

APOLLO TEXTILE MILLS LTD

APOLLO

APOLLO TEXTILE MILLS LIMITED

QUARTERLY FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2020

APOLLO

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 Liaquat

AUDITORS

M/s. Clarkson Hyde Saud Ansari & Co.
Chartered Accountants
Office No. 1013, 10th 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

Soneri 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
Muzaffar, earh

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

DIRECTORS REPORT

The financial statements (un-audited) of the Company for the 1st Quarter ended on September 30, 2020 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: August 20, 2022

APOLLO TEXTILE MILLS LIMITED
CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

	Note	Sept. 30, 2020 Unaudited	June 30, 2020 Audited
Rupees			
NON CURRENT ASSETS			
Property, Plant and Equipment	3	568,776,910	580,149,675
Long Term Deposits		67,167,249	67,167,249
		<u>635,944,159</u>	<u>647,316,924</u>
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	14,113,837
Sales Tax Refundable		26,716,843	26,716,843
Other Receivables		1,950,409	1,950,409
Cash and Bank Balances	6	563,858	980,222
		1,470,671,285	1,471,087,649
		<u>2,106,615,444</u>	<u>2,118,404,573</u>
SHARE CAPITAL AND RESERVES			
Share Capital		82,847,000	82,847,000
<i>Capital Reserve</i>			
Revaluation Surplus		170,268,404	172,768,404
<i>Revenue Reserve</i>			
General Reserve		142,000,000	142,000,000
Accumulated Loss		(244,380,188)	(235,091,059)
		<u>(102,380,188)</u>	<u>(93,091,059)</u>
		150,735,216	162,524,345
NON CURRENT LIABILITIES			
Long Term Borrowings - Secured	7	392,915,253	392,915,253
Long Term Lease Liabilities		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	38,882,235	38,882,235
Accrued Mark Up		239,712,219	239,712,219
Current Portion of Long Term Borrowings		63,936,000	63,936,000
Current Portion of Long Term Lease Liabilities		13,719,441	13,719,441
Short Term Borrowings - Secured	10	1,153,888,574	1,153,888,574
		1,510,138,469	1,510,138,469
CONTINGENCIES AND COMMITMENTS			
	11		
		<u>2,106,615,444</u>	<u>2,118,404,573</u>

The annexed notes form an integral part of these financial statements


DIRECTOR


CHIEF EXECUTIVE

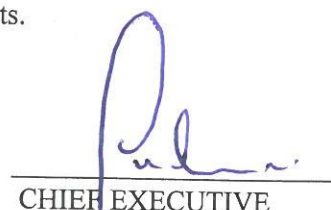
APOLLO TEXTILE MILLS LIMITED
CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended Sept. 30	
	2020	2019
	Rupees	
SALES	-	-
Less: COST OF SALES	11,372,765	12,358,249
GROSS LOSS	(11,372,765)	(12,358,249)
Less: Administrative Expenses	416,364	56,458
OPERATING LOSS	(11,789,129)	(12,414,707)
Less: Financial Expenses	-	-
LOSS BEFORE TAXATION	(11,789,129)	(12,414,707)
TAXATION	-	-
NET LOSS FOR THE PERIOD	(11,789,129)	(12,414,707)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(11,789,129)	(12,414,707)
LOSS PER SHARE	(1.42)	(1.50)

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, 2020

	SHARE CAPITAL	CAPITAL RESERVE	REVENUE RESERVE		Total
	Issued, Subscribed & Paid Up Capital	Revaluation Surplus	General Reserve	Accumulated Loss	
	' ----- Rupees -----				
Balance as at July 1, 2019	82,847,000	184,348,684	142,000,000	(196,863,222)	212,332,462
Total Comprehensive Loss for the Quarter	-	-	-	(12,414,707)	(12,414,707)
Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment	-	(2,895,070)	-	2,895,070	-
Balance as at September 30, 2019	<u>82,847,000</u>	<u>181,453,614</u>	<u>142,000,000</u>	<u>(206,382,859)</u>	<u>199,917,755</u>
Balance as at July 1, 2020	82,847,000	172,768,404	142,000,000	(235,091,059)	162,524,345
Total Comprehensive Loss for the Quarter	-	-	-	(11,789,129)	(11,789,129)
Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment	-	(2,500,000)	-	2,500,000	-
Balance as at September 30, 2020	<u>82,847,000</u>	<u>170,268,404</u>	<u>142,000,000</u>	<u>(244,380,188)</u>	<u>150,735,216</u>


DIRECTOR


CHIEF EXECUTIVE

APOLLO TEXTILE MILLS LIMITED
CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter Year ended Sept. 30	
	2020	2019
	Rupees	
CASH FROM OPERATING ACTIVITIES		
Profit before Taxation	(11,789,129)	(12,414,707)
Adjustments for:		
Depreciation	11,372,765	12,414,707
Financial Expenses	-	-
Operating profit before working capital changes	(416,364)	-
(Increase)/Decrease in Operating Assets	-	-
	(416,364)	-
Increase/(Decrease) in Operating Liabilities		
Trade and Other Payables	-	-
Cash generated from/(used in) operations	(416,364)	-
Financial Expenses	-	-
Tax deducted at source/Paid	-	-
<i>Net Cash from/(used in) Operating Activities</i>	(416,364)	-
CASH FROM INVESTING ACTIVITIES	-	-
<i>Net Cash from/(used in) Investing Activities</i>	-	-
CASH FROM FINANCING ACTIVITIES		
Loan from Related Party	-	-
<i>Net Cash from/(used in) Financing Activities</i>	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(416,364)	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	980,222	1,004,517
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	563,858	1,004,517



 DIRECTOR



 CHIEF EXECUTIVE

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, 2020. 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, 2020.

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, 2020, 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, are extracted from the unaudited condensed interim financial statements for quarter ended September 30, 2019.

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, 2020.

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, 2020.

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, 2020.

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, 2020

June. 30, 2020

----- Rupees -----

3 PROPERTY, PLANT AND EQUIPMENT

Book Value - Opening	580,149,675	629,808,499
Addition / (Deletion during the period)	-	-
	580,149,675	629,808,499
Depreciation for the Period	11,372,765	49,658,824
Adjustment on Disposal	-	-
	11,372,765	49,658,824
	568,776,910	580,149,675

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 (2019: 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	560,556	974,556
Cash at Bank	3,302	5,666
	563,858	980,222

Sept. 30, 2020

June. 30, 2020

----- 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	<u>(63,936,000)</u>	<u>(63,936,000)</u>
	<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	7,475,000	7,475,000
Payable to Others	31,407,235	31,407,235
	<u>38,882,235</u>	<u>38,882,235</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

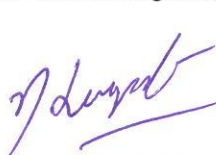
Contingencies reported in the annual audited financial statements for the year ended June 30, 2020 remain-unchanged.

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 August 20, 2022 by the Board of Directors of the Company.



DIRECTOR



CHIEF EXECUTIVE