APOLLO TEXTILE MILLS LIMITED

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED MARCH 31, 2019

APOLLO TEXTILE MILLS LTD.

COMPANY INFORMATION

BOARD OF DIRECTORS	
CHIEF EXECUTIVE	Mr. Abdul Rehman Zahur
DIRECTORS	Mr. Abdul Rehman Zahur Nlr. 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, 10th Floor, Caesar's Tower Plot No. ST-10, Shahra-e-Faisal, Karachi-75350 Pakistan.
Chairman	Mr. Muhammad Tahir Khan
Members	Mr. Abdul Rehman Zahur
HUMAN RESOURCES &	Mr. Riaz Hussain
REMUNERATION COMMITTEE	Mr. Abdul Rehrnan 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

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 3rd Quarter ended on March 31, 2019 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 MARCH 31, 2019

	Note	Mar. 31, 2019 Unaudited	June 30, 2018 Audited
		Rupees	
NON CURRENT ASSETS			
Property, Plant and Equipment	3	643,362,044	684,022,691
Long Term Deposits		67,167,249	67,167,249
		710,529,293	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 Refundabale		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
		2,181,635,437	2,222,297,464
SHARE CAPITAL AND RESERVES			
Share Capital		82,847,000	82,847,000
Capital Reserve			
Revaluation Surplus		186,752,405	193,963,568
Revenue Reserve			
General Reserve		142,000,000	142,000,000
Accumulated Loss		(181,808,696)	(144,582,832)
		(39,808,696)	(2,582,832)
		229,790,709	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	34,846,735	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
		1,506,102,969	1,502,327,969
CONTINGENCIES AND COMMITMENTS	11		
		2,181,635,437	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 NINE MONTHS ENDED MARCH 31, 2019

	Note	Nine Months ended Mar. 31		Quarter ended Mar. 31	
		2019	2018	2019	2018
		Rupees		Rupees	
SALES		-	-	-	-
Less: COST OF SALES		44,239,463	39,198,762	14,237,721	936,000
GROSS LOSS		(44,239,463)	(39,198,762)	(14,237,721)	(936,000)
Less: Administrative Expenses		197,484	7,310,509	65,828	1,065,145
OPERATING LOSS		(44,436,947)	(46,509,271)	(14,303,549)	(2,001,145)
Less: Financial Expenses		80	57,936	-	2,282
PROFIT BEFORE TAXATION		(44,437,027)	(46,567,207)	(14,303,549)	(2,003,427)
TAXATION		-	-	-	-
NET LOSS FOR THE PERIOD		(44,437,027)	(46,567,207)	(14,303,549)	(2,003,427)
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(44,437,027)	(46,567,207)	(14,303,549)	(2,003,427)
LOSS PER SHARE		(5.36)	(5.62)	(1.73)	(0.24)

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 NINE MONTHS ENDED MARCH 31, 2019

	SHARE CAPITAL	CAPITAL RESERVE	REVENUE RESERVE		Total
	Issued, Subscribed & Paid Up Capital	Revaluation Surplus	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 Nine Months	-	-	-	(46,567,207)	(46,567,207)
Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment	-	(9,586,413)	-	9,586,413	-
Balance as at March 31, 2018	**82,847,000**	**195,922,083**	**142,000,000**	**(114,377,168)**	**306,391,915**
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 Nine Months	-	-	-	(44,437,027)	(44,437,027)
Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment	-	(7,211,163)	-	7,211,163	-
Balance as at March 31, 2019	**82,847,000**	**186,752,405**	**142,000,000**	**(181,808,696)**	**229,790,709**

DIRECTOR CHIEF EXECUTIVE

APOLLO TEXTILE MILLS LIMITED
CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED MARCH 31, 2019

	Nine Months ended Mar. 31	
	2019	2018
	Rupees	
CASH FROM OPERATING ACTIVITIES		
Profit before Taxation	(44,437,027)	(46,567,207)
Adjustments for:		
Depreciation	40,660,647	32,319,760
Financial Expenses	80	57,936
Operating profit before working capital changes	(3,776,300)	(14,189,511)
(Increase)/Decrease in Operating Assets		
Trade and Other Receivables	-	5,331,051
Loans and Advances	-	(8,560)
Trade Deposits		4,371,572
Sales Tax Refundable	-	5,799,844
	(3,776,300)	1,304,396
Increase/(Decrease) in Operating Liabilities		
Trade and Other Payables	-	(316,063)
Cash generated from/(used in) operations	(3,776,300)	988,333
Financial Expenses	(80)	(57,936)
Tax deducted at source/Paid	(4,529)	-
Net Cash from/(used in) Operating Activities	(3,780,909)	930,397
CASH FROM INVESTING ACTIVITIES	-	-
Net Cash from/(used in) Investing Activities	-	-
CASH FROM FINANCING ACTIVITIES		
Loan from Related Party	3,775,000	-
Net Cash from/(used in) Financing Activities	3,775,000	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(5,909)	930,397
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,004,626	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	998,717	930,397

DIRECTOR

CHIEF EXECUTIVE

1 CORPORATE AND GENERAL INFORMATION

The company was incorporated in Pakistan on August 9, 1973, as a publicn 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 maufacturing 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 fianancial 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 th ese 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 Informationm

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 comprehensice 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 the nine months ended March 31, 2018.

2.4 Accounting Convention

This condensed interim financial information has been prepared under the historical cost convention except for certain items of propertyu, 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.

	Mar. 31, 2019	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)	40,660,647	59,194,169
Adjustment on Disposal	-	-
	40,660,647	59,194,169
	643,362,044	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

	Mar. 31, 2019	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
	440,698,667	440,698,667
From Related Party		
Director's and Others' Loans	16,152,586	16,152,586
	456,851,253	456,851,253
Less: Current Portion shown under Current Liabilities	(63,936,000)	(63,936,000)
	392,915,253	392,915,253

8 DEFERRED LIABILITIES

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

9 TRADE AND OTHER PAYABLES

Due to Related Party - CEO	3,775,000	-
Payable to Others	31,071,735	31,071,735
	34,846,735	31,071,735

10 SHORT TERM BORROWINGS - SECURED

Running Finance	1,153,888,574	1,153,888,574

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 24/3/2022 by the Board of Directors of the Company.

DIRECTOR

CHIEF EXECUTIVE