



KHURSHID SPINNING MILLS LIMITED

CORPORATE

BRIEFING



Held on: November 26, 2019



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BRIEF ACCOUNT OF THE COMPANY





BRIEF ACCOUNT OF THE COMPANY

- The company incorporated as on 27 February 1986.
- Converted into a public limited company on 21 October 1989.
- Listed on The Stock Exchanges of Pakistan on 21 October 1989.
- Registered office is located at 133-134, Regency the Mall, Faisalabad.
- The company's commercial business operations were suspended from October 2011.
- The Company recommenced its commercial operations / spinning business operations on 01 August 2019.
- Face value of Company's share is PKR. 10/-.
- The Authorized share capital of the Company is Rupees 170 Million whereas its issued, subscribed and paid up capital is Rupees 13.748 Million
- The market price of Company share was **1.70** PKR as on June 30, 2019 and today is Rs. **5.85/-**-The share is traded under the symbol of KHSM.
- Currently 690 employees on the payroll of the Company.





Head Office:

133-134 Regency The Mall, Faisalabad.
+ 92 41 2610027, 2610028, 2610030



Manufacturing facility:

35 Kilometer, Sheikhupura Road, Faisalabad.
+92 41 4689246





THE BOARD



THE BOARD OF DIRECTORS'

Mr. Muhammad Ashraf
Chairman,
Executive Director

Mr. Muhammad Iqbal
Chief Executive Officer,
Executive Director
Member H.R & Remuneration
Committee

Mr. Zeeshan Saeed
Independent Director
Chairman Audit Committee

Mr. Muhammad Shahbaz Ali
Independent Director
Chairman H.R & Remuneration
Committee & also Member of Audit Committee

Mr. Faseeh Uzman
Independent Director
Member H.R & Remuneration
Committee

Mr. Muhammad Amman Adil
Non-Executive Director
Member of Audit Committee

Mr. Qaisar Nasir
Non-Executive Director
Member of Human Resource & Remuneration
Committee



SCOPE OF BUSINESS



SCOPE OF BUSINESS

Manufacturing of Various Types Spinning Yarns

- **Accrue Yarn**
- **Melange yarn**

“the yarn which is produced with various combinations of raw white & dyed cottons or dyed fibers”

- **Twisting / Doubling of yarn**





FINANCIAL PERFORMANCE



MAJOR POINTS

- ❖ There has been no production operation since October 2011 due to heavy accumulated losses, overdue debts and non-availability of working capital.
- ❖ The Company has continued its operations on lease which were given to M/s Beacon Impex (Pvt.) Limited (BIPL) at monthly lease rent from May 2012 to April 2019.
- ❖ After completion of all formalities concerning acquisition of 34.5091% shares of the Company by BIPL, the Company has initiated the process of resumption of commercial production / spinning business operations of the Company
- ❖ The company resume its business operations from 01 August 2019.
- ❖ The company has arranged loan from its associated company for payment of overdue liabilities of banks, sponsors, creditors and for Balancing, Modernization and Replacement (BMR) of plant and machinery and related equipment of the company to keep these assets in working condition and to enhance productivity.
- ❖ The company has entered into various yarn processing customers and it is expected that the company will start generating profits.





KEY OPERATING AND FINANCIAL DATA

	2019	2018	2017	2016	2015
	------(RUPEES IN THOUSAND)-----				
Summary of Statement of Profit or Loss					
(Loss) / profit before taxation	(22,408)	(4,351)	(2,286)	(23,999)	(36,144)
Taxation	7,953	1,076	2,202	3,378	6,627
(Loss) / profit after taxation	(14,455)	(3,275)	(84)	(20,621)	(29,517)
Summary of Statement of Financial Position					
Total assets	375,236	390,355	413,361	437,392	457,283
Long term financing / loans	55,272	125,767	140,230	164,927	188,915
Deferred liabilities	56,008	57,837	63,870	71,374	77,830
Current liabilities	427,789	362,425	363,195	357,243	332,409
Net assets	<u>(163,833)</u>	<u>(155,674)</u>	<u>(153,934)</u>	<u>(156,152)</u>	<u>(141,871)</u>
Represented by:					
Share capital	131,748	131,748	131,748	131,748	131,748
Equity portion of shareholders' loan	13,335	13,335	13,335	13,335	13,335
Surplus on revaluation of plant, equipment and investment properties - net of deferred income tax	150,725	155,452	164,389	174,225	180,745
Accumulated loss - net off equity portion of shareholders' loan	(459,641)	(456,209)	(463,406)	(475,460)	(467,699)
	<u>(163,833)</u>	<u>(155,674)</u>	<u>(153,934)</u>	<u>(156,152)</u>	<u>(141,871)</u>





FUTURE PROSPECTS



FUTURE PROSPECTS

- The Company has entered into yarn processing arrangement with the client due to which revenue and profitability of the Company will increase significantly.
- The accumulated losses will reduce in the near future and current ratio will also improve.
- By generating profits, the Company will have to improve and enhance its production facilities.
- The Company also enjoys complete financial support of Beacon Impex (Pvt.) Limited, “the associated company”





QUESTION & ANSWER





THANK YOU

