

**APOLLO TEXTILE MILLS LIMITED**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

# APOLLO TEXTILE MILLS LTD.

## COMPANY INFORMATION

### BOARD OF DIRECTORS

#### CHIEF EXECUTIVE

Mr. Abdul Rehman Zahur

#### DIRECTORS

Mr. Abdul Rehman Zahur  
Mr. Ikram Zahur  
Mr. Muhammad Tahir Khan  
Mr. Muhammad Farooq  
Mr. Riaz Hussain  
Mr. Shabbir Ahmed  
Mr. Muhammad Liaqat

#### AUDITORS

M/s. Clarkson Hyde Saud Ansari & Co.  
Chartered Accountants  
Office No. 1013, 10<sup>th</sup> Floor, Caesar's Tower  
Plot No. ST-10, Shahra-e-Faisal,  
Karachi-75350  
Pakistan.

#### Chairman Members

Mr. Muhammad Tahir Khan  
Mr. Abdul Rehman Zahur

#### HUMAN RESOURCES &

Mr. Riaz Hussain

#### REMUNERATION COMMITTEE

Mr. Abdul Rehman Zahur  
Mr. Muhammad Tahir Khan  
Mr. Shabbir Ahmed

#### BANKERS

Sonari Bank Limited  
Standard Chartered Bank  
Meezan Bank Limited  
United Bank Limited  
Habib Metropolitan Bank Limited  
National Bank of Punjab  
Bank of Punjab  
Silk Bank Limited

#### REGISTERED OFFICE

14th Floor, BRR Tower, I.I. Chundrigar Road,  
Karachi.

#### MILLS

Jasilwahin, Jhang Road  
Muzaaffar, earh

# APOLLO TEXTILE MILLS LTD.

14th Floor, BRR Tower, I.I. Chundrigar Road, Karachi

## DIRECTORS REPORT

The financial statements (un-audited) of the Company for the 1<sup>st</sup> Quarter ended on September 30, 2018 are being presented to you.

The Company remains closed due to crises in the textile sector. We are striving hard to resolve the operations when the situation improves.

On and behalf of the Board of Directors

  
Chief Executive Officer

  
Director

Karachi.

Dated: March 24, 2022

**APOLLO TEXTILE MILLS LIMITED**  
**CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2018**

31 SEPTEMBER 30, 2018

	Note	Sept. 30, 2018 Unaudited	June 30, 2018 Audited
Rupees			
NON CURRENT ASSETS			
Property, Plant and Equipment	3	670,469,142	684,022,691
Long Term Deposits		67,167,249	67,167,249
		737,636,391	751,189,940
CURRENT ASSETS			
Stores, Spares and Loose Tools	4	96,476,808	96,476,808
Inventories	5	1,283,600,559	1,283,600,559
Trade Debts		1,128,581	1,128,581
Trade Deposits		46,120,390	46,120,390
Advance Income Tax		14,113,837	14,109,308
Sales Tax Refundable		26,716,843	26,716,843
Other Receivables		1,950,409	1,950,409
Cash and Bank Balances	6	998,717	1,004,626
		1,471,106,144	1,471,107,524
		2,208,742,535	2,222,297,464
SHARE CAPITAL AND RESERVES			
Share Capital		82,847,000	82,847,000
Capital Reserve			
Revaluation Surplus		191,559,847	193,963,568
Revenue Reserve			
General Reserve		142,000,000	142,000,000
Accumulated Loss		(158,009,040)	(144,582,832)
		(16,009,040)	(2,582,832)
		258,397,807	274,227,736
NON CURRENT LIABILITIES			
Long Term Borrowings - Secured	7	392,915,253	392,915,253
Liabilities againjst assets subject to Finance Lease		5,545,043	5,545,043
Deferred Liabilities	8	47,281,463	47,281,463
		445,741,759	445,741,759
CURRENT LIABILITIES			
Trade and Other Payables	9	33,346,735	31,071,735
Accrued Mark Up		239,712,219	239,712,219
Current Portion of Long Term Borrowings		63,936,000	63,936,000
Current Portion of Liabilities against subject to Finance Lease		13,719,441	13,719,441
Short Term Borrowings - Secured	10	1,153,888,574	1,153,888,574
		1,504,602,969	1,502,327,969
CONTINGENCIES AND COMMITMENTS			
	11	2,208,742,535	2,222,297,464

The annexed notes form an integral part of these financial statements

  
 DIRECTOR

  
 CHIEF EXECUTIVE

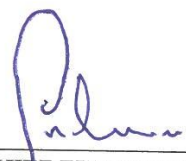
**APOLLO TEXTILE MILLS LIMITED**  
**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	Quarter ended Sept. 30	
	2018	2017
	Rupees	
<b>SALES</b>	-	-
<b>Less: COST OF SALES</b>	15,764,021	19,231,881
<b>GROSS LOSS</b>	(15,764,021)	(19,231,881)
Less: Administrative Expenses	65,828	4,377,955
<b>OPERATING LOSS</b>	(15,829,849)	(23,609,836)
Less: Financial Expenses	80	41,168
<b>LOSS BEFORE TAXATION</b>	(15,829,929)	(23,651,004)
<b>TAXATION</b>	-	53,273,663
<b>NET LOSS FOR THE PERIOD</b>	(15,829,929)	(76,924,667)
<b>OTHER COMPREHENSIVE INCOME</b>	-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	(15,829,929)	(76,924,667)
<b>LOSS PER SHARE</b>	(1.91)	(9.29)

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



DIRECTOR



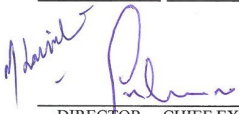
CHIEF EXECUTIVE

APOLLO TEXTILE MILLS LIMITED  
CONDENSED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED SEPTEMBER 30, 2018

SHARE CAPITAL Issued, Subscribed & Paid Up Capital	CAPITAL RESERVE Revaluation Surplus	REVENUE RESERVE		Total
		General Reserve	Accumulated Loss	

Rupees

Balance as at July 1, 2017	82,847,000	205,508,496	142,000,000	(77,396,374)	352,959,122
Total Comprehensive Loss for the Quarter	-	-	-	(76,924,667)	(76,924,667)
Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment	-	(3,813,949)	-	3,813,949	-
Adjustment to Revaluation Surplus		(40,367,717)			(40,367,717)
Balance as at September 30, 2017	<u>82,847,000</u>	<u>161,326,830</u>	<u>142,000,000</u>	<u>(150,507,092)</u>	<u>235,666,738</u>
Balance as at July 1, 2018	82,847,000	193,963,568	142,000,000	(144,582,832)	274,227,736
Total Comprehensive Loss for the Quarter	-	-	-	(15,829,929)	(15,829,929)
Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment	-	(2,403,721)	-	2,403,721	-
Balance as at September 30, 2018	<u>82,847,000</u>	<u>191,559,847</u>	<u>142,000,000</u>	<u>(158,009,040)</u>	<u>258,397,807</u>

  
 DIRECTOR CHIEF EXECUTIVE

**APOLLO TEXTILE MILLS LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	Quarter Year ended Sept. 30	
	2018	2017
	Rupees	
<b>CASH FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	(15,829,929)	(76,924,667)
Adjustments for:		
Depreciation	13,553,549	16,159,881
Financial Expenses	80	41,168
Operating profit before working capital changes	(2,276,300)	(60,723,618)
(Increase)/Decrease in Operating Assets		
Trade and Other Receivables	-	5,574,981
Loans and Advances	-	(3,680)
Trade Deposits		40,443,572
Sales Tax Refundable	-	5,799,844
	(2,276,300)	(8,908,901)
Increase/(Decrease) in Operating Liabilities		
Trade and Other Payables	-	(43,316,063)
Cash generated from/(used in) operations	(2,276,300)	(52,224,964)
Financial Expenses	(80)	(41,168)
Tax deducted at source/Paid	(4,529)	-
<b>Net Cash from/(used in) Operating Activities</b>	(2,280,909)	(52,266,132)
<b>CASH FROM INVESTING ACTIVITIES</b>	-	-
<b>Net Cash from/(used in) Investing Activities</b>	-	-
<b>CASH FROM FINANCING ACTIVITIES</b>		
Loan from Related Party	2,275,000	-
<b>Net Cash from/(used in) Financing Activities</b>	2,275,000	-
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(5,909)	(52,266,132)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	1,004,626	53,273,662
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	998,717	1,007,530



DIRECTOR



CHIEF EXECUTIVE



## **APOLLO TEXTILE MILLS LIMITED**

### **NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

#### **1 CORPORATE AND GENERAL INFORMATION**

The company was incorporated in Pakistan on August 9, 1973, as a public company limited by shares under the Companies Act 1913 (now the Companies Act, 2017) and commenced production on November 16, 1976. The Company has principally been engaged in the manufacturing and sale of cotton yarn. The Company is listed on Pakistan Stock Exchange.

The Company had faced financial difficulties due to various factors and due to adverse financial conditions production was stopped in the past. The Company has been unable to meet its financial obligations towards the creditors and financing facilities availed from banks. Various creditors had proceeded with legal action against the Company by filing criminal complaints and recovery suits. With a view to consider the settlement of liabilities, the Company and its creditors had detailed discussions and meetings and as a consequence the Company and its creditors have agreed upon an arrangement for the complete settlement of the liabilities of the Company, thus a Scheme of Arrangement under Section 279 to 283 of the Companies Act, 2017, has been filed with the Court for its sanction, whereby the liabilities will be settled by sale of all fixed assets of the Company as per agreed terms.

The geographical locations and addresses of Company's premises are as under:

- The Registered office is located at C-1, Ground Floor, 16th Commercial Street, Phase - II Extension, DHA, Karachi.
- The Manufacturing Facility is Jasilwahin, Jhang Road, Muzaffargarh, Punjab.

#### **2 BASIS OF PRESENTATION**

##### **2.1 Purpose of Issuance**

These condensed interim financial statements have been issued to the shareholders to comply with Section 237 of the Companies Act, 2017 are un-audited but subject to limited scope review by the external auditors as required by the Companies Act, 2017 and Code of Corporate Governance.

##### **2.2 Statement of Compliance**

These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 – “Interim Financial Reporting” and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements do not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended June 30, 2018. These condensed interim financial statements are unaudited.

The disclosures made in these condensed interim financial statements have been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Company for the year ended June 30, 2018.

##### **2.3 Comparative Financial Information**

The comparative statement of financial position is presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2018, whereas the comparative condensed interim profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement, of are extracted from the unaudited condensed interim financial statements for quarter ended September 30, 2017.

##### **2.4 Accounting Convention**

This condensed interim financial information has been prepared under the historical cost convention except for certain items of property, plant and equipment and defined benefit plan - staff gratuity, which are carried as per revalued amounts, less depreciation and actuarial valuation, respectively.



## 2.5 Accounting Policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2018.

## 2.6 Accounting Estimates and Judgements

Estimates and judgments made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the audited annual financial statements of the Company as at and for the year ended June 30, 2018.

## 2.7 Accounting Estimates and Judgements

Estimates and judgments made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the audited annual financial statements of the Company as at and for the year ended June 30, 2018.

## 2.8 Functional and Presentation Currency

These financial statements are presented in Pakistan Rupees, which is the company's functional and presentation currency.

Sept. 30, 2018	June. 30, 2018
----- Rupees -----	

## 3 PROPERTY, PLANT AND EQUIPMENT

Book Value - Opening	684,022,691	743,216,860
Addition / (Deletion during the period)	-	-
	684,022,691	743,216,860
Depreciation for the Period ( Note No. 3.1 )	13,553,549	59,194,169
Adjustment on Disposal	-	-
	13,553,549	59,194,169
	670,469,142	684,022,691

3.1 Depreciation has been calculated by apportioning the annual depreciation to be charged for the year ending June 30, 2019.

## 4 STORES, SPARES AND LOOSE TOOLS

Stores	16,130,764	16,130,764
Spares	80,256,801	80,256,801
Loose Tools	89,243	89,243
	96,476,808	96,476,808

## 5 INVENTORIES

Raw Material	298,517,457	298,517,457
Finished Goods	985,083,102	985,083,102
	1,283,600,559	1,283,600,559

5.1 The inventories include stocks of raw cotton and cotton yarn misappropriated by the banks and their muqaddams amounting to Rs.250,877,333 and Rs.989,382,159 (2018: Rs.250,877,333 and Rs.989,382,159) respectively. Misappropriated stock is valued as per policy adopted for valuation of inventories.

5.2 The Company has filed suits for the recovery of misappropriated stock, against The Bank of Punjab before the Honorable High Court of Punjab, Lahore, and against Standard Chartered Bank (Pakistan) Limited and Soneri Bank Limited before the Honorable High Court of sindh, Karachi.

## 6 CASH AND BANK BALANCES

Cash in Hand	992,558	1,000,000
Cash at Bank	6,159	4,626
	998,717	1,004,626

Sept. 30, 2018

June. 30, 2018

----- Rupees -----

**7 LONG TERM BORROWINGS - SECURED**

*From Banks*

Term Loans	48,839,289	48,839,289
Demand Loans	391,859,378	391,859,378
	<u>440,698,667</u>	<u>440,698,667</u>

*From Related Party*

Director's and Others' Loans	16,152,586	16,152,586
	<u>456,851,253</u>	<u>456,851,253</u>
Less: Current Portion shown under Current Liabilities	(63,936,000)	(63,936,000)
	<u>392,915,253</u>	<u>392,915,253</u>

**8 DEFERRED LIABILITIES**

Employees' Retiring Benefits - Gratuity	12,270,666	12,270,666
Deferred Taxation	35,010,797	35,010,797
	<u>47,281,463</u>	<u>47,281,463</u>

**9 TRADE AND OTHER PAYABLES**

Due to Related Party - CEO	2,275,000	-
Payable to Others	31,071,735	31,071,735
	<u>33,346,735</u>	<u>31,071,735</u>

**10 SHORT TERM BORROWINGS - SECURED**

Running Finance	<u>1,153,888,574</u>	<u>1,153,888,574</u>
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**11 CONTINGENCIES AND COMMITMENTS**

Contingencies reported in the annual audited financial statements for the year ended June 30, 2018 remain-unchanged.

**12 FIGURES**

Figures in these financial statements have been rounded off to the nearest rupee/

**13 DATE OF AUTHORISATION**

These financial statements were authorised for issue on 24.8.2022 by the Board of Directors of the Company.

  
DIRECTOR

  
CHIEF EXECUTIVE