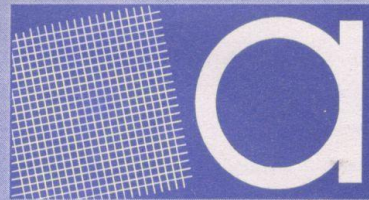


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**3rd. Quarter Report**  
**March 31, 2020**  
**(Unaudited)**

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**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  
MR. SAAD ZUBAIR  
MIRZA MUHAMMAD IDREES

### COMPANY SECRETARY

MR. WASEEM ASHFAQ

### CHIEF FINANCIAL OFFICER (CFO)

MR. MOHAMMAD ANWAR JAWED

### AUDITORS

RSM AVAIS HYDER LIAQAT NAUMAN,  
CHARTERED ACCOUNTANTS

### SHARE REGISTRAR

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

### BANKERS

UNITED BANK LIMITED.

### AUDIT COMMITTEE

MR. SAAD ZUBAIR (CHAIRMAN)  
MRS. SHAZIA AMJAD (MEMBER)  
MR. MOHAMMAD IDREES (MEMBER)

### HUMAN RESOURCES AND REMUNERATION COMMITTEE

MR. AMJAD ASLAM (CHAIRMAN)  
MRS. NAZIA IRFAN (MEMBER)  
MR. SAAD ZUBAIR (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,

The Directors of your Company are pleased to present our 3rd Quarter's un-audited accounts for the period ended 31st March 2020.

### Review of the Results.

Sales during the period were recorded at Rs.290,949 Million compared to the same period were recorded Rs.226.857 Million.

During this period the Operating (Distribution, Administrative & Other) expenses were 10.78% to sales, in comparison to Rs.9.47% in the same period last year. Gross profit for this period is 14.30% in comparison to 9.21% during the same period last year. Financial charges to sales were recorded as 0.14% in comparison to 0.53% in the same period in last year. Cost of goods sold are 85.70% in comparison to 90.79% in the same period last year.

### In the coming days:

Corona Virus spread across the globe has made the world economies come to a stand still with almost every country in the world in a lockdown. It is nothing but evident that the markets would shrink and would make an adverse affect on the demand of textiles, thus a slow down or even a recession in the world is aminent. We hope and pray that either a cure or a vaccine is invented soon to bring normality to the world.

We would like to appreciate the efforts of our staff members for their continuous hard work, our valued customers for their trust in us and cooperation of our suppliers and bankers and of course thankful to Allah almighty for his blessing.

---SD---

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

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT MARCH 31, 2020**

<u><b>EQUITY &amp; LIABILITIES:</b></u>	<u><b>MARCH 31, 2020 RUPEES</b></u>	<u><b>JUNE 30, 2019 RUPEES</b></u>
<b>SHARE CAPITAL AND RESERVES:</b>		
<b>AUTHORISED CAPITAL:</b>		
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
Revaluation surplus on Property Plant and equipment	500,357,672	517,348,940
Revenue Reserves	247,354,569	221,279,700
Unappropriated Profit	1,097,562,241	1,088,478,640
<b>NON CURRENT LIABILITIES:</b>		
<b>Deferred liabilities</b>		
Staff Retirement Gratuity	64,831,749	56,523,081
<b>CURRENT LIABILITIES:</b>		
Trade and Other Payables	26,534,953	19,811,842
Short Term Bank Borrowings	-	7,939,474
Provision for Taxation - income tax	4,240,143	3,000,301
	30,775,096	30,751,617
	<u>1,193,169,086</u>	<u>1,175,753,338</u>
<b>ASSETS:</b>		
<b>NON CURRENT ASSETS</b>		
Property, Plant and Equipment	975,703,573	974,361,422
Long Term Securities Deposits	4,509,782	4,509,782
	<u>980,213,355</u>	<u>978,871,204</u>
<b>CURRENT ASSETS:</b>		
Store, Spares & loose tools.	22,946,393	28,684,175
Stock-in-trade	3,864,987	3,864,987
Contract costs	1,697,390	1,009,789
Trade Debts	55,339,735	59,275,733
Loans and Advances	42,222,649	41,686,141
Deposits and Prepayments	964,739	506,095
Other Receivables.	181,086	1,451,447
Tax Refunds due from Government	48,880,397	55,649,157
Cash and Bank Balances.	36,858,355	4,754,610
	212,955,731	196,882,134
	<u>1,193,169,086</u>	<u>1,175,753,338</u>

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

DATED: APRIL28, 2020  
PLACE: FAISALABAD.

---SD---  
CHIEF EXECUTIVE

---SD---  
DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2020.**

	NOTE	( QUARTER )		( 9 MONTHS )	
		JANUARY - MARCH		JULY - MARCH	
		2020	2019	2020	2019
		RUPEES	RUPEES	RUPEES	RUPEES
SALES		109,552,547	84,287,456	290,949,439	226,857,102
COST OF GOODS SOLD	6	97,832,807	72,638,871	249,331,203	205,971,270
GROSS PROFIT		11,719,740	11,648,585	41,618,236	20,885,832
<b>Other operating income</b>					
Gain on disposal of operating assets		-	-	3,476,162	-
Distribution cost		-	(777,638)	868,120	59,000
Administrative expenses		6,799,863	6,030,505	28,229,326	21,434,820
Other Operating Expenses		-	-	2,258,398	-
Finance cost		28,576	480,422	414,810	1,213,116
		6,828,439	5,733,289	31,770,654	22,706,936
<b>PROFIT BEFORE TAXATION.</b>		4,891,301	5,915,296	13,323,744	(1,821,104)
Provision for taxation		1,519,190	801,789	4,240,143	2,131,821
<b>PROFIT FOR THE YEAR</b>		3,372,111	5,113,507	9,083,601	(3,952,925)
<b>Earning per share - Basic</b>		0.10	0.15	0.26	-0.11

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

DATED: APRIL 28, 2020  
PLACE: FAISALABAD.

---SD---  
CHIEF EXECUTIVE

---SD---  
DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2020.**

	( QUARTER )		( 9 MONTHS )	
	JANUARY - MARCH		JULY - MARCH	
	2020	2019	2020	2019
	<u>RUPEES</u>	<u>RUPEES</u>	<u>RUPEES</u>	<u>RUPEES</u>
Profit/(Loss) for the period	3,372,111	5,113,507	9,083,601	(3,952,925)
Other comprehensive income for the period				
Incremental depreciation on revalued assets	-	-	-	-
Total comprehensive income/(loss) for the period	<u>3,372,111</u>	<u>5,113,507</u>	<u>9,083,601</u>	<u>(3,952,925)</u>

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

DATED: APRIL 28, 2020.  
PLACE: FAISALABAD.

---SD---  
**CHIEF EXECUTIVE**

---SD---  
**DIRECTOR**

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2020.**

	<u>MAR. 31, 2020</u> <u>RUPEES</u>	<u>MAR. 31, 2019</u> <u>RUPEES</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit / (Loss) before taxation.	9,083,601	(3,952,925)
Adjustments for:		
Depreciation	32,555,622	24,192,257
Provision for staff retirement gratuity	13,050,000	9,170,000
Loss on disposal of property, plant and equipments	-	-
Finance Cost	414,810	1,213,116
<b>Operating cash flows before working capital changes</b>	<b>55,104,033</b>	<b>30,622,448</b>
<b>Changes in working capital</b>		
<b>( Increase ) / decrease in current Assets:</b>		
Store, spare & loose tools.	5,737,782	(5,818,645)
Stock in trade	(687,601)	2,427,087
Trade debts	3,935,998	(13,671,461)
Loans, advances,	(536,508)	2,508,814
Deposits and prepayments	(458,644)	(364,655)
Other receivables	1,270,361	793,568
Tax refunds due from Government.	6,768,760	(1,433,720)
<b>Increase / (decrease) in current liabilities.</b>		
Trade and other payables	6,723,111	4,362,770
<b>Net cash flow from changes in working capital</b>	<b>22,753,259</b>	<b>(11,196,242)</b>
<b>Cash generated from / (used in) operations.</b>		
Finance cost paid	(678,761)	(689,496)
Taxes paid	(4,069,143)	(1,943,256)
Staff retirement gratuity paid	(4,741,332)	(3,021,929)
<b>Net cash generated from operating activities</b>	<b>(9,489,236)</b>	<b>(5,654,681)</b>
<b>Cash flows from investing activities</b>		
Additions property, plant and equipment	(44,327,282)	(47,149,432)
Proceeds from disposal of operating asstes	16,002,445	-
<b>Net cash (used in) investing activities</b>	<b>(28,324,837)</b>	<b>(47,149,432)</b>
<b>Cash flows from financing activities</b>		
Net (decrease) increase in short term bank borrowings	(7,939,474)	9,711,345
<b>Net cash (used in) financing activities</b>	<b>(7,939,474)</b>	<b>9,711,345</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>32,103,745</b>	<b>(23,666,562)</b>
<b>Cash and cash equivalent at the beginning of the year</b>	<b>4,754,610</b>	<b>46,818,814</b>
<b>Cash and cash equivalent at the end of the year</b>	<b>36,858,355</b>	<b>23,152,252</b>

DATED: APRIL 28, 2020.  
PLACE: FAISALABAD:

---SD---  
CHIEF EXECUTIVE

---SD---  
DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2020**

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
<b>Total comprehensive income for the period</b>				
profit for the year	-	-	3,454,118	3,454,118
Other comprehensive income				-
Items that ill not be subsequently classified to profit or loss	-	-	-	-
Surplus on revaluation of property, plant and equipment arisen during the year	-	220,358,304	-	220,358,304
Remeasurement of defined benefit liability	-	-	(1,244,809)	(1,244,809)
		220,358,304	2,209,309	222,567,613
Incremental depreciation on revalued assets for the year		(13,162,043)	13,162,043	
Balance as at June 30, 2019	349,850,000	517,348,940	221,279,700	1,088,478,640
<b>Total comprehensive income for the period</b>				
profit for the period	-		9,083,601	9,083,601
Incremental depreciation on revalued assets for the period	-	(16,991,268)	16,991,268	-
	-	(16,991,268)	26,074,869	9,083,601
Balance as at March 31, 2020	349,850,000	500,357,672	247,354,569	1,097,562,241

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

DATED: APRIL 28, 2020  
PLACE: FAISALABAD.

---Sd---  
CHIEF EXECUTIVE

---Sd---  
DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2020.**

- 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.

	QUARTER JANUARY - MARCH		( 9 MONTHS ) JULY - MARCH	
	2020 RUPEES	2019 RUPEES	2020 RUPEES	2019 RUPEES
<b>6 COST OF SALES:</b>				
Raw material consumed	-	-	-	-
Stores & spares consumed	7,726,293	6,279,818	19,621,805	13,765,633
wages salaries and amenities	38,784,931	30,035,859	97,407,488	82,660,893
Sizing expenses	23,290,153	16,317,026	51,602,774	42,162,954
Repair & Maintenance	189,267	(676)	905,995	793,232
Fuel & Power	16,675,408	12,162,610	50,080,981	40,728,544
Depreciation	9,879,921	7,138,221	29,290,559	21,348,525
Insurance	706,330	706,013	2,118,991	2,084,401
Others	(7,411)	-	-	-
	97,244,892	72,638,871	251,028,593	203,544,182
Contract cost	587,915	-	(1,697,390)	-
<b>Work in process:</b>				
Opening stock	-	-	-	2,427,088
Closing stock	-	-	-	-
	97,832,807	72,638,871	249,331,203	205,971,270
<b>Finished Goods</b>				
Opening stock	941,535	941,535	-	941,535
Closing stock	(941,535)	(941,535)	-	(941,535)
	97,832,807	72,638,871	249,331,203	205,971,270

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

DATED: APRIL 28, 2020  
PLACE: FAISALABAD.

---SD---  
CHIEF EXECUTIVE

---SD---  
DIRECTOR

## ڈائریکٹر زر پورٹ برائے حصہ داران اشفاق ٹیکسٹائل ملز لمیٹڈ

محترم حصہ داران، ممبران

کمپنی کے ڈائریکٹر ان کی طرف سے تیسری سہ ماہی کی رپورٹ 31 مارچ، 2020ء حاضر خدمت ہے:

مالیاتی نتائج مندرجہ ذیل ہیں۔

اس دورانیہ میں 290.949 ملین کی فروخت ہوئی۔ پچھلے سال اسی دورانیہ میں 226.857 ملین کی فروخت ہوئی تھی۔

اس دوران آپریٹنگ (ڈسٹری بیوٹن، ایڈمنسٹریشن و دیگر اخراجات) فروخت کا 10.78% فیصدی خرچ آیا۔ پچھلے سال اسی دوران 9.47% فیصدی خرچ آیا تھا۔ مجموعی نفع (بغیر منہائی اخراجات) 14.30% فیصدی ہوا ہے۔ پچھلے سال کا اسی دوران میں 9.21% فیصدی منافع ہوا تھا۔ فنانشل اخراجات، سیل پر 0.14% فیصدی آئے۔ جبکہ سابقہ سال کے اسی دوران میں 0.53% فیصدی اخراجات آئے تھے۔ اس دوران فروخت شدہ اشیاء پر لاگت فروخت کا 85.70% فیصد آیا۔ جبکہ پچھلے سال اسی دوران 90.79% فیصد تھا۔

### آئیوالے وقت کے متعلق:-

دنیا بھر میں کروڑوں نائرس پھیلنے سے عالمی معیشت رُک گئی ہے، دُنیا کے تقریباً ہر ملک میں کرفیو لگا ہوا ہے۔ اس سے صاف طور پر واضح ہے کہ مارکیٹ سُکڑ جائے گی اور ٹیکسٹائل کی طلب پر منفی اثر ڈالے گی۔ اس طرح دُنیا میں ایک سست روی یا اس سے بھی ایک قدم آگے گراؤٹ عام ہوگی ہے۔ ہم امید کرتے ہیں اور دعا کرتے ہیں کہ یا تو علاج ہو جائے یا جلد ہی ایک ویکسین ایجاد ہو تاکہ دُنیا میں معمولات لاسکیں

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