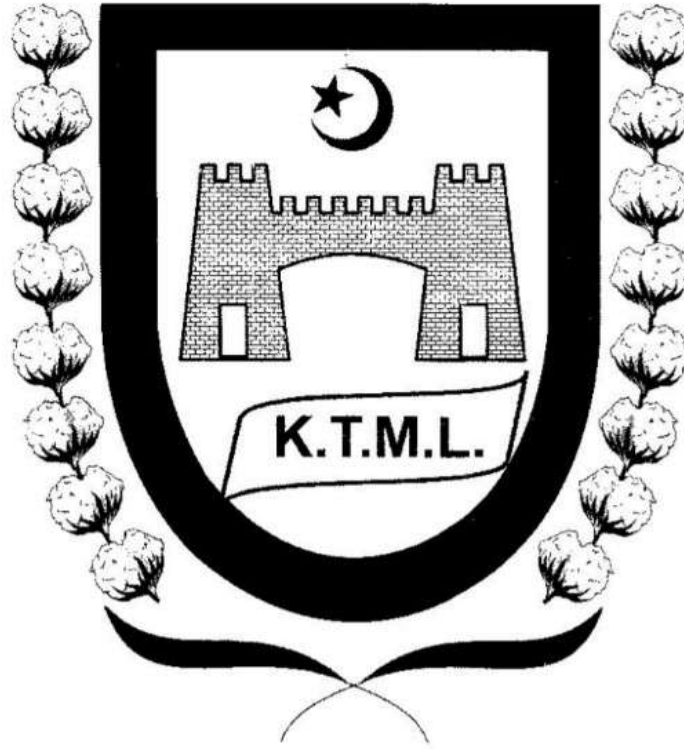


# QUARTERLY ACCOUNTS



**KHYBER TEXTILE MILLS LIMITED**

**AS ON 30<sup>TH</sup> SEPTEMBER 2020**

**COMPANY INFORMATION**

<b>CHAIRMAN</b>	Mr. Aurangzeb Khan
<b>CHIEF EXECUTIVE</b>	Mr. Adam Jadoon
<b>DIRECTORS</b>	Mr. Nasir Khan Mr. Adam Jadoon Mr. Amanullah Khan Mr. Omar Farid Jadoon Mr. Muhammad Bahauddin Mrs. Aamna Jadoon Mr. Aurangzeb Khan
<b>AUDIT COMMITTEE</b>	
<b>CHAIRMAN</b>	Mr. Nasir Khan
<b>MEMBER</b>	Mr. Muhammad Bahuddin
<b>MEMEBER</b>	Mrs. Aamna Jadoon
<b>HR COMMITTEE</b>	
<b>CHAIRMAN</b>	Mr. Nasir Khan
<b>MEMBER</b>	Mr. Amanullah Khan
<b>MEMBER</b>	Mrs. Aamna Jadoon
<b>SECRETARY</b>	Mr. Sadaqat Khan
<b>C.F.O</b>	Mr. Taj Muhammad
<b>AUDITORS</b>	Clarkson Hyde Saud Ansari, Chartered Accountant
<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 Pakhunkhawa

**Website:** [www.khybertextile.com](http://www.khybertextile.com)

**Email:** [info@khybertextile.com](mailto:info@khybertextile.com)

**PHONE NO:** 0995-655048

## Directors Report

The Management of your Company is placing before you the 1<sup>st</sup> quarter accounts for the period ending 30<sup>th</sup> September 2020. The Board of Directors (BOD) reviewed the successful operations of the agricultural business activities, the restrictions on access to credit due to the ongoing litigation, the closure of textile production and finally the negative effect of the COVID-19 pandemic on the Company's current operations.

As per decisions made during previous AGMs and per the BODs instructions and approval, we are pleased to report that the Company has generated revenue through our other business activities during the period under review. Management has repurposed the majority of its unutilized land for agricultural activity, including a Livestock Farm for the purchasing, rearing and sale of livestock and has been successful in increasing sales for the 1st quarter of FY2021. In addition, the crops grown on the agricultural land were consumed by the Company's livestock thereby reducing input costs. Finally, Management has continued to lease a portion of its excess empty buildings for warehousing and rental purposes and has used this funding to reinvest into the Company's business activities.

However, it must be noted that the purchasing and sales of livestock along with our rental business has been negatively impacted by the onset of the COVID-19 (Corona Virus) pandemic. Which has lead to inflation, stagnation and a contraction in the economy, that has ultimately caused an overall reduction in business activity affecting our revenue.

It was also discussed that the main obstacle in restarting textile production has been the restriction on access to credit facilities due to the false defaulter status placed on the Company and the litigation pending in the High Court 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 interests before the Courts in order to end this long-standing unwarranted litigation.

In spite of all odds, the Management is successfully defending the Company's interests in the High Courts, covering expenses, generating revenue and operating as an active taxpayer. Moreover, the Company is investing in and creating business activity on its property, which has been reflected in the financial statements annexed herewith.

For and on Behalf of Board of Director



Chief Executive

Baldher, Haripur  
Dated: - 29<sup>th</sup>October

### ڈائریکٹر رپورٹ

آپ کی کمپنی کی انتظامیہ آپ کے سامنے پہلے تین ماہ کے اکاؤنٹس 30 ستمبر 2020 تک پیش کر رہی ہے۔ بورڈ آف ڈائریکٹرز نے کمپنی کی ٹیکسٹائل پیداوار کی بندش، عدالتی مقدمات، قرضوں پر پابندی، اور متبادل کاروبار کی کامیابی کا جائزہ لیا۔ ملک میں موجودہ کرونا وائرس کے باعث لاک ڈاؤن کی وجہ سے مجموعی کاروبار پر منفی اثرات کو بھی زیر غور لایا گیا۔

جیسا کہ پچھلی سالانہ میٹنگز اور بورڈ میٹنگز میں یہ اجازت لی گئی تھی کہ کوئی اور کاروبار کر کے روزمرہ کے امور چلائے جائیں۔ اس سلسلے میں اپنی زمین کے بیشتر حصے کو زراعت کے لئے تیار کیا۔ اور زراعت سے حاصل ہونے والی پیداوار کو لائیو سٹاک کے کاروبار میں استعمال کیا گیا۔ جس سے اخراجات میں کافی حد تک کمی ہوئی۔ اس کو آرٹھر میں لائیو سٹاک سیلز بہتر رہی۔ اس کے ساتھ مینجمنٹ نے اپنے گودام کرائے پر دیے ہوئے ہیں۔ جس سے حاصل ہونے والی آمدن کو لائیو سٹاک کاروبار میں استعمال کیا جا رہا ہے۔

ملک میں وبائی مرض کرونا وائرس (COVID-19) کے پھیلنے سے حکومت کی طرف سے لگائے گئے لاک ڈاؤن کی وجہ سے کاروباری سرگرمیاں رک گئی تھی اور ساتھ مہنگائی کی وجہ سے ہمارے لائیو سٹاک بزنس کے لئے جانوروں کی خرید و فروخت اور ریٹیل انکم پر بھی منفی اثرات پڑے ہیں۔

اس بات پر بھی بحث کی گئی کہ کمپنی کی ٹیکسٹائل پیداوار کی بندش کی راہ میں سب سے بڑی رکاوٹ سرمایہ کا نہ ہونا ہے۔ عدالت میں کیس کی وجہ سے بینکوں سے قرض لینے پر بھی پابندی ہے۔ بورڈ کو یہ بھی بتایا گیا ہے کہ عدالتی کیسز میں بینک جان بوجھ کر التوا ع ڈال رہے ہیں۔ ہمارے وکلاء بھرپور کوشش کر رہے ہیں کہ ان کیسز کا فیصلہ ہو جائے۔

تمام تر مشکلات کے باوجود کمپنی روزمرہ کے اخراجات عدالتی اخراجات تنخواہیں اور دیگر اخراجات کے ساتھ ساتھ کمپنی کے کاروبار میں بھی سرمایہ کاری کر رہی ہے۔



ڈائریکٹر



چیف ایگزیکٹو آفیسر

29-10-2020

:

مورخہ:

بالڈھیر پور

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**As 30th September, 2020**

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	Notes	30/09/2020 Un Audited	30/06/2020 Audited		Notes	30/09/2020 Un Audited	30/06/2020 Audited
		---- Amount in Rupees ----				---- Amount in Rupees ----	
<b>CAPITAL AND LIABILITIES</b>				<b>PROPERTY &amp; ASSETS</b>			
<b>SHARE CAPITAL &amp; RESERVE</b>				<b>NON CURRENT ASSETS</b>			
SHARE CAPITAL				Property Plant & Equipment at written down value		986,074,178	986,074,178
Authorised:				Long Term Deposits		88,983	88,983
1,500,000 Ordinary Share of Rs. 10/- each		15,000,000	15,000,000			986,163,161	986,163,161
Issued:							
1,298,543 Ordinary Share of Rs. 10/- each.		12,985,430	12,985,430				
Subscribed & Paid up		12,275,030	12,275,030	<b>CURRENT ASSETS</b>			
<b>RESERVE</b>				Livestock		-	7,200,000
Capital- Statutory Reserve U/s 15-BB		257,782	257,782	Animal food - bhosa & daana		550,535	105,410
Unappropriated Profit / (Loss)		115,524	(1,150,047)	Stores & spares		-	-
Surplus on revaluation of fixed assets		893,475,826	893,475,826	Taxes Refundable		345,000	1,476,626
Shareholders' Equity		906,124,162	904,858,591	Cash & Bank Balances	5	7,500,966	206,590
<b>NON CURRENT LIABILITIES</b>						<b>8,396,501</b>	<b>8,988,626</b>
Deferred Tax Liability		42,869,376	42,869,376				
<b>CURRENT LIABILITIES</b>							
Long Term Loan		27,160,475	27,460,475				
Trade And Other Payables		18,366,712	18,447,782				
Provision for taxation		38,937	1,515,563				
		<b>45,566,124</b>	<b>47,423,820</b>				
<b>CONTINGENCIES &amp; COMMITMENTS</b>							
		-	-				
		<b>994,559,662</b>	<b>995,151,787</b>			<b>994,559,662</b>	<b>995,151,787</b>

The annexed notes from 1 to 8 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**AND COMPREHENSIVE INCOME**

5

For The Quarter Ended 30th September 2020

30/09/2020		30/09/2019
-----Amount in Rupees-----		

Sales (Net)	6	8,601,700		7,776,100
Cost of Sales		(7,453,083)		(6,917,169)
<b>Gross profit</b>		<b>1,148,617</b>		<b>858,931</b>
<b>Operating Expenses:</b>				
Administrative		1,482,300		1,293,338
<b>Operating Loss</b>		<b>(333,683)</b>		<b>(434,407)</b>
Other Income - rent		1,579,330		2,103,495
Agricultural Income		21,000		24,000
Finance cost		(1,076)		(3,405)
<b>Profit before taxation</b>		<b>1,265,571</b>		<b>1,689,683</b>
Provision for taxation		-		-
<b>Profit after taxation</b>		<b>1,265,571</b>		<b>1,689,683</b>
Other comprehensive income for the period		-		-
<b>Total comprehensive income for the period</b>		<b>1,265,571</b>		<b>1,689,683</b>
<b>EARNING PER SHARE</b>		1.03		1.38

The annexed notes from 1 to 8 form an integral part of these financial statements.



**Chief Executive**



**Chief Financial Officer**



**Director**

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
For The Quarter Ended 30th September 2020

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<i>Three Months Ended</i>	
30/09/2020	30/09/2019
-----Amount in Rupees-----	

**CASH FLOW FROM OPERATING ACTIVITIES**

Profit after tax	1,265,571	1,689,683
<b>Adjustment of Non Fund Items:</b>		
Provision for Taxation-Deferred	-	-
Depreciation	-	-
Liabilities written back	-	-
	1,265,571	1,689,683
<b>(Increase)/Decrease in Current Assets</b>		
Livestock	7,200,000	6,500,000
Animal food - bhosa & daana	(445,125)	(715,496)
Advances Deposits and other receivables	-	-
	6,754,875	5,784,504
<b>Increase/(Decrease) in Current Liabilities</b>		
Trade & Other Payables	(81,070)	(149,860)
	(81,070)	(149,860)
	6,673,805	5,634,644
Effect of cash flow due to changes in working capital	7,939,376	7,324,327
Sundry income received	-	-
Taxes paid	(345,000)	(372,328)
	(345,000)	(372,328)
Net cash from operating activities	7,594,376	6,951,999
<b>CASH OUT FLOW DUE TO FINANCING ACTIVITIES</b>		
Long Term Loan	(300,000)	(150,000)
Net Increase/(Decrease) in Cash	7,294,376	6,801,999
Cash and Cash Equivalents at the beginning of the year	206,590	44,094
Cash and Cash Equivalents at end of the period	7,500,966	6,846,093



**Chief Executive**



**Chief Financial Officer**



**Director**

**KHYBER TEXTILE MILLS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
 FOR THE QUARTER ENDED 30th September, 2020

7

	Share Capital	Reserves	Unappropriated Profit & Loss	Revaluation surplus on fixed assets	Total
	----- Rupees -----				
Balance as on June 30, 2019 - Audited	12,275,030	257,782	(10,917,218)	905,163,104	906,778,698
Profit for the quarter	-	-	1,689,683	-	1,689,683
<b>Balance as on 30th September 2019 - Un Audited</b>	<b>12,275,030</b>	<b>257,782</b>	<b>(9,227,535)</b>	<b>905,163,104</b>	<b>908,468,381</b>
Balance as on June 30, 2020 - Audited	12,275,030	257,782	(1,150,047)	893,475,826	904,858,591
Profit for the quarter	-	-	1,265,571	-	1,265,571
<b>Balance as on 30th September 2020 - Un Audited</b>	<b>12,275,030</b>	<b>257,782</b>	<b>115,524</b>	<b>893,475,826</b>	<b>906,124,162</b>



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR



**NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**For The Quarter Ended 30th September, 2020**  
**(UNAUDITED)**

**1 STATUS AND NATURE OF BUSINESS**

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 Pakistan Stock Exchange Limited. The activities of the Company were the manufacture and sale of cotton /polyester yarn and cloth however, due to external factors production has been halted. Consequently, the Company has been operating an agricultural livestock business on its vacant land since 2017, as a revised principal business of the Company i.e. agricultural, that was approved by the Registrar of Companies. The Company is also carrying out alternative business activities of renting excess buildings for warehousing and rental purposes since 2016. The registered office of the Company is situated at Baldher, District Haripur, Khyber Pakhtunkhawa.

**2 BASIS OF PREPARATION****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.

These condensed interim financial statements should be read in conjunction with the Company's last annual financial statements as at and for the year ended 30 June 2020 ('last annual financial statements'). These condensed interim financial statements do not include all of the information required for a complete set of financial statements prepared in accordance with the approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2020, whereas the comparative condensed interim profit or loss and comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the first quarter ended September 30, 2019.

**3 ESTIMATES AND JUDGMENTS**

The preparation of condensed interim financial information requires management to make certain judgments, 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, 2020.

**4 TAXATION**

No provision for taxation is made in these interim accounts.

	30th Sep 2020	30th June 2020
<b>5 CASH &amp; BANK BALANCES</b>		
Cash in hand	297,785	115,994
Cash at banks	7,203,181	90,596
	<b>7,500,966</b>	<b>206,590</b>

	30th Sep 2020	30th Sep 2019
<b>6 LIVE STOCK SALES</b>	<b>8,601,700</b>	<b>7,776,100</b>

**7 DATE OF AUTHORIZATION**

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company in the meeting held on 29th October 2020.

**8 GENERAL**

Figures in these statements have been shown in full.



**Chief Executive**



**Chief Financial Officer**



**Director**