

QUARTERLY ACCOUNTS

March 31, 2019

KHYBER TEXTILE MILLS LIMITED

Khyber Textile Mills Limited

**Baldher, District Haripur (Khyber
Pakhtunkhawa)**

Phone No 0995-655048

COMPANY INFORMATION

**CHAIRMAN
CHIEF EXECUTIVE**

Mr. Aurangzeb Khan
Mr. Adam Jadoon

DIRECTORS

Mr. Adam Jadoon
Mr. Aurangzeb Khan
Mr. Nasir Khan
Mr. Amanullah Khan
Mr. Omar Farid Jadoon
Mr. Muhammad Bahauddin
Mrs. Aamna Jadoon

**AUDIT COMMITTEE
CHAIRMAN
MEMBER
MEMEBER**

Mr. Nasir Khan
Mr. Aurangzeb Khan
Mrs. Aamna Jadoon

COMPANY SECRETARY

Mr. Sadaqat Khan

C.F.O

Mr. Taj Muhammad

AUDITORS

Tanwir Arif and Company
Chartered Accountants

**REGISTERED OFFICE
& HEAD OFFICE**

Khyber Textile Mills Ltd.
Baldher, District Haripur,
Khyber Pakhtunkhawa

MILLS

Baldher, District Haripur,
Khyber Pakhunkhawa

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

Email Address: info@khybertextile.com

Director's Report

The Directors of your Company are placing before you the quarterly accounts of KTML for the period ending 31st March 2019. Due to the on-going litigation our Company is facing a complete restriction on access to credit from banks; as a result of this KTML has been unable to procure funds and restart textile production. Therefore, the Company's production remained closed during the period under review. However, KTML's Management is pleased to report that there were significant approved revenue generation activities on the Company's premises.

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

During the FY 2018 AGM the Members of KTML have agreed that the agricultural business taking place on the excess land of the Company should be considered part of the principle business of the Company, and approved the alteration of the name of the Company to reflect the other primary business taking place on the premises to; "Khyber Textile Mills and Agricultural Business Limited". In addition, the Members have also approved the changes to the Articles and Memorandum of Association to be updated in line with the additional business being undertaken and to be consistent with the Company's Act 2017. Management has therefore applied to the Registrar of Joint Stock Companies to have the required documentary changes implemented and the application is pending before the Registrar.

As per decisions made during AGMs and per the BODs instructions and approval, we are pleased to report that the Company has initiated steps to secure other sources of legitimate revenue in order to maintain the Company, its assets and reinstate business activity on the Mill's premises. Therefore, Management has been successful in renting its excess empty buildings as a storage area to reputable distributors of various items. With this new stream of funding KTML has made an investment in a Livestock Farm for the purchase & sale of cattle on its excess land and has been successful in making significant livestock sales in FY 2019. Management has also repurposed the majority of its empty land for agricultural activity in order to grow fodder for the animals thereby reducing costs of running a livestock business. Furthermore, Management has planted high yield olive saplings throughout the Company's agricultural land for long term olive harvesting and value addition.

In spite of all odds, the Management is successfully defending the Company's position in the High Court, protecting the rights of its shareholders, maintaining assets of the Company and meeting the regular day-to-day expenses of the Mill. Moreover, the Company is investing in and creating new business activity and has once again become an active advance tax payer, which has been reflected in the financial statements annexed herewith.

Chief Executive



Adam Jadoon

April 18, 2019

ڈاریکٹر رپورٹ

آپ کی کمپنی کے ڈاریکٹر آپ کے سامنے نو ماہی اکاؤنٹ رپورٹ 31-03-2109 تک پیش کر رہے ہیں۔ عدالتی مقدمات کی وجہ سے کمپنی کو ابھی تک بنکوں / مالیاتی اداروں سے قرضے لینے پر پابندی کا سامنا ہے۔ جس کی وجہ سے کمپنی اپنی ٹیکسٹائل کی پیداوار ابھی تک شروع نہیں کر سکی۔ تاہم مینجمنٹ آپ کو یہ بتانے میں خوشی محسوس کر رہی ہے کہ کمپنی نے دوسرے ذرائع سے اکٹم کا حصول شروع کر دیا ہے۔

بورڈ آف ڈاریکٹر نے کمپنی کی پیداوار کی بندش پر غور کیا اور ساتھ ہائی کورٹ کے مقدمات پر بھی بات کی گئی۔ اس کے علاوہ قرضوں کی بندش اور دیگر ممکنہ ذرائع جن سے مسائل حل ہوں ان پر غور کیا۔ ساتھ ہی بجلی اور گیس کے حوالے سے بات کی گئی اور انڈسٹریل گیس میٹر کی پابندی بھی زیر غور آئی۔

2018ء کی سالانہ میٹنگ میں KTM کے ممبران نے اس بات پر اتفاق کیا ہے کہ ملز کی خالی زمین کو زراعت کو کے شعبے میں زیر استعمال لایا جائے اور زراعت کے کاروبار کو باقاعدہ پرنسپل بزنس کے طور پر سمجھا جائے۔ ساتھ ہی ممبران نے اس بات کی مینجمنٹ کو اجازت دی کہ کمپنی کی نام، آرٹیکل اور میمورنڈم میں بھی تبدیلی موجودہ کاروبار کے حوالے سے کرنی ہے کریں مینجمنٹ نے رجسٹر آفس میں آرٹیکل اور میمورنڈم میں تبدیلی کے لیے درخواست دی جو کہ ابھی تک پراسس میں ہے۔ جب کہ AGM اور BOD کے حکم اور منظوری کے بعد ہمیں یہ بات بتاتے ہوئے خوشی ہو رہی ہے کہ کمپنی نے جائز ذرائع آمدن سے اپنی آمدنی بڑھانے کا سلسلہ شروع کیا ہے۔ جس کے لیے مینجمنٹ اپنی خالی بلڈنگ / زمین کو مختلف کمپنیوں کو کرائے پر دیا ہے۔ جس سے مناسب منافع مل رہا ہے اور اسی رقم کو لائیو سٹاک کے کاروبار میں لگایا جا رہا ہے۔ اس طرح ساتھ جانوروں کی خرید و فروخت کا عمل شروع ہو چکا ہے۔

2019ء میں کمپنی کے اپنی بہت سی خالی زمین کو زراعت کے لیے استعمال کا فیصلہ کیا ہے۔ جس سے جانوروں کا چارہ بھی حاصل ہوگا۔ ساتھ میں کمپنی نے زیتون کے چھوٹے پودے لگائے ہیں۔ ان سب مشکلات کے باوجود مینجمنٹ بڑی کامیابی سے کمپنی کا ہائی کورٹ میں دفاع کر رہی ہے۔ ساتھ ہی روزانہ کے اخراجات بھی پورے کیے جاتے ہیں۔ کمپنی اس عرصے میں دوبارہ سے ٹیکس دینے والوں کی لسٹ میں آگئی ہے جو ان اکاؤنٹس سے واضح ہے۔

چیف ایگزیکٹو



آدم جردن

18-04-2019

KHYBER TEXTILE MILLS LIMITED

STATEMENT OF INTERIM FINANCIAL POSITION

AS AT MARCH 31, 2019

(UNAUDITED)

	Notes	Mar, 2019	June, 2018
		(Rupees)	
CAPITAL AND LIABILITIES			
SHARE CAPITAL & RESERVE			
SHARE CAPITAL			
Authorised:			
1,500,000 Ordinary Share of Rs. 10/- each		15,000,000	15,000,000
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
RESERVE			
Capital- Statutory Reserve U/s 15-BB		257,782	257,782
Unappropriated Loss		(11,037,578)	(15,472,199)
Surplus on revaluation of fixed assets		340,387,864	346,856,455
Shareholders' Equity		341,883,098	343,917,068
NON CURRENT LIABILITIES			
Deferred Tax Liability		32,333,942	35,222,909
Long Term Loan		28,350,475	28,700,475
CURRENT LIABILITIES			
Trade And Other Payables	3	24,389,592	24,577,484
Provision for taxation		-	1,511,263
		24,389,592	26,088,747
CONTINGENCIES & COMMITMENTS			
	4	-	-
		426,957,107	433,929,199

PROPERTY & ASSETS

NON CURRENT ASSETS

Property Plant & Equipment at written down value

Long Term Deposits

CURRENT ASSETS

Livestock

Animal food - bhosa & daana

Stores & spares

Taxes Refundable

Cash & Bank Balances

	Mar, 2019	June, 2018
Notes	(Rupees)	
5	420,980,233 88,983 421,069,216	428,151,828 88,983 428,240,811
6	4,341,580 52,160 -	3,822,500 185,120 -
7	1,075,000 419,151 5,887,891	1,487,984 192,784 5,688,388
	426,957,107	433,929,199

The annexed notes from 1 to 9 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

KHYBER TEXTILE MILLS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
For The Quarter and Nine Months Period Ended March 31, 2019
(UNAUDITED)

Nine months ended Mar 31		Three months ended Mar 31	
2019	2018	2019	2018
(Rupees)		(Rupees)	

Sales (Net)	3,044,000	1,010,000	100,000	360,000
Cost of Sales	2,241,950	747,878	76,400	276,000
Gross Profit	802,050	262,122	23,600	84,000
Operating Expenses:				
Administrative	11,231,522	10,312,051	3,443,509	3,426,760
Operating Loss	(10,429,472)	(10,049,929)	(3,419,909)	(3,342,760)
Other Income - rent	5,385,845	4,909,730	1,913,245	1,796,750
Finance cost	16,310	8,090	11,403	3,285
Loss before tax	(5,059,937)	(5,148,289)	(1,518,067)	(1,549,295)
Provision for Taxation-Deferred	(2,888,967)	(3,179,817)	(571,623)	(640,124)
Loss after tax	(2,170,970)	(1,968,472)	(946,444)	(909,171)

The annexed notes from 1 to 9 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

KHYBER TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For The Quarter and Nine Months Period Ended March 31, 2019
(UNAUDITED)

<i>Nine months ended March 31</i>		<i>Three months ended March 31</i>	
2019	2018	2019	2018
<i>(Rupees)</i>		<i>(Rupees)</i>	

Net loss after taxation	(2,170,970)	(1,968,472)	(946,444)	(909,171)
Other Comprehensive Income				
Income from agriculture	137,000	203,356	63,500	45,000
Total Comprehensive Loss for the Period	<u>(2,033,970)</u>	<u>(1,765,116)</u>	<u>(882,944)</u>	<u>(864,171)</u>
Loss per share	(1.66)	(1.44)	(0.72)	(0.70)

The annexed notes from 1 to 9 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

KHYBER TEXTILE MILLS LIMITED
STATEMENT OF INTERIM CASH FLOWS
For The Nine Months Period Ended March 31, 2019
(UNAUDITED)

	Mar, 2019	Mar, 2018
	(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss after tax	(2,033,970)	(1,765,116)
Adjustment of Non Fund Items:		
Provision for Taxation-Deferred	(2,888,967)	(3,179,817)
Depreciation	7,171,595	7,794,202
	<u>4,282,628</u>	<u>4,614,385</u>
	2,248,658	2,849,269
(Increase)/Decrease in Current Assets		
Livestock	(519,080)	(545,672)
Animal food - bhosa & daana	132,960	(15,160)
	<u>(386,120)</u>	<u>(560,832)</u>
Increase/(Decrease) in Current Liabilities		
Trade & Other Payables	(187,892)	(198,700)
	<u>(187,892)</u>	<u>(198,700)</u>
	(574,012)	(759,532)
Cash generated from operations	1,674,646	2,089,737
Taxes paid	(1,098,279)	(1,771,532)
	<u>576,367</u>	<u>318,205</u>
CASH OUT FLOW DUE TO FINANCING ACTIVITIES		
Long Term Loan	(350,000)	-
Net Increase/(Decrease) in Cash	<u>226,367</u>	<u>318,205</u>
Cash and Cash Equivalents at the beginning of the year	192,784	275,644
Cash and Cash Equivalents as at 31st December 2017	<u>419,151</u>	<u>593,849</u>

The annexed notes from 1 to 9 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

KHYBER TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
For The Nine Months Period Ended March 31, 2019
(UNAUDITED)

	Share Capital	Capital Reserves	Unappropriated Profit & Loss	Revaluation surplus on fixed assets	Total
	(Rupees)				
Balance as at June 30, 2017 as - previously reported	12,275,030	257,782	(34,957,302)	-	(22,424,490)
Impact of restatement	-	-	-	355,391,435	355,391,435
Balance as at June 30, 2017 as - restated	12,275,030	257,782	(34,957,302)	355,391,435	332,966,945
Loss for the period	-	-	(1,968,472)	-	(1,968,472)
Other Comprehensive income for the period	-	-	203,356	-	203,356
Total comprehensive loss	-	-	(1,765,116)	-	(1,765,116)
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation, net of deferred tax.	-	-	4,267,490	(4,267,490)	-
Balance as on March 31, 2017	12,275,030	257,782	(32,454,928)	351,123,945	331,201,829
Balance as on June 30, 2018	12,275,030	257,782	(15,472,199)	346,856,455	343,917,068
Loss for the period	-	-	(2,170,970)	-	(2,170,970)
Other Comprehensive income for the period	-	-	137,000	-	137,000
Total comprehensive loss	-	-	(2,033,970)	-	(2,033,970)
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation, net of deferred tax.	-	-	6,468,591	(6,468,591)	-
Balance as on March 31, 2018	12,275,030	257,782	(11,037,578)	340,387,864	341,883,098

The annexed notes from 1 to 9 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

KHYBER TEXTILE MILLE LIMITED
NOTE TO THE INTERIM FINANCIAL STATEMENTS
For The Nine Months Period Ended March 31, 2019

	March 31, 2019	June 30, 2018
	(Rupees)	
3 TRADE AND OTHER PAYABLES		
Trade Creditors	24,249,834	24,249,834
Advance against rent	-	73,700
Accrued Liabilities	111,200	225,392
Other Liabilities	28,558	28,558
	24,389,592	24,577,484
4 CONTINGENCIES & COMMITMENTS		
Contingencies reported in the preceding annual financial statements remain un-changed.		
5 PROPERTY PLANT & EQUIPMENT		
Cost - Opening Balance	693,913,408	693,913,408
Revaluation during the period	-	-
Addition/ deletion during the period	-	-
	693,913,408	693,913,408
Accumulated Depreciation - Opening Balance	265,761,580	255,369,310
Adjustment on disposal	-	-
Depreciation for the period	7,171,595	10,392,270
	272,933,175	265,761,580
Written down value	420,980,233	428,151,828
6 STORES & SPARES		
General Store	3,000,000	3,000,000
Less: Provision for diminution in value	(3,000,000)	(3,000,000)
	-	-
7 CASH & BANK BALANCES		
Cash in hand	23,306	174,314
Cash at bank - Current Account	395,845	18,470
	419,151	192,784

8 DATE OF AUTHORIZATION

These interim financial statements were authorized for issue on 18th April 2019.
by the Board of Directors of the Company.

9 GENERAL

Figures in these interim financial statements have been rounded off to the nearest rupees.



Chief Executive



Chief Financial Officer



Director