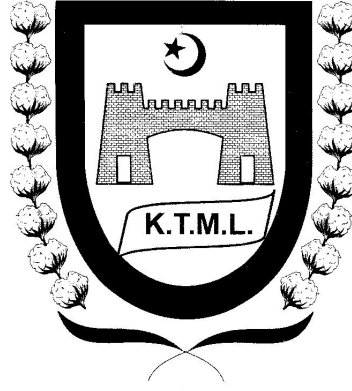


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## QUARTERLY ACCOUNTS



September 30 2018

**KHYBER TEXTILE MILLS LTD.**

**BOOK POST**  
**PRINTED MATTER**



If undelivered please return to:

Baldher, District Haripur (Khyber Pakhtunkhwa)

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## ***Khyber Textile Mills Limited***

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### **COMPANY'S INFORMATION**

#### **BOARD OF DIRECTORS**

Mr. Adam Jadoon  
Mr. Aurangzeb Khan  
Mr. Nasir Khan  
Mr. Amanullah Khan  
Mr. Omer Farid Jadoon  
Mr. M Bahauddin  
Mrs. Aamna Jadoon

#### **COMPANY SECRETARY**

Mr. Sadaqat Khan

#### **AUDITORS**

Tanwir Arif & Co.  
Chartered Accountants

#### **REGISTERED OFFICE**

Khyber Textile Mills Ltd.  
Baldher, Distt. Haripur (Khyber Pakhtunkhwa)

#### **MILLS**

Baldher, District Haripur  
Khyber Pakhtunkhwa

## **DIRECTOR'S REPORT**

The Directors of your Company are placing before you the Quarterly Accounts of KTML for the period ended 30th September 2018. Due to the on-going High Court litigation our Company is facing a complete restriction on access to credit by the banks. As a result of these discriminatory methods by the financial institutions, KTML has been unable to restart textile production; therefore production remained closed during the period under review. However, KTML's Management is pleased to report that there were significant revenue generation activities on the Company's premises primarily through rental income and livestock sales.

The Board of Directors reviewed the closure of the production facilities at the Mill. They also discussed the on going Court Litigation, the restrictions on access to credit and the possible measures to be taken to overcome the litigation. In addition, they discussed the constraints caused by the constant electrical load shedding in the Mill's locality, the ban on installation of industrial gas meters and the requirements of resuming textile production activities.

As per the BODs instructions and approval, we are pleased to report that the Company has initiated steps to secure other sources of legitimate revenue within its limited resources as a substitute measure in order to maintain the Company, its assets and reinstate business activity on the Mill's premises. Management has been successful in renting its excess buildings as a storage facility to reputable organizations and distributors of packaged food, milk and bottled water. With this stream of funding KTML has embarked upon the repair and maintenance of its excess warehouses & buildings in order to generate additional rental income. Furthermore, KTML has made an investment in a Livestock Farm for the purchase & sale of cattle on its excess land. Management has also repurposed the majority of its agricultural land in order to grow fodder for the livestock and has planted high yield olive trees thereby utilizing all excess areas separate from the textile unit, for alternative business activity.

**For & on behalf of  
Board of Directors**

Baldher, Haripur.  
Dated: 29<sup>th</sup> Oct, 2018

**Chief Executive**

**STATEMENT OF INTERIM FINANCIAL POSITION**  
**As at September 30, 2018**

	Sep, 2018	June, 2018		Sep, 2018	June, 2018
Notes	(Rupees)		Notes	(Rupees)	
<b>CAPITAL AND LIABILITIES</b>			<b>PROPERTY &amp; ASSETS</b>		
<b>SHARE CAPITAL &amp; RESERVE</b>			<b>NON CURRENT ASSETS</b>		
<b>SHARE CAPITAL</b>			<b>FIXED ASSETS - Tangible</b>		
Authorised:			Property, Plant & Equipment	428,151,828	428,151,828
1,500,000 Ordinary Shares of	15,000,000	15,000,000	at Written Down Value		
Rs. 10/- each					
Issued:			<b>LONG TERM DEPOSITS</b>	88,983	88,983
1,298,543 Ordinary Shares of	12,985,430	12,985,430			
Rs. 10/- each					
Subscribed & paid-up	12,275,030	12,275,030	<b>CURRENT ASSETS</b>		
<b>RESERVE</b>			Livestock 4	1,897,400	3,822,500
Capital - Statutory Reserve	257,782	257,782	Animals Food-Bhosa & Daana	147,610	185,120
U/s 15-BB			Taxes Refundable	370,000	1,487,984
Unappropriated Profit / Loss	(14,448,414)	(15,472,199)	Cash and Bank Balances 5	2,626,087	192,784
Surplus On Revaluation of				5,041,097	5,688,388
Fixed Assets	346,856,455	346,856,455			
Shareholders' Equity	344,940,853	343,917,068			
<b>NON CURRENT LIABILITIES</b>					
Deferred Tax Liability	35,222,909	35,222,909			
Long Term Loan	28,600,475	28,700,475			
<b>CURRENT LIABILITIES</b>					
Trade & Others Payable	24,494,392	24,577,484			
Provision for Taxation	23,279	1,511,263			
<b>CONTINGENCIES &amp; COMMITMENTS 3</b>	-	-			
	433,281,908	433,929,199		433,281,908	433,929,199

The annexed notes from 1 to 7 form an integral part of these financial statements.

**or Textile**  
**Chief Executive**

  
**Director**

**PROFIT & LOSS ACCOUNT**  
**For the Quarter Ended September 30, 2018**

	Sep 30, 2018	Sep 30, 2017
	<b>(Rupees)</b>	
<b>Sales</b>	2,734,500	650,000
<b>Cost of Sales</b>	(2,014,150)	(471,878)
<b>Gross Profit/(Loss)</b>	720,350	178,122
<b>Administration Exp.</b>		
Administration Expenses	(1,732,585)	(875,068)
	(1,012,235)	(696,946 )
Other Operative Income-Rent	1,988,100	1,792,380
<b>Operating Profit (Loss)</b>	<b>975,865</b>	<b>1,095,434</b>
Finance Cost	(2,080)	(3,419)
<b>Profit/(Loss) Before Tax</b>	973,785	1,092,015
<b>Provision for Taxation</b>	-	-
<b>Profit/(Loss) After Tax</b>	<b>973,785</b>	<b>1,092,015</b>
<b>Other Comprehensive Income/ (Expenses)</b>		
Income from agriculture	50,000	118,356
<b>Total Comprehensive Profit/(Loss) for the period</b>	<b>1,023,785</b>	<b>1,210,371</b>

The annexed notes from 1 to 7 form an integral part of these financial statements.

**er Textil**  
Chief Executive

  
Director

**STATEMENT OF INTERIM CASH FLOW**  
**For the Quarter Ended September 30, 2018**

	Sep, 30 2018	Jun 30, 2018
	<b>(Rupees)</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) After Tax	973,785	8,941,990
<b>Adjustment of Non Fund Items:</b>		
Depreciation	-	10,392,270
Provision for bad and doubtful	-	-
Gain arising from changes in fair value of biological assets	-	(1,166,699)
Liabilities over three year written back	-	(15,952,880)
Financial Expenses	-	-
	-	(6,727,309)
	<b>973,785</b>	<b>2,214,681</b>
<b>(Increase)/Decrease in Current Assets</b>		
Livestock	1,925,100	(486,893)
Animals Food	37,510	(145,080)
	<b>1,962,610</b>	<b>(631,973)</b>
<b>Increase/(Decrease) in Current Liabilities</b>		
Trade & Other Payables	(83,092)	35,592
	<b>(83,092)</b>	<b>35,592</b>
Effect on Cash Flow due to changes in		
Working Capital	1,879,518	(596,381)
Sundry Income Received	50,000	243,356
Income Tax Paid	(370,000)	(2,144,516)
<b>Net Cash Used In Operations</b>	<b>2,533,303</b>	<b>282,860</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	-	-
	<b>2,533,303</b>	<b>282,860</b>
<b>CASH OUT FLOW FROM FINANCING ACTIVITIES</b>		
Long term loan- Directors	100,000	200,000
<b>Net Increase /(Decrease) in Cash</b>	<b>2,433,303</b>	<b>(82,860)</b>
Cash and cash Equivalents at the beginning of the Period	192,784	275,644
<b>Cash and Cash Equivalents as at 30th September 2018</b>	<b>2,626,087</b>	<b>192,784</b>

**er Textile**  
Chief Executive

  
Director

**STATEMENT OF INTERIM CHANGES IN EQUITY**  
**For the Quarter Ended September 30, 2018**

	Share Capital	Reserves	Unappropriated Profit & Loss	Revaluation surplus on fixed assets	Total
	( Rupees )				
Balance as on June 30, 2017	12,275,030	257,782	(34,957,302)	355,391,435	332,966,945
Profit for the year 2017 - 2018	-	-	10,706,767	-	10,706,767
Other Comprehensive income			243,356	-	243,356
<b>Total Comprehensive Income for the year</b>	-	-	10,950,123	-	10,950,123
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation	-	-	8,534,980		8,534,980
<b>Balance as on June 30, 2018</b>	<u>12,275,030</u>	<u>257,782</u>	<u>(15,472,199)</u>	<u>355,391,435</u>	<u>352,452,048</u>
Total Comprehensive Profit (Loss) for the Quarter	-	-	1,023,785	-	1,023,785
<b>Balance as on Sep 30, 2018</b>	<u>12,275,030</u>	<u>257,782</u>	<u>(14,448,414)</u>	<u>355,391,435</u>	<u>353,475,833</u>

The annexed notes from 1 to 7 form an integral part of these financial statements.

**Khyber Textile**  
 Chief Executive

  
 Director

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## **NOTES TO THE INTERIM FINANCIAL STATEMENTS**

### **For the Quarter Ended September 30 2018**

#### **1. STATUS AND NATURE OF BUSINESS**

Khyber Textile Mills Limited is a Public Limited Company, incorporated on 26<sup>th</sup> August, 1961 under the Companies Act, 1913 (Now the Companies Ordinance 1984). Its shares are quoted on Pakistan Stock Exchange Limited. The principal activities of the company are manufacturing and sale of yarn.

#### **2. BASIS FOR PREPARATION OF ACCOUNTS**

- 2.1** These interim financial statements have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34, “Interim Financial Reporting” as applicable in Pakistan and are being submitted to the members as required under section 245 of the Companies Ordinance, 1984.
- 2.2** These interim financial statements have been prepared on the basis of historical cost convention.
- 2.3** Related parties transactions during the quarter were same as were disclosed in the proceeding annual audited financial statements.
- 2.4** The accounting policies and methods of computation adopted in the preparation of annual financial statements for the preceding year ended June 30, 2018 have been consistently applied in the preparation of these interim financial statements.
- 2.5** 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, 2018.
- 2.6** 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, 2018.



Sep 30, 2018	Jun 30, 2018
(Rupees)	

**3 CONTINGENCIES & COMMITMENTS**

Contingencies reported in the preceding annual financial statements remain un-changed.

<b>4 Livestock</b>	<u>1,897,400</u>	<u>3,822,500</u>
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**5 Cash & Bank Balances**

Cash in hand	150,142	174,314
Cash at bank-Current Account	2,475,945	18,470
	<u>2,626,087</u>	<u>192,784</u>


**6 DATE OF AUTHORIZATION**

These interim financial statements work authorised for issue on October 29th, 2018 by the Board of Director of the Company.

**7 General**

Figures in these financial statements have been shown as full.

**Khyber Textil**  
Chief Executive

  
Director