

KHALID SIRAJ TEXTILE MILLS LIMITED
Condensed Interim Statement of Financial Position
As at September 30, 2021

	Notes	Un-audited Sep 30, 2021 (Rupees)	Audited Jun 30, 2021 (Rupees)
Equity and liabilities			
Share capital and reserves			
Share capital			
Issued, subscribed and paid-up share capital	6	107,000,000	107,000,000
Capital reserves			
Revaluation surplus on property, plant and equipment		271,218,301	275,620,740
Revenue reserves			
Accumulated / unappropriated (loss) / profit		(422,712,378)	(427,555,823)
Total share capital and reserves		(44,494,077)	(44,935,083)
Liabilities			
Non-current			
Long term financing-secured	7	198,164,253	197,976,673
Long-term Security		40,000,000	36,000,000
Deferred tax and other liabilities		35,345,769	37,143,949
Total non-current liabilities		273,510,022	271,120,622
Current			
Trade and other payables		64,856,695	70,679,716
Interest /markup accrued on borrowings		16,790,575	16,790,575
Short term borrowings - banks and financial institutions	8	71,417,560	70,918,307
Unclaimed dividend		24,058,182	24,058,182
Total current liabilities		177,123,012	182,446,780
Total liabilities		450,633,034	453,567,402
Total equity and liabilities		406,138,957	408,632,319
Contingencies and commitments			
Assets			
Non-current			
Property, plant and equipment	9	390,729,272	393,164,214
Long term deposits		6,348,000	6,348,000
Long-term advances		-	-
Total Non-current assets		397,077,272	399,512,214
Current			
Stores, spare parts and loose tools		7,147,495	7,147,495
Trade debts		38,644	38,644
Trade deposits and prepayments		507,100	507,100
Tax refunds due from government		831,077	831,077
Cash and bank balances		537,369	595,789
Current assets		9,061,685	9,120,105
Total assets		406,138,957	408,632,319

The annexed notes from 1 to 13 form an integral part of this interim financial information.



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DIRECTOR



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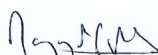
Lahore

KHALID SIRAJ TEXTILE MILLS LIMITED

Condensed Interim Statement of Profit or Loss and other comprehensive Income (un-audited)
For the quarter ended September 30, 2021

		For the quarter ended Sep 30, 2021	For the quarter ended Sep 30, 2020
	Note	Rupees	Rupees
Other Operating income	10	6,600,000	-
Administrative and general expenses		(570,976)	(9,000)
Other operating expenses	11	(7,384,942)	(5,941,372)
Operating (loss) / profit		<u>(1,355,918)</u>	<u>(5,950,372)</u>
Finance cost		(1,256)	-
(Loss) / profit before taxation		<u>(1,357,174)</u>	<u>(5,950,372)</u>
Provision for taxation		(1,798,180)	(1,407,426)
(Loss) / profit after taxation		<u>(3,155,354)</u>	<u>(7,357,798)</u>
Other comprehensive income for the period			
Items that will not be reclassified to profit or loss:			
Incremental depreciation of surplus on revaluation of property, plant and equipment realized for the year (net of tax)			
		<u>4,402,439</u>	<u>3,445,767</u>
Other comprehensive income for the year (net of tax)		<u>4,402,439</u>	<u>3,445,767</u>
Total comprehensive income/(loss) for the period		<u><u>1,247,085</u></u>	<u><u>(3,912,031)</u></u>
Loss per share (basic and anti-dilutive)		<u><u>(0.29)</u></u>	<u><u>(0.69)</u></u>

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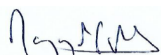
KHALID SIRAJ TEXTILE MILLS LIMITED

Condensed Interim Statement of Cash Flows (un-audited)

For the quarter ended September 30, 2021

	Note	For the quarter ended Sep 30, 2021 Rupees	For the quarter ended Sep 30, 2020 Rupees
A Cash flow from operating activities			
Loss before taxation		(1,357,174)	(6,015,872)
Add / (Less): Adjustment for non-cash items:			
Depreciation on property, plant and equipment		7,384,942	5,941,372
Finance cost		1,256	-
		7,386,198	5,941,372
Operating profit/(loss) before working capital changes		6,029,024	(74,500)
Working capital changes			
(Increase) / Decrease in current assets		-	-
(Decrease)/increase in trade and other payables		(5,823,021)	74,500
		(5,823,021)	74,500
Net cash (used in) operations		206,003	-
Finance cost paid		(1,256)	-
Cash generated in operating activities		204,747	-
B Cash flow from investing activities			
Purchase of property, plant and equipment		(4,950,000)	-
Cash used in investing activities		(4,950,000)	-
C Cash flow from financing activities			
Proceeds from long-term finances - net		187,580	-
Increase of long-term Security		4,000,000	-
Proceeds from short-term borrowings		499,253	-
Cash generated in financing activities		4,686,833	-
Net (decrease)/increase in cash and cash equivalents (A+B+C)		(58,420)	-
Cash and cash equivalents at beginning of the period		595,789	126,088
Cash and cash equivalents at end of the period		537,369	126,086

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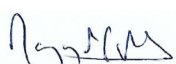
KHALID SIRAJ TEXTILE MILLS LIMITED

Condensed Interim Statement of Changes in Equity (un-audited)

For the quarter ended September 30, 2021

Particulars	Issued, subscribed and paid up share capital	Capital Reserve Revaluation surplus on property, plant and equipment	Revenue reserve Revenue reserve- Accumulated Profits/(Loss)	Sub-total	Total Equity
	<i>Rupees</i> <i>A</i>	<i>Rupees</i> <i>B</i>	<i>Rupees</i> <i>C</i>	<i>Rupees</i> <i>D=B+C</i>	<i>Rupees</i> <i>E=A+D</i>
Balance as at June 30, 2020	107,000,000	204,452,935	(457,438,275)	(252,985,341)	(145,985,341)
Loss for the period	-	-	(7,357,798)	(7,357,798)	(7,357,798)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	(7,357,798)	(7,357,798)	(7,357,798)
Transfer from surplus on revaluation of property, plant and equipment -net of tax	-	(3,445,767)	3,445,767	-	-
Balance as at September 30, 2020	107,000,000	201,007,168	(461,350,306)	(260,343,139)	(153,343,139)
Profit for the period	-	-	23,021,221	23,021,221	23,021,221
Other comprehensive income for the period	-	85,386,835	-	85,386,835	85,386,835
Total comprehensive income for the period	-	85,386,835	23,021,221	108,408,056	108,408,056
Transfer from surplus on revaluation of property, plant and equipment -net of tax	-	(10,773,262)	10,773,262	-	-
Balance as at June 30, 2021	107,000,000	275,620,741	(427,555,823)	(151,935,083)	(44,935,083)
Loss for the period	-	-	(3,155,354)	(3,155,354)	(3,155,354)
Obtained during the period	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	(3,155,354)	(3,155,354)	(3,155,354)
Transfer from surplus on revaluation of property, plant and equipment -net of tax	-	(4,402,439)	4,402,439	-	-
Balance as at September 30, 2021	107,000,000	271,218,302	(426,308,738)	(155,090,437)	(48,090,437)

The annexed notes from 1 to 13 form an integral part of this interim financial information.



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KHALID SIRAJ TEXTILE MILLS LIMITED

Notes to the Condensed Interim Financial Information (un-audited)

For the quarter ended September 30, 2021

1 General information and nature of operations

The Company was incorporated in Pakistan on January 17, 1988 as Public Limited Company under the Companies Ordinance, 1984 (now Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchanges. Registered office of the Company is situated at 135, Upper Mall, Lahore. The project of the Company is located at 48 KM, Lahore Multan Road, Phool Nagar (Bhai Pheru), Tehsil Pattoki, District Kasur.

The principle business of the Company is manufacturing and sale of yarn and the other related / allied operations.

2 Basis of preparation

This condensed interim financial information is un-audited and is being submitted to shareholders, as required by the Companies Act, 2017.

This financial information have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

This condensed interim financial report does not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2021.

3 Significant accounting policies

The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual published financial statements of the Company for the year ended June 30, 2021.

The new standards, amendments to the approved accounting standards and interpretations that are mandatory for accounting periods beginning on or after July 1, 2021, were either considered not to be relevant to the Company's operations or did not significantly effect the accounting policies of the Company.

4 Critical accounting estimates and judgments

Judgments and estimates made by the management in the preparation of this condensed interim financial report are the same as those applied to the preceding annual published financial statements of the Company for the year ended June 30, 2021.

5 Financial risk management

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the financial statements of the Company for the year ended June 30, 2021.

6 Share capital

Authorized share capital

12,000,000 (30 June 2021: 12,000,000) ordinary shares of Rs. 10/- each

(Un-Audited) Sep 30, 2021	(Audited) Jun 30, 2021
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Total

----- (Rupees) -----

120,000,000

120,000,000

120,000,000

120,000,000

Issued, subscribed and paid-up share capital

10,000,000 (30 June 2021: 10,000,000) ordinary shares of Rs. 10 each fully paid in cash

100,000,000

100,000,000

700,000 (30 June 2021: 700,000) ordinary shares of Rs. 10 each fully paid as bonus shares

7,000,000

7,000,000

Total

107,000,000

107,000,000

	(Un-Audited) Sep 30, 2021	(Audited) Jun 30, 2021
	----- (Rupees) -----	
7 Long term financing		
7.01 Sponsors	30,400,000	30,400,000
7.02 Current and ex-directors	148,122,466	147,934,886
7.03 Previous associated undertakings	19,641,787	19,641,787
	198,164,253	197,976,673

7.01 Sponsors

These represent unsecured loan from sponsors of the Company. The terms repayment has not yet been decided so far.

7.02 Current and ex-directors

These represents unsecured and interest free loans from chief executive officer, directors and sponsors. The terms of repayment has not yet been decided so far, however, the directors and sponsors have given undertaking that they have no intention to demand such loan within period of next twelve months, as such the current maturity has not been presented.

7.03 Previous associated undertakings

This represents unsecured loans from various companies which were previously associated undertakings but had been allocated by the Honorable Lahore High Court, Lahore to other families of ex-Ittefaq group. The parties in dispute have entered into a settlement agreement dated 6 April 2014 which was accorded by Lahore High Court, Lahore in its order dated 16 April 2014. However, the management has taken steps to execute the settlement agreement after obtaining legal confirmation and through agreement dated 20 April, 2021 and effects to that extent are reflected in the financial statements.

8 Short term borrowings - banks and financial institutions

	Cash finance/overdraft	60,680,179	60,680,179
	Finance against trust receipts	7,500,000	7,500,000
8.01	Book overdraft - unsecured	3,237,381	2,738,128
		71,417,560	70,918,307

8.01 Book overdraft - unsecured

This has arisen due to issuance of post dated cheques in respect of balance in a bank account.

9 Property, plant and equipment

	Opening written down value	393,164,214	414,298,743
	Addition during the period	4,950,000	3,300,000
		4,950,000	3,300,000
	Depreciation for the period	7,384,942	24,434,529
		7,384,942	24,434,529
	Closing book value	390,729,271	393,164,214

(Un-Audited) Sep 30, 2021	(Audited) Sep 30, 2020
----- (Rupees) -----	

10 Other Operating income

10.01	Rental income	6,600,000	-
		6,600,000	-

10.01 Rental income

The Company has temporarily leased out its plant and machinery to ASM Industries Private Limited to tide over the financial constraints. This income represents the rentals received from that Company.

11 Cost of sale

Since there is no sales during this period, therefore depreciation and factory repairs amounting **Rs. 7.38** million has been classified into other operating expenses.

12 General

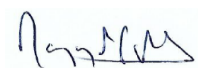
12.01 Corresponding figures have been rearranged wherever necessary, for the purpose of comparison. However, there were no material reclassification or rearrangement to report.

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the Condensed Interim Statement of Financial Position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the Condensed Interim profit or loss account and Other Comprehensive Income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of condensed interim half yearly financial information of comparable period.

12.02 Figures have been rounded off to the nearest rupees unless otherwise stated.

13 Date of authorization for issue

This condensed financial information was approved by the Board of Directors and authorised for issue on **November 23, 2021**.



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