

KHALID SIRAJ TEXTILE MILLS LIMITED
COMPANY INFORMATION

Chief Executive Officer	-	Mian Tayyab Iqbal
Directors	-	Mian Tahir Iqbal
	-	Kh. Hamza Riaz
	-	Kh. Pervaiz Aslam
	-	Mr. Amir Jahangir
	-	Mrs. Rukhsana Arif
	-	Mr. Muhammad Asif (NIT Nominee)
Audit Committee		
Chairman	-	Mrs. Rukhsana Arif
Members	-	Kh. Hamza Riaz
	-	Mr. Amir Jahangir
HR Committee		
Chairman	-	Mian Tahir Iqbal
Members	-	Kh. Hamza Riaz
	-	Mr. Amir Jahangir
Company Secretary	-	Haji Tariq Samad
Auditors	-	Kamran & Co. Chartered Accountants A/2, Ingola Appartments, 24-Jail Road, Lahore.
Bankers	-	National Bank of Pakistan Dubai Islamic Bank Pakistan Limited Habib Metropolitan Bank Limited Silk Bank Pakistan Ltd Meezan Bank Limited
Chief Financial Officer	-	Mr. Muhammad Abbas Azam
Legal Advisor	-	Mr. Majid Ali Rana (Advocate)
Share Registrar	-	M/s. Corplink (Pvt) Limited Wings Arcade, 1-K, Commercial, Model Town, Lahore. Ph: 042-35916714, Fax: 042-35869037
Registered Office	-	135-Upper Mall, Lahore.
Website Address	-	www.kstml.com
Mills	-	48-K.M, Lahore-Multan Road, Phool Nagar (Bhai Pheru), Tehsil Pattoki, Distt. Kasur.

KHALID SIRAJ TEXTILE MILLS LIMITED
BRIEF FOR THE QUARTER ENDED 30 SEPTEMBER 2018

DIRECTORS' REVIEW:

During the quarter under review, the company incurred net loss of Rs. 7.456 million which includes depreciation expenses of Rs. 5.977 million.

FUTURE PROSPECTS:

The Management has decided to closed the mill till such time the business conditions improve and the running the mills on reasonable profit margin.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

KHALID SIRAJ TEXTILE MILLS LIMITED
CONDENSED BALANCE SHEET
AS AT SEPTEMBER 30, 2018

	Sep	Audited	Audited
	Notes	30/Sep/2018	30/Jun/2018
EQUITY AND LIABILITIES			
(Rupees)			
Share capital and reserves			
Authorized share capital 12,000,000 (30 June 2018: 12,000,000) ordinary shares of Rs. 10 each		120,000,000	120,000,000
Issued, subscribed and paid-up share capital	4	107,000,000	107,000,000
Accumulated loss		(432,373,817)	(429,101,703)
Surplus on revaluation of property, plant and equipment		230,095,386	234,279,097
		(95,278,431)	(87,822,606)
Non-current liabilities			
Long-term finances	5	226,769,487	226,682,011
Deferred liabilities		32,951,069	32,951,070
		259,720,556	259,633,081
Current liabilities			
Trade and other payables		113,863,493	113,808,349
Unclaimed Dividend		24,058,182	24,058,182
Mark-up accrued		16,790,575	16,790,575
Short-term borrowings	6	68,180,179	68,180,179
		222,892,429	222,837,285
Contingencies and commitments		-	-
		387,334,554	394,647,760
ASSETS			
Non-current assets			
Property, plant and equipment	7	355,517,032	362,837,330
Long-term deposits		2,001,000	2,001,000
Long-term advances		15,650,727	15,650,727
		373,168,759	380,489,057
Current assets			
Stores, spare parts and loose tools		12,147,495	12,147,495
Loans and advances		820,284	820,284
Trade deposits and short-term prepayments		507,100	507,100
Cash and bank balances		690,916	683,824
		14,165,795	14,158,703
		387,334,554	394,647,760

The annexed notes 1 to 10 form an integral part of this condensed financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

KHALID SIRAJ TEXTILE MILLS LIMITED
CONDENSED PROFIT AND LOSS ACCOUNT /
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED SEPTEMBER 30, 2018

	Three-Months Ended	
	30/Sep/2018	30/Sep/2017
	----- (Rupees) -----	
Sales	-	4,343,092
Cost of sales	-	12,541,278
Gross Loss	-	(8,198,186)
Operating expenses:		
Administrative and selling expenses	7,454,517	632,090
Finance cost	1,308	21,405
	7,455,825	653,495
	(7,455,825)	(8,851,681)
Loss before taxation	(7,455,825)	(8,851,681)
Taxation	-	43,870
Loss after taxation	(7,455,825)	(8,895,551)
Other comprehensive loss	-	-
Total comprehensive loss	(7,455,825)	(8,895,551)
Loss per share (basic and anti-dilutive)	(0.70)	(0.83)

The annexed notes 1 to 10 form an integral part of this condensed financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

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KHALID SIRAJ TEXTILE MILLS LIMITED
CONDENSED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED SEPTEMBER 30, 2018

	Three-Months Ended	
	30/Sep/2018	30/Sep/2017
	----- (Rupees) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Operating loss	(7,455,825)	(8,851,681)
Add / (Less) Adjustment for non-cash items:		
Depreciation on property, plant and equipment	7,320,297	8,126,330
Finance cost	1,308	21,405
	7,321,605	8,147,735
Loss before working capital changes	(134,220)	(703,946)
Working capital changes		
(Increase)/Decrease in current assets		
Stores, spare parts and loose tools	-	(107,971)
Stock in trade	-	3,236,446
Trade debts	-	(3,491,648)
Loans and advances	-	34,969
Balances due from government	-	(43,625)
(Decrease) / Increase in trade and other payables	55,144	(8,568,324)
	55,144	(8,940,153)
Cash (used in) / generated from operations	(79,076)	(9,644,099)
Income taxes paid	-	(13,873)
Finance cost paid	(1,308)	(21,405)
Net cash (used in) operating activities	(80,384)	(9,679,377)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	-	8,590,591
Net cash out flow in investing activities	-	8,590,591
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds (net) of long-term finances	87,476	-
Net cash in / (out) flow from financing activities	87,476	-
Net (decrease) / increase in cash and cash equivalents	7,092	(1,088,786)
Cash and cash equivalents at beginning of the period	683,824	1,873,803
Cash and cash equivalents at end of the period	690,916	785,017

The annexed notes 1 to 10 form an integral part of this condensed financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

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KHALID SIRAJ TEXTILE MILLS LIMITED
CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED SEPTEMBER 30, 2018

	Share capital	Accumulated loss	Total Equity
	----- (Rupees) -----		
Balance as at June 30, 2017	107,000,000	(371,898,720)	(264,898,720)
Total comprehensive loss for the three-months period ended September 30, 2017	-	(8,895,551)	(8,895,551)
Incremental depreciation on revaluation of property, plant and equipment for the period (net of deferred taxation)	-	4,311,579	4,311,579
Balance as at September 30, 2017	<u>107,000,000</u>	<u>(376,482,692)</u>	<u>(269,482,692)</u>
Balance as at June 30, 2018	107,000,000	(429,101,703)	(322,101,703)
Total comprehensive loss for the three-months period ended September 30, 2018	-	(7,455,825)	(7,455,825)
Incremental depreciation on revaluation of property, plant and equipment for the period (net of deferred taxation)	-	4,183,711	4,183,711
Balance as at September 30, 2018	<u>107,000,000</u>	<u>(432,373,817)</u>	<u>(325,373,817)</u>

The annexed notes 1 to 10 form an integral part of this condensed financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

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KHALID SIRAJ TEXTILE MILLS LIMITED
SELECTED NOTES TO THE CONDENSED FINANCIAL INFORMATION (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED SEPTEMBER 30, 2018

1 STATUS AND ACTIVITIES

The Company was incorporated in Pakistan on January 17, 1988 as Public Limited Company under the Companies Ordinance, 1984 and is listed on Karachi and Lahore Stock Exchanges. The Company is engaged in the manufacturing and sale of cotton yarn. The registered office of the Company is situated at 135-Upper Mall, Lahore.

2 BASIS OF MEASUREMENT

This condensed financial information has been prepared under the historical cost convention modified by adjustment of revaluation of certain assets. In this condensed financial information, except for the cash flow statement, all the transactions have been accounted for on accrual basis.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods for computation adopted for the preparation of this condensed financial information is the same as those applied in preparation of the financial statements for the year ended **June 30, 2018**.

	(Un-Audited) 30/Sep/2018	(Audited) 30/Jun/2018
4 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	----- (Rupees) -----	-----
10,000,000 (30 June 2018: 10,000,000) ordinary shares of Rs. 10 each fully paid in cash	100,000,000	100,000,000
700,000 (30 June 2018: 700,000) ordinary shares of Rs. 10 each fully paid as bonus shares	7,000,000	7,000,000
	<u>107,000,000</u>	<u>107,000,000</u>

5 LONG-TERM FINANCES

5.01 Sponsors' loan	30,400,000	30,400,000
5.02 Habib Metrol Bank Limited (OD)	-	12,524
5.03 Due to ex-associated undertakings	32,329,798	32,329,798
5.04 Ex-Directors	164,039,689	163,939,689
	<u>226,769,487</u>	<u>226,682,011</u>

5.01 Sponsors' loan

These represent unsecured loan from sponsors of the Company. The terms repayment has not yet been decided so far. The above loan alongwith uncalled dividends is subjudice before the Honorable Lahore High Court, Lahore (also refer note 5.02).

5.02 Habib Metrol Bank Limited (OD)

These represent uncalled dividends by sponsors of the Company. The above uncalled dividend alongwith loans from sponsors is subjudice before the Honorable Lahore High Court, Lahore (also refer note 5.01).

5.03 Previous associated undertakings

This represents unsecured loans from various Companies which were previously associated undertakings but now have been allocated by the Honorable Lahore High Court, Lahore to other families of ex-Ittefaq Group. The matter is still pending adjudication.

5.04 Long-term loans from ex-directors

Long-term loan	164,039,689	163,939,689
	<u>164,039,689</u>	<u>163,939,689</u>

6 SHORT TERM BORROWINGS

Cash finance/overdraft	60,680,179	60,680,179
Finance against trust receipts	7,500,000	7,500,000
	<u>68,180,179</u>	<u>68,180,179</u>

7 PROPERTY, PLANT AND EQUIPMENT

Opening written down value	362,837,330	395,342,650
Addition during the period	-	-
	-	-
	-	-
Depreciation for the period	7,320,297	32,505,320
	<u>7,320,297</u>	<u>32,505,320</u>
Closing book value	<u>355,517,032</u>	<u>362,837,330</u>

8 COST OF SALES

Since there is no sales during this period, therefore depreciation and factory repairs amounting **Rs. 7.320** million has been classified into administrative and general expenses.

9 AUTHORIZATION FOR ISSUE

This condensed financial information was approved by the Board of Directors and authorised for issue on **November 22, 2018**.

10 CORRESPONDING FIGURES

- 10.01** Corresponding figures have been re-arranged, wherever necessary to the facilitation of comparison.
10.02 Figures have been rounded off to nearest rupee.

CHIEF EXECUTIVE

DIRECTOR

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