



**Quarterly Accounts March 31, 2023**  
**(Un-Audited)**





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HIRA TEXTILE MILLS LIMITED

## COMPANY INFORMATION

### CHAIRMAN

Dr. Azhar Waheed

### CHIEF EXECUTIVE

Mr. Mohammad Tariq

### BOARD OF DIRECTORS

Dr. Azhar Waheed  
Mr. Muhammad Awais Qarni Chaudry  
Mr. Muhammad Hasnain Saeed Sohbin  
Mr. Mohammad Tariq  
Mrs. Zainab Malik (Independent Director)  
Mr. Saeed Ahmed Khan  
Mr. Shaukat Nazir Malik (Independent Director)

### AUDIT COMMITTEE

Mr. Shaukat Nazir Malik	Chairman
Mr. Mohammad Tariq	Member
Mrs. Zainab Malik	Member

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mrs. Zainab Malik	Chairperson
Mr. Saeed Ahmad Khan	Member
Mr. Muhammad Awais Qarni Chaudry	Member

### COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Mr. Muhammad Hasnain Saeed Sohbin

### AUDITORS

M/S Rahman Sarfaraz Rahim Iqbal Rafiq.  
(Chartered Accountants)  
Member of Russell Bedford International.  
House No 72-A, Faisal Town, 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 , 1st floor, LDA Flats, Lawrance Road Lahore  
Ph: + 92 42 36283096 - 97

### REGISTERED OFFICE

8 KM Manga Raiwind Road Raiwind District Kasur  
Ph: + 92 42 35393402, 35393461  
WEB: [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 3rd Quarter ended on March 31, 2023. The Company's sales are Rs. 42.200 million as compared to Rs. 226.808 million during the corresponding period of last year. Gross Loss for the period is Rs. 114.480 million. decrease in Gross Loss is due to substantial decrease in expenses.

Loss from operations is Rs. 70.208 million as compared to loss of Rs. 247.492 million in the corresponding period. The decrease in operational loss is mainly due to decrease in Gross Loss. Loss after tax is Rs. 157.282 million as compared to loss of Rs. 360.055 million in the corresponding period. Loss per share for three months period is Rs. 1.82 as compared to loss of Rs. 4.16 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**  
(Chairperson)

**Mohammad Tariq**  
(Chief Executive Officer)

Lahore  
September 03, 2024



حرائکسٹائل ملز لمیٹڈ

ممبران کے لیے ڈائریکٹرز کی رپورٹ

ڈائریکٹرز 31 مارچ 2023ء کو مختصر تیسری سہ ماہی کے لیے کمپنی کی غیر نظر ثانی شدہ مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کرتے ہیں کمپنی کی زیر جائزہ مدت کے دوران فروخت شدہ مال کی مالیت 42.200 ملین روپے ہے جبکہ پچھلے سال اسی مدت کے دوران فروخت شدہ مال کی مالیت 226.808 ملین تھی۔ زیر جائزہ مدت کے دوران مجموعی نقصان (GL) 114.480 ملین روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران 264.277 ملین روپے کا مجموعی نقصان تھا۔ مجموعی نقصان میں کمی کی بڑی وجہ اخراجات میں کمی ہے۔

کمپنی کا آپریٹل نقصان 70.208 ملین روپے رہا جب کہ پچھلے سال اسی مدت کے دوران نقصان 247.492 ملین روپے تھا۔ نقصان میں بہتری مجموعی نقصان میں کمی کی وجہ سے ہوا۔ بعد از ٹیکس نقصان 157.282 ملین روپے رہا جب کہ پچھلے سال اسی مدت میں بعد از ٹیکس نقصان 360.055 ملین روپے تھا۔ رواں سہ ماہی کے لئے فی حصص نقصان 1.82 روپے ہے جبکہ گزشتہ سال کی اسی مدت میں فی حصص نقصان 4.16 روپے تھا۔

مشکل کاروباری حالات کی وجہ سے رواں سہ ماہی کے دوران کمپنی کی کارکردگی غیر تسلی بخش رہی۔ تاہم کمپنی کی انتظامیہ کارکردگی میں مزید بہتری کیلئے پوری کوشش کر رہی ہے اور بہتر نتائج کے لئے پرامید ہے۔

ڈائریکٹرز، کمپنی کے عملے اور کارکنان کی اپنے کام کی لگن اور ایثار کے لئے جو انہوں نے کمپنی کی کامیابی اور بہتری کے لئے کیے ہیں کو تحسین کی نظر سے دیکھتے اور سراہتے ہیں ڈائریکٹرز، بینکرز اور دیگر حصہ داروں کا کمپنی کی مسلسل حمایت پر شکریہ ادا کرتے ہیں۔

منجانب بورڈ

Arshad Wahaed

ڈائریکٹر اظہر وحید

(چیئرمین)

M. Jary

محمد طارق

(چیف ایگزیکٹو آفیسر)

لاہور

03 ستمبر 2024ء



## HIRA TEXTILE MILLS LIMITED

# Condensed Interim Statement of Financial Position as at March 31, 2023

	Un-Audited March 31, 2023 Rupees	Audited June 30, 2022 Rupees
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment-note 3	2,938,445,210	3,036,411,814
Right of Used Assets	52,564,603	54,962,279
Long term deposits	49,672,044	49,609,093
	<b>3,040,681,857</b>	<b>3,140,983,186</b>
<b>CURRENT ASSETS</b>		
Stores, spares and loose tools	202,010	4,178,856
Stock in trade	-	-
Trade debts	11,334,804	1,484,013
Deposits and Short term Prepayments	132,387,840	80,463,104
Advance Income Tax - net of Provision for tax	22,314,994	22,842,494
Cash and bank balances	783,467	874,810
	<b>167,023,115</b>	<b>109,843,277</b>
<b>TOTAL ASSETS</b>	<b>3,207,704,972</b>	<b>3,250,826,463</b>
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
Authorized capital		
87,000,000 ordinary shares of Rs. 10 each	<b>870,000,000</b>	<b>870,000,000</b>
Issued, subscribed and paid-up capital		
86,577,920 ordinary shares of Rs. 10 each	<b>865,779,200</b>	<b>865,779,200</b>
Reserves	<b>82,500,000</b>	<b>82,500,000</b>
Surplus on revaluation of property, plant and equipment	<b>1,142,229,646</b>	<b>1,158,769,554</b>
Loan from Directors and Sponsors	<b>481,500,000</b>	<b>481,500,000</b>
Unappropriated profit	<b>(2,659,202,235)</b>	<b>(2,518,460,411)</b>
<b>Shares Holders' Equity</b>	<b>(87,193,389)</b>	<b>70,088,343</b>
<b>NON CURRENT LIABILITIES</b>		
Long term loans	<b>1,583,041,055</b>	<b>1,583,041,055</b>
Liabilities against assets subject to finance Lease	<b>2,387,302</b>	<b>3,054,544</b>
Employees retirement benefits	-	-
Deferred Interest	<b>175,751,943</b>	<b>175,751,943</b>
Deferred Liabilities	<b>357,810,779</b>	<b>357,810,779</b>
	<b>2,118,991,079</b>	<b>2,119,658,321</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	<b>483,415,818</b>	<b>455,090,627</b>
Unclaimed dividend	<b>2,757,216</b>	<b>2,757,216</b>
Mark-up accrued	<b>288,454,623</b>	<b>334,970,742</b>
Short term borrowings	<b>334,970,742</b>	<b>201,952,331</b>
Current maturity of long term liabilities	<b>66,308,883</b>	<b>66,308,883</b>
	<b>1,175,907,282</b>	<b>1,061,079,799</b>
<b>CONTINGENCIES AND COMMITMENTS -note 5</b>	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,207,704,972</b>	<b>3,250,826,463</b>

The annexed notes form an integral part of these financial statements

Lahore

Date : September 03, 2024

*M. Jang*  
Chief Executive

*M. Haseeb*  
Chief Financial Officer

*Ahmed Waheed*  
Director



HIRA TEXTILE MILLS LIMITED

## Condensed Interim Profit and Loss Account (Un-audited) For the quarter ended March 31, 2023

	For the 3rd quarter		Cumulative	
	Jan-March 2023	Jan-March 2022	July-March 2023	July-March 2022
	----- Rupees -----			
Sales - net	-	32,210,791	<b>42,200,000</b>	226,807,962
Cost of goods sold	<b>32,838,566</b>	69,121,969	<b>156,679,687</b>	491,085,427
Gross Profit	<b>(32,838,566)</b>	(36,911,178)	<b>(114,479,687)</b>	(264,277,465)
Distribution cost	-	-	-	50,000
Administrative expenses	<b>719,095</b>	5,648,226	<b>2,690,475</b>	26,647,869
	<b>719,095</b>	5,648,226	<b>2,690,475</b>	26,697,869
Other operating income	<b>16,325,868</b>	15,116,544	<b>46,962,064</b>	43,483,392
Operating Profit / (Loss)	<b>(17,231,793)</b>	(27,442,860)	<b>(70,208,098)</b>	(247,491,942)
Finance cost	<b>28,834,248</b>	36,331,706	<b>86,546,134</b>	109,161,480
	<b>(46,066,041)</b>	(63,774,566)	<b>(156,754,232)</b>	(356,653,422)
Profit / (Loss) before tax	<b>(46,066,041)</b>	(63,774,566)	<b>(156,754,232)</b>	(356,653,422)
Provision for taxation	-	483,165	<b>527,500</b>	3,402,123
Profit / (Loss) after tax	<b>(46,066,041)</b>	(64,257,731)	<b>(157,281,732)</b>	(360,055,545)
Earnings / (Loss) per share - basic and diluted	<b>(0.53)</b>	<b>(0.74)</b>	<b>(1.82)</b>	<b>(4.16)</b>

The annexed notes form an integral part of these financial statements

Lahore  
Date : September 03, 2024

  
Chief Executive

  
Chief Financial Officer

  
Director





## Condensed Interim Statement of Changes in Equity (Un-audited) For the quarter ended March 31, 2023

	Share capital	Share premium	Surplus on revaluation of property, plant and equipment	Loan from Directors and Sponsors	Unappropriated profits/Loss	Total
	----- Rupees -----					
Balance as at June 30, 2021	865,779,200	82,500,000	1,159,043,059	481,500,000	(1,960,982,734)	627,839,525
Loss for the period	-	-	-	-	(360,055,545)	(360,055,545)
Transfer of incremental depreciation from surplus on revaluation of fixed assets	-	-	(34,557,195)	-	34,557,195	-
Balance as at December 31, 2021	<u>865,779,200</u>	<u>82,500,000</u>	<u>1,124,485,864</u>	<u>481,500,000</u>	<u>(2,286,481,084)</u>	<u>267,783,980</u>
Profit for the period	-	-	-	-	-	-
Other Comprehensive Income	-	-	26,193,084	-	(223,888,721)	(197,695,637)
Transfer of incremental depreciation from surplus on revaluation of fixed assets	-	-	8,090,606	-	(8,090,606)	-
Surplus on revaluation of Fixed Assets realized on disposal	-	-	-	-	-	-
Transferred from long term loan from directors and sponsors	-	-	-	-	-	-
Transferred from short term borrowings	-	-	-	-	-	-
Balance as at June 30, 2022	<u>865,779,200</u>	<u>82,500,000</u>	<u>1,158,769,554</u>	<u>481,500,000</u>	<u>(2,518,460,411)</u>	<u>70,088,343</u>
Profit/(Loss) for the period	-	-	-	-	(157,281,732)	(157,281,732)
Transfer of incremental depreciation from surplus on revaluation of fixed assets	-	-	(16,539,908)	-	16,539,908	-
Balance as at March 31, 2023	<u>865,779,200</u>	<u>82,500,000</u>	<u>1,142,229,646</u>	<u>481,500,000</u>	<u>(2,659,202,235)</u>	<u>(87,193,389)</u>

The annexed notes form an integral part of these financial statements

Lahore

Date : September 03, 2024

  
Chief Executive

  
Chief Financial Officer

  
Director



## Condensed Interim Cash Flow Statement (Un-audited)

For the quarter ended March 31, 2023

	Nine Months Ended	
	March 31, 2023	March 31, 2022
	----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit / (Loss) before taxation	(156,754,232)	(356,653,422)
Add Depreciation of property, plant and equipment	100,257,822	94,411,879
Gain on disposal of property, plant and equipment / Other Income	-	-
Share of Profit of Jointly Controlled Company	-	-
Employee benefits- provision for the period	-	4,000,000
Finance cost	86,546,134	109,161,480
	<b>30,049,724</b>	<b>(149,080,063)</b>
(Increase)/ decrease in store, spare and loose tools	3,976,845	27,660,514
(Increase)/ decrease in stock in trade	-	96,371,932
(Increase)/ decrease in trade debts	(9,851,125)	32,734,772
(Increase)/ decrease in deposits and short term prepayments	(51,924,736)	44,515,453
Increase/ (decrease) in Sales tax refundable	-	(3,233,774)
Increase/ (decrease) in trade & other payables	28,325,191	(6,083,612)
<b>Cash generated from operations</b>	<b>575,899</b>	<b>42,885,222</b>
Finance cost paid	-	(2,677,554)
Gratuity paid	-	(17,938,815)
Income taxes paid	-	(168,349)
Net cash used operating activities	<b>575,899</b>	<b>22,100,504</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	-	(25,328,845)
Proceeds from sale of plant and equipment	-	-
Long term deposits	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-</b>	<b>(25,328,845)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Long term Financing	-	(4,081,667)
Payment of long term financing	-	-
Payment of liabilities against assets subject to finance lease	(667,242)	(972,030)
Short term borrowings - secured	-	-
Dividends Paid	-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(667,242)</b>	<b>(5,053,697)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD</b>	<b>(91,343)</b>	<b>(8,282,038)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>874,810</b>	<b>7,840,526</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>783,467</b>	<b>(441,512)</b>

The annexed notes form an integral part of these financial statements

Lahore

Date : September 03, 2024

*M. Jang*  
Chief Executive

*M. Hashim*  
Chief Financial Officer

*Azhar Waheed*  
Director



## Notes to the Condensed Interim Financial Information (Un-audited) For the quarter ended March 31, 2023

### 1 CORPORATE INFORMATION

The Company was incorporated in Pakistan on January 31, 1991 as a Public Limited Company and its shares are quoted on Karachi and Lahore Stock Exchanges. The principal activity of the Company is to manufacture and sale of yarn. The registered office of the Company and its mill both are located at 8 KM Manga Raiwind Road Raiwind District Kasur.

### 2 BASIS OF PREPARATION

- 2.1 These financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 (Interim Financial Reporting) and are being submitted to the Companies Act 2017.
- 2.2 The accounting policies and methods 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, 2022.

	Note	Un-Audited 31 March, 2023 Rupees	Audited 30-Jun-22 Rupees
<b>3 PROPERTY, PLANT AND EQUIPMENT</b>			
Tangible fixed assets	3.1	2,938,445,210	3,036,411,814
Capital Work in progress		-	-
		<b>2,938,445,210</b>	<b>3,036,411,814</b>
<b>3.1 Tangible fixed assets</b>			
Opening book value		3,036,411,814	3,162,598,067
Additions/Adjustment during the period			
- Building on freeholdland		-	170,030
- Freeholdland		-	-
- plant and machinery		-	25,053,095
plant and machinery - Leased		-	-
- electric installations		-	1,483,000
- Generator		-	-
- power house		-	-
- telephone installation		-	-
- Factory Equipments		-	206,750
- Office Equipments		-	-
- computers		-	-
- furniture and fixtures		-	-
- vehicles Owned		-	-
- vehicles - leased		-	-
		-	26,912,875
Book value of assets disposed-off during the period		-	(15,971,743)
Depreciation charge for the period		(97,966,604)	(137,127,385)
Closing book value		<b>2,938,445,210</b>	<b>3,036,411,814</b>

## Notes to the Condensed Interim Financial Information (*Un-audited*) For the quarter ended March 31, 2023

	Un-Audited 31 March, 2023 Rupees	Audited 30-Jun-22 Rupees
<b>RIGHT-OF-USE ASSETS</b>		
Net book value at beginning of the period/year	54,962,279	58,445,537
Depreciation for the period/year	(2,397,676)	(3,483,258)
<b>Net book value at end of the period/year</b>	<b>52,564,603</b>	<b>54,962,279</b>
	<b>Un-Audited</b>	<b>Audited</b>
	<b>31-Mar-23</b>	<b>30-Jun-22</b>
<b>4 LONG-TERM INVESTMENTS</b>	<b>Rupees</b>	<b>Rupees</b>
<b>Investment in related party - equity method</b>		
<b>Jointly controlled entity - (Hira Terry Mills Limited)</b>		
<b>Cost of investment</b>		
18,450,000 (June 30, 2018 : 18,450,000) fully paid ordinary shares of Rs.10 each	184,500,000	184,500,000
Bonus Issue	36,900,920	36,900,920
Share of post acquisition profits- <i>Unrealized</i>	(221,400,920)	(221,400,920)
	-	-
<b>5 CONTINGENCIES AND COMMITMENTS</b>		
Guarantees issued by banks on behalf of the Company	29,542,428	29,542,428
Post dated cheques in favour of Commissioner Inland Revenue and Collector of Customs.	-	-
	<u>29,542,428</u>	<u>29,542,428</u>
Commitments		
Letters of credit for import of machinery/ Spares	-	-
Letters of credit for import of raw material	-	-
Letters of credit for import of stores and spares	-	-
	-	-

## Notes to the Condensed Interim Financial Information (Un-audited) For the quarter ended March 31, 2023

### 6 COST OF SALES

Note	For the 3rd quarter		Cumulative	
	January - March	January - March	July - March	July - March
	2023	2022	2023	2022
-----Rupees-----				
Stock - opening	-	119,024,962	-	150,516,331
Cost of goods	<b>6.1</b>			
	<b>32,838,566</b>	69,121,969	<b>156,679,687</b>	459,594,058
	<b>32,838,566</b>	188,146,931	<b>156,679,687</b>	610,110,389
Stocks - closing	-	119,024,962	-	119,024,962
	<b>32,838,566</b>	<b>69,121,969</b>	<b>156,679,687</b>	<b>491,085,427</b>

#### 6.1 Cost of goods manufactured

Work in process - opening	-	10,782,110	-	68,307,503
Raw materials consumed	-	-	-	106,069,653
Overheads	<b>32,838,566</b>	66,099,378	<b>156,679,687</b>	292,976,421
	<b>32,838,566</b>	66,099,378	<b>156,679,687</b>	399,046,074
	<b>32,838,566</b>	76,881,488	<b>156,679,687</b>	467,353,577
Work in process - closing	-	7,759,519	-	7,759,519
	<b>32,838,566</b>	<b>69,121,969</b>	<b>156,679,687</b>	<b>459,594,058</b>

### 7 RELATED PARTY TRANSACTIONS

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

#### Transactions with Associated undertaking - Hira Terry Mills Limited (H.T.L)

	Un-Audited 31 March, 2023	Un-Audited 31 March, 2022
	Rupees	Rupees
Sale of yarn and store etc.	-	12,755,750
Expenses charged / Recoverable	<b>70,354,635</b>	-
<b>Transactions with Other related parties</b>		
Remuneration paid to directors and chief executive of the Company	-	2,774,893
Payment to Employees' Provident Fund Trust	-	1,287,660
Lease Rent	<b>46,962,064</b>	43,483,392
	<b>117,316,699</b>	<b>60,301,695</b>



## Notes to the Condensed Interim Financial Information (Un-audited) For the quarter ended March 31, 2023

### 8 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on 3rd September, 2024 by the Board of Directors of the Company.

### 9 PRESENTATION

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



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- 📖 Knowledge center
- 📊 Risk profiler\*
- 🧮 Financial calculator
- 📱 Subscription to Alerts (event notifications, corporate and regulatory actions)
- 📱 Jamapunji application for mobile device
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\*These apps and sites require an internet for android and ios devices.