



**Quarterly Accounts September 30, 2023**  
**(Un-Audited)**



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HIRA TEXTILE MILLS LIMITED

## COMPANY INFORMATION

### CHAIRMAN

Mr. Dr. Azhar Waheed

### CHIEF EXECUTIVE

Mr. Mohammad Tariq

### BOARD OF DIRECTORS

Mr. Dr. Azhar Waheed	(Non-Executive / Chairman)
Mr. Mohammad Hussain Saeed Sohbin	(Executive Director)
Mr. Muhammad Awais Qarni Chaudhry	(Non-Executive)
Mr. Muhammad Tariq	(Executive Director)
Mrs. Zainab Malik	(Non-Executive / Independent Director)
Mr. Saeed Ahmed Khan	(Non-Executive)
Mr. Shaukat Nazir Malik	(Non-Executive / Independent Director)

### AUDIT COMMITTEE

Mr. Shaukat Nazir Malik	(Chairman)
Mr. Muhammad Tariq	(Member)
Mrs. Zainab Malik	(Member)

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mrs. Zainab Malik	(Chairperson)
Mr. Saeed Ahmed Khan	(Member)
Mr. Mohammad Awais Qarni Chaudhry	(Member)

### COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Mr. Mohammad Hussain Saeed Sohbin

### AUDITORS

M/S H.A.M.D. & Co.  
(Chartered Accountants)  
Member of TIAG.  
1<sup>st</sup> Floor, 2G (2/7), Mushtaq Ahmad Gurmani Road Gulberg II  
Lahore

### LEGAL ADVISER

Salman Akram Raja.  
Raja Mohammad Akram & Co.,  
Advocates & Legal Consultants  
33-C Main Gulberg Lahore.

### REGISTRAR OF THE COMPANY

Vision Consulting Ltd.  
3 – C, 1<sup>st</sup> floor, LDA Flats, Lawrance Road Lahore  
Ph: + 92 42 36283096-97

### REGISTERED OFFICE OF THE COMPANY

8 KM Manga Raiwind Road, Raiwind, District Kasur

### BUSINESS OFFICE

19 Aibak Block New Garden Town, Lahore  
W: [www.hiratex.com.pk](http://www.hiratex.com.pk)

### MILLS

8 KM Manga Raiwind Road, Raiwind, District Kasur



## *Directors' Report*

We hereby present the un-audited financial statements of the Company for 1st Quarter ended on September 30, 2023. The Company's sales are Rs. NIL million as compared to Rs. 40.160 million during the corresponding period of last year. Gross Loss for the period is Rs. 34.533 million. Decrease in Gross Loss is due to substantial decrease in cost.

Loss from operations is Rs. 28.834 million as compared to loss of Rs. 66.869 million in the corresponding period. The decrease in operational loss is mainly due to decrease in Gross Loss. Loss after tax is Rs. 67.590 million as compared to loss of Rs. 67.371 million in the corresponding period. Loss per share for three months period is Rs. 0.78 as compared to loss of Rs. 0.78 during the corresponding period of last year.

The result of the current quarter is quite unsatisfactory in the current difficult business condition and the management of the company is utilizing its full skills to improve the efficiency of the company and is hopeful for better profitability of the company for the remaining year.

The Directors wish to express their appreciation to the staff & workers of the Company for their dedication & devotion displayed in the success & growth of the company. The Directors also wish to place on record their thanks to the Bankers and other Stake holders for their continued support to the company.

On behalf of the Board

**Dr. Azhar Waheed**  
(Director)

**Mohammad Tariq**  
(Chief Executive Officer)

November 09, 2024  
Lahore



## ممبران کے لئے ڈائریکٹران کی رپورٹ

ڈائریکٹرز 30 ستمبر 2023 کو ختم ہونے والی پہلی سہ ماہی کے لیے کمپنی کے غیر نظر بنائی شدہ مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ کمپنی کی زیر جائزہ مدت کے دوران فروخت شدہ مال کی مالیت صفر روپے ہے۔ جبکہ گزشتہ سال کی اسی مدت کے دوران فروخت شدہ مال کی مالیت 40,160 ملین روپے تھی۔ زیر جائزہ مدت کے لیے مجموعی نقصان 34,533 ملین روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران 57,552 ملین کا مجموعی نقصان تھا۔ مجموعی نقصان میں کمی کی بڑی وجہ قیمت میں کمی ہے۔

کمپنی کا آپریٹنگ نقصان 28,834 ملین روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران نقصان 66,869 ملین روپے تھا نقصان میں یہ کمی مجموعی نقصان میں کمی کی وجہ سے ہوا۔ بعد از ٹیکس نقصان 67,590 ملین روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران بعد از ٹیکس نقصان 67,371 ملین روپے تھا۔ رواں سہ ماہی کے لئے فی حصص نقصان 0.78 روپے ہے۔ جبکہ گزشتہ سال اسی مدت کے دوران فی حصص نقصان 0.78 روپے تھا۔

موجودہ مشکل کاروباری حالت کی وجہ سے رواں سہ ماہی کے دوران کمپنی کی کارکردگی کافی غیر تسلی بخش رہی تاہم کمپنی کی انتظامیہ کمپنی کی کارکردگی کو بہتر بنانے کے لیے اپنی پوری صلاحیتیں بروئے کار لارہی ہے اور بقیہ سال کے لیے کمپنی کے بہتر منافع کے لیے پرامید ہے۔

ڈائریکٹرز کمپنی کے عملے اور کارکنوں کو ان کی لگن اور ایثار کے لئے کمپنی تحسین کا اظہار کرنا چاہتے ہیں جو انھوں نے کمپنی کی کامیابی اور ترقی کے لئے کیے ہیں۔ ڈائریکٹرز بھی مینکریز اور دیگر حصہ داروں کا کمپنی کے لیے مسلسل تعاون کے لیے شکر یہ ادا کرنا چاہتے ہیں۔

منجانب بورڈ

M. Tariq

محمد طارق  
(چیف ایگزیکٹو آفیسر)

Azhar Wali

ڈاکٹر اظہر وحید  
(ڈائریکٹر)

9 نومبر 2024  
لاہور



## STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	Un-Audited 30-Sep-23	Audited 30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
<b>Authorized share capital</b>	<b>870,000,000</b>	870,000,000
Issued share capital	865,779,200	865,779,200
Share premium	82,500,000	82,500,000
Revaluation reserve	1,127,337,480	1,133,626,295
Accumulated losses	(2,920,863,426)	(2,859,562,232)
Loan from sponsors	481,500,000	481,500,000
<b>TOTAL EQUITY</b>	<b>(363,746,746)</b>	(296,156,737)
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
Long term finances	1,586,268,141	1,586,268,141
Lease liabilities	2,387,302	2,387,302
Employees retirement benefits	-	-
Deferred interest	-	-
Deferred taxation	369,846,477	369,846,477
	<b>1,958,501,920</b>	1,958,501,920
<b>CURRENT LIABILITIES</b>		
Trade and other payables	416,136,349	410,722,045
Unclaimed dividend	2,757,216	2,757,216
Short term borrowings	334,970,742	334,970,742
Accrued interest/profit	653,429,297	624,595,200
Current portion of non-current liabilities	66,308,883	66,308,883
	<b>1,473,602,487</b>	1,439,354,086
<b>TOTAL LIABILITIES</b>	<b>3,432,104,406</b>	3,397,856,006
<b>CONTINGENCIES AND COMMITMENTS</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,068,357,660</b>	3,101,699,269

*The annexed notes from 1 to 8 form an integral part of these financial statements.*

Date : November 09, 2024  
Lahore

  
Director

  
Chief Financial Officer

  
Chief Executive



## STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	Un-Audited 30-Sep-23	Audited 30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	2,874,974,774	2,905,738,616
Right-of-use assets	51,028,554	51,765,379
Investment in associate	-	-
Long term deposits	49,609,093	49,609,093
	<b>2,975,612,421</b>	<b>3,007,113,088</b>
<b>CURRENT ASSETS</b>		
Stores and spares	3,223,295	202,011
Stock in trade	-	-
Trade receivables	-	-
Advances and other receivables	65,884,433	65,884,433
Advance income tax/income tax refundable	22,596,744	22,596,744
Cash and bank balances	1,040,767	5,902,993
	<b>92,745,239</b>	<b>94,586,181</b>
<b>TOTAL ASSETS</b>	<b>3,068,357,660</b>	<b>3,101,699,269</b>

*The annexed notes from 1 to 8 form an integral part of these financial statements.*

Date : November 09, 2024  
Lahore

  
Director

  
Chief Financial Officer

  
Chief Executive



## STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Un-Audited 30-Sep-23	Audited 30-Sep-22
	<i>Rupees</i>	<i>Rupees</i>
<b>Revenue from contracts with customers - net</b>	-	40,160,000
Cost of sales	<b>(34,533,159)</b>	(97,711,610)
<b>Gross loss</b>	<b>(34,533,159)</b>	<b>(57,551,610)</b>
Selling and distribution expenses	-	-
Administrative expenses	<b>(4,222,753)</b>	(802,169)
Other expenses	-	-
	<b>(4,222,753)</b>	<b>(802,169)</b>
Impairment allowance for expected credit losses	-	-
	<b>(38,755,912)</b>	<b>(58,353,779)</b>
Other income	-	15,945,486
<b>Operating profit</b>	<b>(38,755,912)</b>	<b>(42,408,293)</b>
Finance cost	<b>(28,834,097)</b>	(24,460,488)
Notional interest	-	-
	<b>(28,834,097)</b>	<b>(24,460,488)</b>
<b>Loss before taxation</b>	<b>(67,590,009)</b>	<b>(66,868,781)</b>
Provision for taxation	-	(502,000)
<b>Loss after taxation</b>	<b>(67,590,009)</b>	<b>(67,370,781)</b>
<b>Loss per share - basic and diluted</b>	<b>(0.78)</b>	<b>(1.55)</b>

*The annexed notes from 1 to 8 form an integral part of these financial statements.*

Date : November 09, 2024  
Lahore

  
Director

  
Chief Financial Officer

  
Chief Executive



## STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Issued share capital	Share premium	Revaluation reserve	Accumulated losses	Loan from sponsors	Total equity
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Balance as at 01 July 2022</b>	865,779,200	82,500,000	1,158,769,554	(2,518,460,411)	481,500,000	70,088,343
<b>Comprehensive income</b>						
Loss after taxation	-	-	-	(366,245,080)	-	(366,245,080)
Other comprehensive (loss)/income	-	-	-	-	-	-
<b>Total comprehensive (loss)/income</b>	-	-	-	(366,245,080)	-	(366,245,080)
<b>Other transactions</b>						
Incremental depreciation	-	-	(25,143,259)	25,143,259	-	-
<b>Transaction with owners</b>	-	-	-	-	-	-
<b>Balance as at 30 June 2023</b>	<b>865,779,200</b>	<b>82,500,000</b>	<b>1,133,626,295</b>	<b>(2,859,562,232)</b>	<b>481,500,000</b>	<b>(296,156,737)</b>
<b>Balance as at 01 July 2023</b>	<b>865,779,200</b>	<b>82,500,000</b>	<b>1,133,626,295</b>	<b>(2,859,562,232)</b>	<b>481,500,000</b>	<b>(296,156,737)</b>
<b>Comprehensive income</b>						
Loss after taxation	-	-	-	(67,590,009)	-	(67,590,009)
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income/(loss)</b>	-	-	-	(67,590,009)	-	(67,590,009)
<b>Other transactions</b>						
Incremental depreciation	-	-	(6,288,815)	6,288,815	-	-
<b>Transaction with owners</b>	-	-	-	-	-	-
<b>Balance as at 30 September 2023</b>	<b>865,779,200</b>	<b>82,500,000</b>	<b>1,127,337,480</b>	<b>(2,920,863,426)</b>	<b>481,500,000</b>	<b>(363,746,746)</b>

The annexed notes from 1 to 8 form an integral part of these financial statements.

Date : November 09, 2024  
Lahore

  
Director

  
Chief Financial Officer

  
Chief Executive



## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Unaudited 30-Sep-23	Audited 30-Sep-22
	<i>Rupees</i>	<i>Rupees</i>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Cash generated from operations	219,138	521,097
Payments for:		
Employees retirement benefits	-	-
Interest on borrowings	-	-
Income tax	-	(787,036)
<b>Net cash (used in)/generated from operating activities</b>	<b>219,138</b>	<b>(265,939)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	-	-
Proceeds from disposal of property, plant and equipment	-	880,000
<b>Net cash generated from/(used in) investing activities</b>	<b>-</b>	<b>880,000</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term finances	-	-
Payment of lease liabilities	-	(667,242)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(667,242)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>219,139</b>	<b>(53,181)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>821,629</b>	<b>874,810</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>1,040,768</b>	<b>821,629</b>

*The annexed notes from 1 to 8 form an integral part of these financial statements.*

Date : November 09, 2024  
Lahore

  
Director

  
Chief Financial Officer

  
Chief Executive



## CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2023

### 1 LEGAL STATUS AND OPERATIONS

Hira Textile Mills Limited [the Company] was incorporated in Pakistan as a Public Limited under Companies Act, 2017 and is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn. The registered office and manufacturing facility of the Company is situated at 8 KM, Manga Raiwind Road, District Kasur in the Province of Punjab.

### 2 BASIS OF PREPARATION

- 2.1 These financial statements have been prepared in accordance with the requirements of International Accounting Standards 34 (Interim Financial Reporting) and the provisions of and directives issued under the Companies Act, 2017.
- 2.2 The accounting policies and method of computation adopted in the preparation of these financial statements are the same as those applied in the preparation of the preceding published financial statements of the Company for the year ended June 30, 2023.

### 3 LONG TERM INVESTMENTS

	Unaudited 30-Sep-23	Audited 30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
Investment in related parties-unquoted Hira Terry Mills Limited-associated Company		
18,450,000 (30-Jun-21: 18,450,000) fully paid ordinary shares of Rs. 10 each	184,500,000	184,500,000
Bonus Issue @ 20%	36,900,920	36,900,920
Share of profit	(221,400,920)	(221,400,920)
	-	-

### 4 CONTINGENCIES AND COMMITMENTS

	Unaudited 30-Sep-23	Audited 30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
Bank guarantees	29,542,428	29,542,428
Commitments-There are no commitments as at 30 September 2022.		

### 5 COST OF SALES

	<i>Note</i>	Unaudited 30-Sep-23	Unaudited 30-Sep-22
		<i>Rupees</i>	<i>Rupees</i>
Stock-Opening		-	-
Cost of goods manufactured	5.1	34,533,159	97,711,610
Stock-Closing		-	-
		<u>34,533,159</u>	<u>97,711,610</u>
		Unaudited 30-Sep-23	Unaudited 30-Sep-22
		<i>Rupees</i>	<i>Rupees</i>

#### 5.1 Cost of goods manufactured

Work in Progress Opening	-	-
Raw Material Consumed	-	-
Overheads	34,533,159	97,711,610
Work in Progress Closing	-	-
	<u>34,533,159</u>	<u>97,711,610</u>

### 6 Transactions with related parties

The related parties comprise holding company, subsidiaries, and associated undertakings, other related group companies, directors of the company, key management personnel and post employment benefits plan. The Company in the normal course of business carries out transactions with various related parties.



## CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2023

		Unaudited 30-Sep-23 Rupees	Audited 30-Jun-23 Rupees
<b>Nature of relationship</b>	<b>Nature of transactions</b>		
Associated company	Sales	-	-
	Purchases	-	-
	Expenses charged	-	-
	Rental income	-	63,287,932
Provident fund trust	Contribution for the year	-	-
<b>Balances with related parties</b>			
<b>Nature of relationship</b>	<b>Nature of balance</b>		
Associated company	Advance against rent	23,371,717	36,278,887
	Trade receivables	-	-
Sponsors	Borrowings	481,500,000	481,500,000
	Current account	47,258,887	47,258,887
Key management personnel	Short term employee benefits payable	-	-
Provident fund trust	Payable to provident fund trust	1,699,457	1,699,457

### 7 Date of Authorisation for issue

These financial statements were authorised for issue on November 9, 2024 by the board of directors of the Company.

### 8 Presentation

Figures in the financial statements have been rounded-off to the nearest rupee.