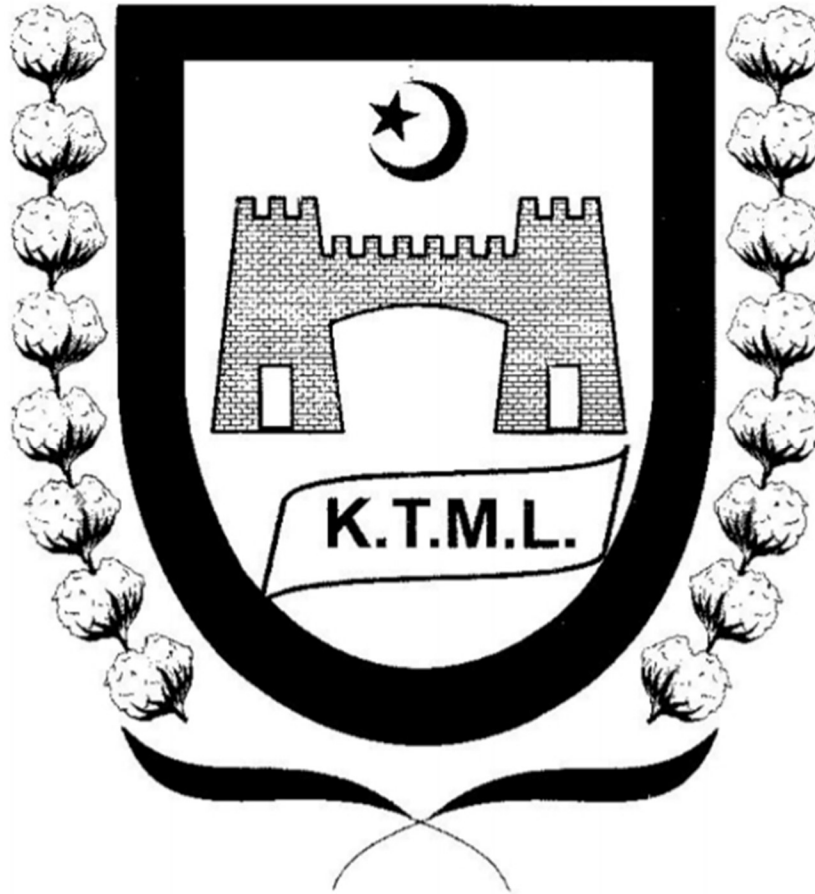


# **KHYBER TEXTILE MILLS LIMITED**

## **QUARTERLY (Unaudited) FINANCIAL STATEMENTS As on 30<sup>th</sup> September 30, 2024**



**Baldher, District Haripur, Khyber Pakhtunkhwa**

## COMPANY INFORMATION

|  |   |
|--|---|
| <b>CHAIRMAN</b>                                | Mr. Aurangzeb Khan  |
| <b>CHIEF EXECUTIVE</b>                         | Mr. Adam Jadoon   |
| <b>DIRECTORS</b>                               | Mr. Aurangzeb Khan<br>Mr. Adam Jadoon<br>Mr. Amanullah Khan Jadoon<br>Mr. Hassan Ovais<br>Mrs. Aamna Jadoon<br>Mr. Muhammad Bahauddin<br>Mr. Nusrat Iqbal |
| <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>SECRETARY</b>                               | Mr. Sadaqat Khan  |
| <b>C.F.O</b>                                   | Mr. Taj Muhammad  |
| <b>AUDITORS</b>                                | M/s Clarkson Hyde Saud Ansari<br>Chartered Accountants  |
| <b>SHARE REGISTRAR</b>                         | F.D. Registrar Services<br>(SMC-Pvt) Ltd  |
| <b>REGISTERED OFFICE<br/>&amp; HEAD OFFICE</b> | Khyber Textile Mills Ltd.<br>Baldher, District Haripur,<br>Khyber Pakhtunkhawa  |
| <b>MILLS</b>                                   | Baldher, District Haripur,<br>Khyber Pakhunkhawa  |
| <b>Website address:-</b>                       | <a href="http://www.khybertextile.com">www.khybertextile.com</a>  |
| <b>Email Address:-</b>                         | <a href="mailto:info@khybertextile.com">info@khybertextile.com</a>  |
| <b>Phone No:-</b>                              | 0995-655048   |

## Directors Report

On behalf of the Board of Directors (BOD) we are pleased to present the unaudited financial statements for the 1<sup>st</sup> Quarter, ending 30<sup>th</sup> September 2024. This report outlines the Company's current business activities and operations, the ongoing banking litigation, credit restrictions and the closure of textile production.

In line with the decisions made during previous AGMs and per the BOD's instructions and approval, Management has repurposed most of its vacant land for agricultural business activities, including a livestock farm for the purchasing, rearing and sale of cattle. Additionally, input costs have been reduced by cultivating fodder on the Company's agricultural land for livestock consumption. Management has also continued to rent some of its vacant buildings and warehouses to generate further income for the Company, while reinvesting these funds in the current operations. Therefore, the Company has generated revenue during the period under review, which has been reflected in the financial statements annexed herewith.

The main obstacle in restarting textile production has been the restrictions on access to credit facilities due to the litigation pending in the High Courts by the Banks to recover fabricated liabilities. As a result of these credit constraints, the Company is unable to complete the BMR process or obtain the required working capital essential to restarting textile production. Additionally, the banks are delaying the finalization of litigation to pressure the Company into complying with their unjust demands. Nevertheless, the Company is defending the litigation before the High Courts in order to reach finality.

Despite these issues, the Company is covering expenses, investing in, and generating revenue from its current business activities, while also operating as an active taxpayer.

For and on behalf of the Board of Directors,



**Chief Executive**  
**Adam Jadoon**



**Director**  
**Muhammad Bahauddin**

**Baldher, Haripur Dated: 25<sup>th</sup> October 2024**

### ڈائریکٹر رپورٹ

بورڈ آف ڈائریکٹرز (BOD) کی جانب سے، ہمیں 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے غیر آڈٹ شدہ عبوری مالیاتی گوشوارے پیش کرنے پر خوشی ہو رہی ہے۔ اس رپورٹ میں کمپنی کی موجودہ کاروباری سرگرمیوں اور آپریشنز، جاری بینکنگ قانونی چارہ جوئی، ٹیکسٹائل کی پیداوار کی بندش اور قرض تک رسائی پر پابندی کا جائزہ لیا گیا

گزشتہ AGM کے دوران کیے گئے فیصلوں اور BOD کی ہدایات اور منظوری کے مطابق، مینجمنٹ نے اپنی زیادہ تر خالی زمین کو زرعی سرگرمیوں کے لیے استعمال کیا ہے، جس میں مویشیوں کی خرید، پرورش اور فروخت کے لیے لائیو سٹاک فارم بھی شامل ہے۔ انتظامیہ نے مویشیوں کے استعمال کے لیے کمپنی کی زرعی زمین پر چارہ اگا کر ان پٹ لاگت کو کم کیا ہے۔ مزید برآں، انتظامیہ نے آمدنی پیدا کرنے کے لیے اپنی کچھ خالی عمارتوں اور گوداموں کو کرائے پر دینا جاری رکھا ہے، اس کا استعمال کرتے ہوئے کمپنی کے آپریشنز میں دوبارہ سرمایہ کاری کی ہے لہذا، مینجمنٹ نے زیر جائزہ مدت کے دوران کمپنی کے لیے آمدنی حاصل کی ہے، جس کی عکاسی اس کے ساتھ منسلک مالی بیانات میں ہوئی ہے۔

مزید یہ کہ ٹیکسٹائل کی پیداوار کو دوبارہ شروع کرنے میں سب سے بڑی رکاوٹ کمپنی کو کریڈٹ سہولیات تک رسائی پر پابندیاں ہیں اور بینکوں کی جانب سے فرضی واجبات کی وصولی کے لیے ہائی کورٹس میں زیر التوا قانونی چارہ جوئی ہے۔ تاہم بینک قانونی چارہ جوئی کو حتمی شکل دینے میں تاخیر کر رہے ہیں تاکہ کمپنی پر دباؤ ڈالیں کہ وہ ان کے غیر منصفانہ مطالبات کو تسلیم کرے۔ اس کے باوجود، اس بے بنیاد قانونی چارہ جوئی کو ختم کرنے کے لیے عدالتوں کے سامنے کمپنی کے مفادات کا دفاع کرنے کی کوششیں کی جا رہی ہیں۔

ان مسائل کے باوجود کمپنی اخراجات کو پورا کر رہی ہے، سرمایہ کاری کر رہی ہے اور اپنی موجودہ کاروباری سرگرمیوں سے آمدنی حاصل کر رہی ہے، اور ایک فعال ٹیکس دہندہ کے طور پر کام کر رہی ہے۔

بورڈ آف ڈائریکٹرز کے لیے اور ان کی جانب سے



ڈائریکٹر  
محمد بہاؤ الدین



چیف ایگزیکٹو  
آدم جدون

بلدھر، ہری پور مورخہ: 25 اکتوبر 2024

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2024**  
**UN-AUDITED**

|  | 30/09/2024<br>Un-Audited     | 30/06/2024<br>Audited       |
|--|------------------------------|-----------------------------|
| Note   | ----- Amount in Rupees ----- |                             |
| <b>NON CURRENT ASSETS</b>                          |                              |                             |
| Property, Plant and Equipment                      | 1,290,382,785                | 1,293,591,415               |
| Bearer Plants (Biological Assets)                  | 164,950                      | 164,950                     |
| Long Term Deposits                                 | 88,983                       | 88,983                      |
|  | <u>1,290,636,718</u>         | <u>1,293,845,348</u>        |
| <b>CURRENT ASSETS</b>                              |                              |                             |
| Inventory - Livestock (Biological Assets)          | -                            | -                           |
| Inventory - Animal Feed and Medicines              | 1,432,667                    | 638,510                     |
| Stores and Spares                                  | -                            | -                           |
| Advances and Other Receivables                     | 1,822,664                    | 1,517,239                   |
| Cash and Bank Balances                             | 11,743,584                   | 13,840,420                  |
|  | <u>14,998,915</u>            | <u>15,996,169</u>           |
|  | <u><u>1,305,635,633</u></u>  | <u><u>1,309,841,517</u></u> |
| <b>SHARE CAPITAL AND RESERVES</b>                  |                              |                             |
| Share Capital                                      | <u>12,275,030</u>            | <u>12,275,030</u>           |
|  | 12,275,030                   | 12,275,030                  |
| <b>Capital Reserve</b>                             |                              |                             |
| Statutory Reserve                                  | 257,782                      | 257,782                     |
| Revaluation Surplus on Property, Plant & Equipment | 1,254,829,867                | 1,254,829,867               |
| <b>Revenue Reserve</b>                             |                              |                             |
| Accumulated Loss                                   | <u>(14,517,472)</u>          | <u>(10,561,588)</u>         |
|  | 1,252,845,207                | 1,256,801,091               |
| <b>NON CURRENT LIABILITIES</b>                     |                              |                             |
| Loan from Member/ Director                         | 16,500,757                   | 16,500,757                  |
| Deferred Taxation                                  | 29,416,793                   | 29,416,793                  |
|  | 45,917,550                   | 45,917,550                  |
| <b>CURRENT LIABILITIES</b>                         |                              |                             |
| Short Term Loan from Director                      | 6,409,718                    | 6,659,718                   |
| Trade and Other Payables                           | 463,158                      | 463,158                     |
| Provision for Taxation                             | -                            | -                           |
|  | 6,872,876                    | 7,122,876                   |
| <b>CONTINGENCIES AND COMMITMENTS</b>               | <u>1,305,635,633</u>         | <u>1,309,841,517</u>        |

The annexed notes form an integral part of these 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 ENDED 30TH SEPTEMBER 2024**  
**UN-AUDITED**

|   | Three months ended |                    |
|---|--------------------|--------------------|
|   | 30/09/2024         | 30/09/2023         |
| ----- Amount in Rupees -----                  |                    |                    |
| <b>SALES</b>                                  | -                  | 1,848,000          |
| <b>Less: COST OF SALES</b>                    | -                  | 1,743,053          |
| <b>GROSS PROFIT</b>                           | -                  | 104,947            |
| Less: Administrative Expenses                 | 6,157,996          | 4,470,353          |
| Financial Expenses - Bank Charges             | 288                | 1,265              |
|   | 6,158,284          | 4,471,618          |
| <b>OPERATING (LOSS)</b>                       | <b>(6,158,284)</b> | <b>(4,366,671)</b> |
| Other Operating Income - Rent                 | 2,202,400          | 1,506,650          |
| Agriculture Income                            | -                  | 75,000             |
| <b>(LOSS) BEFORE TAXATION</b>                 | <b>(3,955,884)</b> | <b>(2,785,021)</b> |
| <b>TAXATION</b>                               | -                  | -                  |
| <b>(LOSS) AFTER TAXATION</b>                  | <b>(3,955,884)</b> | <b>(2,785,021)</b> |
| <b>OTHER COMPREHENSIVE INCOME</b>             | -                  | -                  |
| <b>TOTAL COMPREHENSIVE (LOSS)</b>             | <b>(3,955,884)</b> | <b>(2,785,021)</b> |
| <b>EARNINGS PER SHARE - BASIC AND DILUTED</b> | 12                 | (3.22)             |
|   |                    | (2.27)             |

The annexed notes form an integral part of these financial statements.



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2024**  
**UN-AUDITED**

|  | Issued,<br>Subscribed &<br>Paid Up Capital | Capital Reserves     |                      | Accumulated<br>Loss | Total                |
|--|--|----------------------|----------------------|---------------------|----------------------|
|  |  | Statutory<br>Reserve | Revaluation Surplus  |                     |                      |
| ----- Rupees -----                                   |  |                      |                      |                     |                      |
| Balance as at June 30, 2023 - <b>Audited</b>         | 12,275,030                                 | 257,782              | 919,741,339          | (13,116,647)        | 919,157,504          |
| <i>Total Comprehensive Income for the quarter</i>    |  |                      |                      |                     |                      |
| Net Profit for the period                            | -  | -                    | -                    | (2,785,021)         | (2,785,021)          |
| Other Comprehensive Income                           | -  | -                    | -                    | -                   | -                    |
|  | -  | -                    | -                    | (2,785,021)         | (2,785,021)          |
| Balance as at September 30, 2023 - <b>Un Audited</b> | <b>12,275,030</b>                          | <b>257,782</b>       | <b>919,741,339</b>   | <b>(15,901,668)</b> | <b>916,372,483</b>   |
| Balance as at June 30, 2024 - <b>Audited</b>         | 12,275,030                                 | 257,782              | 1,254,829,867        | (10,561,588)        | 1,256,801,091        |
| <i>Total Comprehensive Income for the quarter</i>    |  |                      |                      |                     |                      |
| Net loss for the period                              | -  | -                    | -                    | (3,955,884)         | (3,955,884)          |
| Other Comprehensive Income                           | -  | -                    | -                    | -                   | -                    |
|  | -  | -                    | -                    | (3,955,884)         | (3,955,884)          |
| Balance as at September 30, 2024 - <b>Un Audited</b> | <b>12,275,030</b>                          | <b>257,782</b>       | <b>1,254,829,867</b> | <b>(14,517,472)</b> | <b>1,252,845,207</b> |



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**

**KHYBER TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2024**  
**UN-AUDITED**

|   | Three months ended       |                          |
|---|--------------------------|--------------------------|
|   | 30/09/2024               | 30/09/2023               |
| ----- Amount in Rupees -----                                    |                          |                          |
| <b>CASH FROM OPERATING ACTIVITIES</b>                           |                          |                          |
| (Loss) before Taxation  | (3,955,884)              | (2,785,021)              |
| Adjustments for:  |                          |                          |
| Depreciation  | 3,208,630                | 2,340,439                |
| Financial Expenses  | 288                      | 1,265                    |
| Operating (loss) before working capital changes                 | <u>(746,966)</u>         | <u>(443,317)</u>         |
| <br>(Increase)/Decrease in Operating Assets                     |                          |                          |
| Inventory - Livestock   | -                        | 1,663,200                |
| Inventory - Animal Feed   | <u>(794,157)</u>         | <u>(1,083,700)</u>       |
|   | (1,541,123)              | 136,183                  |
| <br>Increase/(Decrease) in Operating Liabilities                |                          |                          |
| Trade and Other Payables  | -                        | (180)                    |
| Cash (used)/ generated from operations                          | <u>(1,541,123)</u>       | <u>136,003</u>           |
| <br>Financial Expenses  | (288)                    | (1,265)                  |
| Tax deducted at source/Paid                                     | <u>(305,425)</u>         | <u>(336,250)</u>         |
| <b>Net (Used) in Operating Activities</b>                       | <u>(1,846,836)</u>       | <u>(201,512)</u>         |
| <br><b>CASH FROM INVESTING ACTIVITIES</b>                       |                          |                          |
| <b>Net Cashflow in Investing Activities</b>                     | -                        | -                        |
| <br><b>CASH FROM FINANCING ACTIVITIES</b>                       |                          |                          |
| Loan from Directors   | <u>(250,000)</u>         | <u>(150,000)</u>         |
| <b>Net Cash (used) in Financing Activities</b>                  | (250,000)                | (150,000)                |
| <br><b>NET (DECREASE) IN CASH AND CASH EQUIVALENTS</b>          | <u>(2,096,836)</u>       | <u>(351,512)</u>         |
| <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b> | 13,840,420               | 11,621,222               |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>       | <u><u>11,743,584</u></u> | <u><u>11,269,710</u></u> |



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**



**KHYBER TEXTILE MILLS LIMITED**  
**NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2024**  
**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 to 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 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 BASIS OF PRESENTATION**

**2.1 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.

- 2.2** Comparative financial position numbers are extracted from the annual financial statement of the Company from the year ended June 30, 2024, whereas comparative statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity are stated from unaudited Condensed interim financial statements of the Company for the three months period ended September 30, 2023.
- 2.3** 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, 2024.
- 2.4** The accounting policies and methods of computation adopted in the preparation of annual financial statements for the preceding year ended June 30, 2024 have been consistently applied in the preparation of these interim financial statements.

**3 ESTIMATES AND JUDGMENTS**

The preparation of condensed interim financial information requires Management to make certain judgements, 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, 2024.

**4 TAXATION**

No provision for taxation is made in these interim accounts.

**KHYBER TEXTILE MILLS LIMITED**  
**NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2024**  
**UN-AUDITED**

|  | 30/09/2024<br>Un-Audited     | 30/06/2024<br>Audited               |
|--|------------------------------|-------------------------------------|
| ----- Amount in Rupees -----   |                              |                                     |
| <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   | 1,007,487                    | 2,051,693                           |
| Cash at Bank - Current Accounts  | <u>10,736,097</u>            | <u>11,788,727</u>                   |
|  | <u>11,743,584</u>            | <u>13,840,420</u>                   |
| <b>7 LOAN FROM MEMBER/ DIRECTOR</b>  | <u>16,500,757</u>            | <u>16,500,757</u>                   |
| <p>This represents the amount received from a member /director of the Company for the purpose of working capital requirements. The loan is interest free, unsecured and he has deferred his right to repayment at least twelve months from the date of these financial statements.</p>   |                              |                                     |
| <b>8 SHORT TERM LOAN FROM DIRECTORS</b>  | <u>6,409,718</u>             | <u>6,659,718</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>  |                              |                                     |
| Accrued Liabilities  | 434,600                      | 434,600                             |
| Other Liabilities  | <u>28,558</u>                | <u>28,558</u>                       |
|  | <u>463,158</u>               | <u>463,158</u>                      |
| <b>10 CONTINGENCIES &amp; COMMITMENTS</b>  |                              |                                     |
| <p>Contingencies reported in the preceding annual financial statements remain un-changed.</p>  |                              |                                     |
| <b>11 RELATED PARTY TRANSACTIONS</b>   |                              |                                     |
| <p>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:</p> |                              |                                     |
| <u>Name of Related Party</u>   | <u>Nature of Transaction</u> |                                     |
| Mr. Jadoon Adam - CEO/Director   | Loan (repaid)                |                                     |
|  |                              | <u>(250,000)</u> <u>(1,150,000)</u> |

**KHYBER TEXTILE MILLS LIMITED**  
**NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2024**  
**UN-AUDITED**

**12 EARNINGS / (LOSS) PER SHARE**

|  | 30/09/2024<br>Un-Audited     | 30/09/2023<br>Un-Audited |
|--|------------------------------|--------------------------|
|  | ----- Amount in Rupees ----- |                          |
| Net (loss) for the year                      | (3,955,884)                  | (2,785,021)              |
| Number of shares outstanding during the year | 1,227,503                    | 1,227,503                |
| Earnings per share - Basic and diluted       | (3.22)                       | (2.27)                   |

**13 DATE OF AUTHORISATION**

These unconsolidated condensed interim financial statements were authorized for issue on 25th October 2024 by the Board of Directors of the Company.

**14 GENERAL**

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

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



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**



**CHIEF EXECUTIVE**