



PRINTED MATTER
BOOK POST
UNDER POSTAL CERTIFICATE



**1st. Quarter Report
September 30, 2019
(Unaudited)**

if undelivered please return to

**ASHFAQ TEXTILE MILLS
LIMITED**

Mailing Address:

8.A, Officers Colony No.1, Susan Road. Faisalabad- Pakistan
Tel: +92-41-2435101-4 Fax: +92-41-2435105

Ashfaq Textile Mills Ltd.

COMPANY INFORMATION

CHIEF EXECUTIVE
MR. ASHFAQ AHMED

EXECUTIVE DIRECTORS
MR. ASHFAQ AHMED
MR. NADEEM ASHFAQ
MR. WASEEM ASHFAQ

NON-EXECUTIVE DIRECTORS
MR. AMJAD ASLAM
MRS. SHAZIA AMJAD
MRS. NAZIA IRFAN
KHAWAJA MUHAMMAD ILYAS
MUHAMMAD IDREES

COMPANY SECRETARY
MR. WASEEM ASHFAQ

CHIEF FINANCIAL OFFICER (CFO)
MR. MUHAMMAD ANWAR JAWED

AUDITORS
RSM AVAIS HYDER LIAQAT NAUMAN,
CHARTERED ACCOUNTANTS

SHARE REGISTRAR
M/S FD REGISTRAR SERVICES (SMC-PVT) LTD.
1705, 17TH FLOOR, SAIMA TRADE TOWER A,
I.I. CHUNDRIGAR ROAD, KARACHI.

BANKERS
UNITED BANK LIMITED.

AUDIT COMMITTEE
KH. MUHAMMAD ILYAS (CHAIRMAN)
MRS. SHAZIA AMJAD (MEMBER)
MR. MOHAMMAD IDREES (MEMBER)

**HUMAN RESOURCES AND
REMUNERATION COMMITTEE**
MR. AMJAD ASLAM (CHAIRMAN)
MRS. NAZIA IRFAN (MEMBER)
KH. MUHAMMAD ILYAS (MEMBER)

MAILING ADDRESS:
8/A-1, OFFICERS COLONY, SUSAN ROAD,
FAISALABAD.

REGISTERED OFFICE / MILLS
17TH K.M. MAIN FAISALABAD, JARANWALA
ROAD, FAISALABAD.

CONTACTS:
PHONES : 041-2435101-4
FAX : 041-2435105
E-mail : info@ashfaqtextile.com
WEB : www.ashfaqtextile.com

DIRECTOR'S REPORT TO THE SHARE HOLDERS

Dear Share Holders,

Directors of your company are pleased to present 1st quarter's financial report for the period ended 30th September 2019.

Review of the Results.

Sales during the period were recorded at Rs.80.332 million in comparison to Rs. 68.335 million in the same period last year which is a healthy increase of 17.56%.

During the period the Operating expenses (Administrative & others) were 11.09% to sales in comparison to Rs.10.67% in the same period last year. Gross profit for the period is 16.35% to sales in comparison to 2.65% during the same period last year. Financial charges to sales were recorded as 0.41% to sales in comparison to 0.42% in the same period last year. Cost of goods sold were recorded at 83.65% in comparison to 97.35% in the same period last year.

In the coming days:

The results of the company are showing a positive picture with a growing demand in the market which is resulting in getting higher prices, however, growing cost of doing business is eminent in the near future. We are very hopeful that the government who seems to be open for discussion and is showing a business friendly approach would keep a close guard on the cost of utilities ensuring this positive trend prevails in the short and long term.

We are grateful to our customers, vendors and bankers for their trust in us which is helping us to achieve these positive results.

---SD---

On behalf of the Board
(ASHFAQ AHMAD)
Chief Executive Officer

ڈائریکٹر ز رپورٹ برائے حصہ داران اشفاق ٹیکسٹائل ملز لمیٹڈ

محترم حصہ داران، ممبران

کمپنی کے ڈائریکٹر ان کی طرف سے پہلی سہ ماہی رپورٹ 30 ستمبر، 2019ء حاضر خدمت ہے:

مالیاتی نتائج مندرجہ ذیل ہیں۔

اس دورانیہ میں 80.332 ملین کی فروخت ہوئی۔ پچھلے سال اسی دورانیہ میں 68.335 ملین کی فروخت ہوئی تھی۔ جو کہ ایک صحت مند اضافہ ہے اس کی شرح 17.56% فیصدی ہے

اس دوران آپریٹنگ (ایڈمنسٹریشن و دیگر اخراجات) فروخت کا 11.09% فیصدی خرچ آیا۔ پچھلے سال اسی دوران 10.67% فیصدی خرچ آیا تھا۔ مجموعی نفع (بغیر منہائی اخراجات) 16.35% فیصدی ہوا ہے۔ پچھلے سال کا اسی دوران میں 2.65% فیصدی منافع ہوا تھا۔ فنانشل اخراجات، سیل پر 0.41% فیصدی آئے۔ جبکہ سابقہ سال کے اسی دوران میں 0.42% فیصدی اخراجات آئے تھے۔ اس دوران فروخت شدہ اشیاء پر لاگت فروخت کا 83.65% فیصد آیا۔ جبکہ پچھلے سال اسی دوران 97.35% فیصد تھا۔

آئیوالے وقت کے متعلق:-

کمپنی کے نتائج راکٹ میں بڑھتی ہوئی طلب کے ساتھ ایک مثبت تصویر دکھا رہے ہیں جس کے نتیجے میں قیمتیں زیادہ مل رہی ہیں تاہم مستقبل قریب میں کاروبار کرنے میں بڑھتی ہوئی قیمت واضح ہے۔

ہمیں بہت پر امید ہے کہ جو حکومت مباحثے کے لیے آزاد نظر آتی ہے اور کاروباری دوستانہ نقطہ نظر کا مظاہرہ کرتی ہے وہ مختصر مدت میں اس مثبت رجحان کو یقینی بنانے والی افادیت کی لاگت پر گہری نگاہ رکھے گی۔

ہم اپنے خریداروں، سپلائرز اور مالیاتی اداروں کی مسلسل حوصلہ افزائی اور اپنے سٹاف ممبران کی انتھک محنت کے شکر گزار ہیں اور اللہ تعالیٰ سے دعا گو ہیں کہ وہ ہمیشہ اپنی رحمت کا سایہ ہمارے ملک پر رکھے۔

---SD---

بورڈ آف ڈائریکٹر ان کی طرف سے

اشفاق احمد

چیف ایگزیکٹو آفیسر

**ASHFAQ TEXTILE MILLS LIMITED.
BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2019**

<u>CAPITAL & LIABILITIES:</u>	<u>SEPTEMBER 2019 RUPEES</u>	<u>JUNE 2019 RUPEES</u>
SHARE CAPITAL AND RESERVES:		
AUTHORISED CAPITAL:		
100,000,000 Ordinary Shares of Rs. 10/= each	1,000,000,000	1,000,000,000
Issued Subscribed and paid up capital	349,850,000	349,850,000
Capital reserve		
Revaluation surplus on property, plant and equipment	511,684,994	517,348,940
Revenue reserves		
Unappropriated profit	229,911,963	221,279,700
	1,091,446,957	1,088,478,640
 NON CURRENT LIABILITIES:		
Deferred liabilities		
Staff retirement gratuity	59,622,179	56,523,081
 CURRENT LIABILITIES:		
Trade and Other Payables	21,478,811	19,811,842
Short term bank borrowings	19,816,117	7,939,474
Provision for Taxation - income tax	928,808	3,000,301
	42,223,736	30,751,617
	1,193,292,872	1,175,753,338
 PROPERTIES & ASSETS:		
 FIXED CAPITAL EXPENDITURE:		
Property, plant and equipment	964,435,428	974,361,422
Long Term Deposits	4,509,782	4,509,782
	968,945,210	978,871,204
 CURRENT ASSETS:		
Store, Spares & loose tools.	33,154,303	28,684,175
Stock-in-trade	3,864,987	3,864,987
Contract costs	9,125,792	1,009,789
Trade Debts	46,726,976	59,275,733
Loans, advances	37,601,457	41,686,141
Prepayments	3,031,424	506,095
Other receivables.	308,686	1,451,447
Tax refunds due from Government	50,407,218	55,649,157
Cash and bank balances.	40,126,819	4,754,610
	224,347,662	196,882,134
	1,193,292,872	1,175,753,338

The annexed notes form an integral part of these condensed interim financial statements.

DATED: OCTOBER 29, 2019
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.
PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	NOTE	SEPTEMBER 2019 RUPEES	SEPTEMBER 2018 RUPEES
SALES		80,332,014	68,335,354
COST OF GOODS SOLD	6	<u>67,197,050</u>	<u>66,523,588</u>
GROSS PROFIT		13,134,964	1,811,766
Distribution cost		-	-
Administrative expenses		8,904,108	7,290,787
Other Exp.		7,106	-
Finance cost		<u>326,625</u>	<u>288,661</u>
		9,237,839	7,579,448
PROFIT / (LOSS) BEFORE TAXATION.		<u>3,897,125</u>	<u>(5,767,682)</u>
Provision for taxation		928,808	689,056
PROFIT / (LOSS) FOR THE PERIOD		<u><u>2,968,317</u></u>	<u><u>(6,456,738)</u></u>
Earning per share - Basic		<u><u>0.08</u></u>	<u><u>-0.18</u></u>

The annexed notes form an integral part of these condensed interim financial statements.

DATED: OCTOBER 29, 2019
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	<u>SEPTEMBER 2019 RUPEES</u>	<u>SEPTEMBER 2018 RUPEES</u>
Profit / (Loss) for the period	2,968,317	(6,456,738)
Other comprehensive income for the period		
Incremental depreciation on revalued assets	5,663,946	3,290,510
Total comprehensive income for the period	<u>8,632,263</u>	<u>(3,166,228)</u>

The annexed notes form an integral part of these condensed interim financial statements.

DATED: OCTOBER 29, 2019
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

Description	Issued, subscribed and Paid-up Capital Rupees	Capital Reserves	Revenue Reserves	Total Rupees
		Revaluation Surplus on Property, Plant and equipment Rupees	Unappropriated Profits Rupees	
Balance as at July 01, 2018	349,850,000	310,152,679	205,908,348	865,911,027
Total comprehensive income for the period				
Profit for the year	-	-	3,454,118	3,454,118
Other comprehensive income				
Surplus on revaluation of property, plant and equipment arisen during the year.		220,358,304		220,358,304
Incremental depreciation on revalued assets for the year		(13,162,043)	13,162,043	-
Remeasurement of defined benefit liability			(1,244,809)	(1,244,809)
		207,196,261	15,371,352	222,567,613
Balance as at June 30, 2019	349,850,000	517,348,940	221,279,700	1,088,478,640
Total comprehensive income for the period				
Profit for the period	-	-	2,968,317	2,968,317
Incremental depreciation on revalued assets for the period		(5,663,946)	5,663,946	-
		(5,663,946)	8,632,263	2,968,317
Balance as at September 30, 2019	349,850,000	511,684,994	229,911,963	1,091,446,957

The annexed notes form an integral part of these condensed interim financial statements.

DATED: OCTOBER 29, 2019
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	SEPTEMBER 2019 RUPEES	SEPTEMBER 2018 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES:		
(Loss) before taxation.	3,897,125	(5,767,682)
Adjustments for:		
Depreciation	10,569,576	8,040,297
Provision for staff retirement gratuity	4,350,000	3,050,000
Loss on disposal of property, plant and equipments	-	-
Finance Cost	326,625	288,661
	19,143,326	5,611,276
Operating cash flows before working capital changes		
Changes in working capital		
(Increase) / decrease in current Assets:		
Store, spare & loose tools.	(4,470,128)	(2,187,315)
Stock in trade	-	(2,493,885)
Contract costs	(8,116,003)	-
Trade debts	12,548,757	570,204
Loans, advances,	4,084,684	2,834,321
Prepayments	(2,525,329)	(2,481,543)
Other receivables	1,142,761	165,468
Tax refunds due from Government.	5,241,939	(2,050,353)
Increase / (decrease) in current liabilities.		
Trade and other payables	1,666,969	4,618,022
	9,573,650	(1,025,081)
Net cash flow from changes in working capital		
Cash generated from / (used in) operations.		
Finance cost paid	(291,390)	(17,682)
Taxes paid	(753,100)	(346,829)
Staff retirement gratuity paid	(1,250,902)	(967,705)
	(2,295,392)	(1,332,216)
Net cash generated from operating activities		
Cash flows from Investing activities		
Additions property, plant and equipment	(2,926,018)	(11,745,599)
Long term deposits	-	-
	(2,926,018)	(11,745,599)
Net cash (used in) investing activities		
Cash flows from financing activities		
Net (decrease) increase in short term bank borrowings	11,876,643	2,646,726
	11,876,643	2,646,726
Net cash (used in) financing activities		
Net (decrease) increase in cash and cash equivalents	35,372,209	(5,844,894)
Cash and cash equivalent at the beginning of the year	4,754,610	46,818,814
Cash and cash equivalents at the end of the year	40,126,819	40,973,920

DATED: OCTOBER 29, 2019
PLACE: FAISALABAD:

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

- 1 The Principal activity of the Company is manufacturing and sale of textile goods.
- 2 These accounts have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting".
- 3 The accounting policies adopted for preparation of these quarterly accounts is the same as adopted in the preceding annual published accounts of the company.
- 4 The quarterly accounts are unaudited and being submitted to the shareholders as required u/s 245 of the Companies Ordinance 1984.
- 5 Amount set aside for workers profit participation fund is provisional, final liability will be determined on the basis of annual results.

	SEPTEMBER 2019 RUPEES	SEPTEMBER 2018 RUPEES
6 COST OF SALES:		
Raw material consumed	5,674,499	4,363,237
Stores & spares consumed	34,443,483	27,671,531
wages salaries and amenities	10,740,874	13,173,327
Sizing expenses	389,346	375,132
Freight, Loading, Unloading	359,431	544,453
Repair & Maintenance	13,295,320	15,106,974
Fuel & Power	9,703,768	7,093,624
Depreciation	706,332	689,194
Insurance	-	-
	75,313,053	69,017,472
Work in process:		
Opening stock	-	2,427,088
Closing stock	-	(4,925,104)
	-	(2,498,016)
Contract Cost		
Opening cost	1,009,789	-
Closing cost	(9,125,792)	-
	(8,116,003)	-
Finished Goods		
Opening stock	3,864,987	941,535
Closing stock	(3,864,987)	(937,403)
	-	4,132
	67,197,050	66,523,588

- 7 Transactions with Associated Undertakings.
- 8 Figures have been rounded off to the nearest rupee.

DATED: OCTOBER 29, 2019
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR