



MUBARAK
TEXTILE MILLS LIMITED

**FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDING
DECEMBER 31, 2019**



BOOK POST
PRINTED MATTER

UNDER POSTAL CERTIFICATE

TO,

If Undelivered Please Return to:

MUBARAK TEXTILE MILLS LIMITED
20 KM Off, Ferozepur Road, Lahore.
Tel: 35950674



MUBARAK TEXTILE MILLS LIMITED

COMPANY PROFILE

BOARD OF DIRECTORS	MR. ZULFIQAR ALI CH. NASEER AHMED MR. ABDUL SHAKOOR MR. SHAKEEL AHMED MR. IMTIAZ HUSSAIN QURESHI MR. NADEEM ABBAS MR. NAFEES IQBAL	CHIEF EXECUTIVE
AUDIT COMMITTEE	MR. NADEEM ABBAS CH. NASEER AHMED MR. NAFEES IQBAL	CHAIRMAN MEMBER MEMBER
COMPANY SECRETARY	MR. ABDUL SHAKOOR	
CHIEF FINANCIAL OFFICER	M. BABAR KHAN	
AUDITORS	M/S. ISHTIAQ AHMAD & CO. CHARTERED ACCOUNTANTS	
SHARE REGISTRAR	HAMEED MAJEED ASSOCIATES (PVT) LTD. H.M. HOUSE, 7-BANK SQUARE, LAHORE.	
BANKERS	HABIB METROPOLITAN BANK LTD FAYSAL BANK LIMITED	
REGISTERED OFFICE / MILLS	20-KM OFF FEROZEPUR ROAD, LAHORE, PAKISTAN. TEL: 042-35950674 FAX: 042-35950675	
WEB	www.mtmpr.com info@mtmpr.com	
E-Mail	mubarak_textile@yahoo.com	



MUBARAK TEXTILE MILLS LIMITED



DIRECTOR'S REVIEW

Dear Members
Asalam-o-Alaikum

The Directors of your Company are pleased to present before you the (reviewed) accounts alongwith Balance Sheet, Profit and Loss account, cash flow statement and statement of changes in equity alongwith Directors' and Auditors review thereon for the half year ended 31st December, 2019.

During the period under review, the Company sustained pre-tax Loss of Rs. 0.443(M) after providing for all the administrative and financial charges including depreciation of Rs. 1.463(M) as compared to pre-tax Loss of Rs. 0.351(M) of corresponding period of the preceding year.

Due to non-favourable working condition and tight liquidity position, the management could not involved in any business activity and relying on the rental income. The management of the Company have a plane to trade in the knitted fabric and manufacturing of knitted garments on conversion basis.

Acknowledgement.

We are also thankful to our Bankers & financial institutions for their continued cooperation.

For and on behalf of the Board

Lahore:
Dated: 25.02.2020

Sd/-
Mr. Zulfiqar Ali
Chief Executive



ڈائریکٹرز جائزہ رپورٹ

معزز شیئر ہولڈرز

مبارک ٹیکسٹائل میلز لمیٹڈ کمپنی کے ڈائریکٹران ششماہی 31 دسمبر 2019

کو مالیاتی کارکردگی پر جائزہ رپورٹ پیش کرتے ہیں۔

رواں سال ششماہی 31 دسمبر 2019 میں کمپنی کو قبل از ٹیکس (M) 0.443 کا خسارہ ہوا ہے

سارے خرچے اور فرسودگی (M) 1.463 نکالنے کے بعد جبکہ عرصہ ششماہی 31 دسمبر 2018 میں نقصان قبل از ٹیکس (M) 0.351 رہا تھا۔

ٹیکسٹائل گارمنٹس انڈسٹری میں مندی کیوجہ اور توانائی کی قیمتیں بڑھنے کی وجہ سے

ناسازگار حالات میں کمپنی کسی کاروبار میں ملوث نہیں ہو سکی۔ تاہم انتظامیہ نٹ ویر

Conversion basis پر چلانے پر کام کر رہی اور اسی فیلڈ میں ٹریڈنگ کرنے کا ہر کام

کر رہی تاکہ کمپنی کو نفع مند بنایا جاسکے۔

انتظامیہ اور لیبر طبقہ میں تعلقات

انتظامیہ اور لیبر میں تعلقات پُر جوش اور ہموار رہے۔ ڈائریکٹرز انتظامیہ ورکرز کی

محنت اور کوشش کو سراہتے ہیں۔

بورڈ کی طرف سے

ذوالفقار علی

چیف ایگزیکٹو آفیسر

بورڈ کی طرف سے

عبدالشکور

ڈائریکٹر

بتاریخ 25.02.2020



INDEPENDENT AUDITOR'S REVIEW REPORT

[see regulation 5]

To the members of Mubarak Textile Mills Limited
Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of M/s. Mubarak Textile Mills Limited as at 31 December 2019 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Safder Zia FCA.

Lahore
25.02.2020

ISHTIAQ AHMAD & Co.
CHARTERED ACCOUNTANTS



MUBARAK TEXTILE MILLS LIMITED

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT DECEMBER 31, 2019

NOTE	Un-Audited December 31, 2019 (Rupees)	Audited June 30, 2019 (Rupees)
<u>NON CURRENT ASSETS</u>		
Property, Plant & Equipment	140,562,247	142,024,924
Long Term Deposits	1,770,408	1,414,408
	142,332,655	143,439,332
<u>CURRENT ASSETS</u>		
Trade Debtors	10,846,043	9,184,983
Loans & Advances	12,000	38,000
Deposits & Prepayments	895,239	1,059,006
Tax Refunds Due From The Government	1,636,039	1,636,039
Cash & Bank Balances	41,588	372,146
	13,430,909	12,290,174
	155,763,564	155,729,506
<u>EQUITY & LIABILITIES</u>		
<u>SHARE CAPITAL & RESERVES</u>		
Issued,Subscribed and Paid-Up Share Capital	54,000,000	54,000,000
Un-Appropriated Loss	(96,680,737)	(96,569,903)
Surplus on Revaluation of Property, Plant & Equipment	5	124,105,597
	81,424,860	82,662,662
<u>NON CURRENT LIABILITIES</u>		
Long Term Loans	41,036,988	41,036,988
Employee benefit Obligation	-	965,992
	41,036,988	42,002,980
<u>CURRENT LIABILITIES</u>		
Trade & Other Payables	32,506,677	29,499,245
Interest & Mark up accrued on Loans	-	-
Short Term Borrowings	-	-
Provision for Taxation	6	795,039
	33,301,716	31,063,864
	155,763,564	155,729,506

The annexed notes form an integral part of this condensed interim financial information.

Sd/-
(Mr. Zulfiqar Ali)
Chief Executive

Sd/-
(Mr. Babar Khan)
Chief Financial Officer

Sd/-
(Mr. Nafees Iqbal)
Director



MUBARAK TEXTILE MILLS LIMITED

CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	Half year ended		Quarter ended	
	Un-Audited 01 Jul., 2019 to 31 Dec., 2019 (Rupees)	Un-Audited 01 Jul., 2018 to 31 Dec., 2018 (Rupees)	Un-Audited 01 Oct., 2019 to 31 Dec., 2019 (Rupees)	Un-Audited 01 Oct., 2018 to 31 Dec., 2018 (Rupees)
Processing Receipts / Sale	-	-	-	-
Cost of goods sold	-	-	-	-
Gross Profit / (Loss)	-	-	-	-
Administrative & General expenses	(4,279,343)	(3,904,094)	(2,084,292)	(1,790,381)
Operating Profit / (Loss)	(4,279,343)	(3,904,094)	(2,084,292)	(1,790,381)
Other Income	3,837,060	3,554,663	1,952,460	1,882,154
	(442,283)	(349,431)	(131,832)	91,773
Finance cost	(481)	(2,402)	(87)	(1,392)
Profit /(Loss) before taxation	(442,764)	(351,833)	(131,919)	90,381
Taxation	(795,039)	(390,266)	(606,579)	(223,016)
Profit /(Loss) after taxation	(1,237,803)	(742,099)	(738,498)	(132,635)
Rupees				
Earning /(Loss) per Share (Note 7)	(0.23)	(0.14)	(0.14)	(0.02)

The annexed notes form an integral part of this condensed interim financial information.

Sd/-
(Mr. Zulfiqar Ali)
Chief Executive

Sd/-
(Mr. Babar Khan)
Chief Financial Officer

Sd/-
(Mr. Nafees Iqbal)
Director



MUBARAK TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	Half year ended		Quarter ended	
	Un-Audited 01 Jul., 2019 to 31 Dec., 2019 (Rupees)	Un-Audited 01 Jul., 2018 to 31 Dec., 2018 (Rupees)	Un-Audited 01 Oct., 2019 to 31 Dec., 2019 (Rupees)	Un-Audited 01 Oct., 2018 to 31 Dec., 2018 (Rupees)
Profit / (Loss) after taxation for the period	(1,237,803)	(742,099)	(738,498)	(132,635)
Other Comprehensive Income:				
Incremental Depreciation transferred from revaluation surplus	1,126,969	1,187,667	563,484	593,834
Total Comprehensive Income / (Loss) for the period	(110,834)	445,568	(175,014)	461,199

The annexed notes form an integral part of this condensed interim financial information.

Sd/-
(Mr. Zulfiqar Ali)
Chief Executive

Sd/-
(Mr. Babar Khan)
Chief Financial Officer

Sd/-
(Mr. Nafees Iqbal)
Director



MUBARAK TEXTILE MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (Un-Audited) FOR THE PERIOD OF SIX MONTHS ENDED DECEMBER 31, 2019

	Un-Audited 01 Jul., 2019 to 31 Dec., 2019 (RUPEES)	Un-Audited 01 Jul., 2018 to 31 Dec., 2018 (RUPEES)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	(442,764)	(351,833)
Add/(Less): Adjustment for non cash charges and other items		
Depreciation	1,462,679	1,544,743
Tax Refund Due from Government	-	105,016
Finance cost	481	2,402
	1,463,160	1,652,161
Profit/(Loss) before changes in working Capital	1,020,396	1,300,328
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES		
(Increase) /decrease in current assets		
Trade debtors	(1,661,060)	(763,230)
Loans and advances	26,000	(21,900)
Deposits and prepayments	163,767	495,682
Increase/(decrease) in current liabilities	-	-
Trade & Other Payables	3,007,432	552,872
	1,536,139	263,424
Cash generated from operations	2,556,535	1,563,752
Finance cost paid	(481)	(2,402)
Tax paid	(1,564,620)	(1,184,750)
Employee benefit paid	(965,992)	(827,577)
Net cash inflow from operating activities	25,442	(450,977)
CASH FLOW FROM INVESTING ACTIVITIES	(356,000)	-
	(330,558)	(450,977)
CASH FLOW FROM FINANCING ACTIVITIES		
Loans received / (paid)	-	500,000
Net increase/(decrease) in cash & cash equivalents	(330,558)	49,023
Cash & cash equivalents at the beginning of the period	372,146	82,989
Cash & cash equivalents at the end of the period	41,588	132,012

Sd/-
(Mr. Zulfiqar Ali)
Chief Executive

Sd/-
(Mr. Babar Khan)
Chief Financial Officer

Sd/-
(Mr. Nafees Iqbal)
Director



MUBARAK TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD OF SIX MONTHS ENDED DECEMBER 31, 2019

	SHARE CAPITAL (RUPEES)	UNAPPROPRIATED PROFIT/(LOSS) (RUPEES)	TOTAL (RUPEES)
Balance as at June 30, 2018	54,000,000	(98,397,571)	(44,397,571)
Total Comprehensive Income / (Loss) for the period	-	445,568	445,568
Balance as at December 31, 2018	54,000,000	(97,952,004)	(43,952,004)
Total Comprehensive Income / (Loss) for the period	-	1,827,668	1,827,668
Balance as at June 30, 2019	54,000,000	(96,569,903)	(42,569,903)
Total Comprehensive Income / (Loss) for the period		(110,834)	(110,834)
Balance as at December 31, 2019	54,000,000	(96,680,737)	(42,680,737)

The annexed notes form an integral part of this condensed interim financial information.

Sd/-
(Mr. Zulfiqar Ali)
Chief Executive

Sd/-
(Mr. Babar Khan)
Chief Financial Officer

Sd/-
(Mr. Nafees Iqbal)
Director



MUBARAK TEXTILE MILLS LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE PERIOD OF SIX MONTHS ENDED DECEMBER 31, 2019

1) The company was incorporated on 11th August 1991, as Private Limited Company and was subsequently converted into Public Limited Company with its share quoted in Pakistan on the Karachi and Lahore Stock Exchanges. The project is a composite knitwear unit comprising of knitting, dying, finishing and embroidery. Presently the company is involved in Processing of Dyed Fabrics. The registered office of the company is situated at 20 K.M Off Ferozepur road Lahore.

2) This condensed interim financial report has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" and have been reviewed by the Auditors as required by the Code of Corporate Governance. Accounting policies and methods of computation adopted in the preparation of accounts for the period ended June 30, 2019 have been consistently applied.

New standards , amendments to approved accounting standards and new interpretations which became effective during the six months period ended December 31, 2019:

There were certain new standards , amendments to the approved accounting standards and new interpretation issued by the international financial reporting interpretations committee(IFRIC) which became effective during the period but are considered not to be relevant or have any significant effect on the company's operations and are, therefore, not disclosed in these financial statements.

New standards, amendments to approved accounting standards and new interpretations that are not yet effective and have not been early adopted by the company:

There are certain new amendments to the approved accounting standards that are mandatory for accounting periods beginning after July 1, 2019, but are considered not to be relevant or have any significant effect on the company's operations and are, therefore, not disclosed in these financial statements.

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the financial statements for the year ended June 30, 2019.

3) The company has suffered a Loss of Rs. 1.237 million (Loss of Rs. 0.712 million: June 30, 2019) during the period its accumulated losses as at December 31, 2019 were Rs. 96.680 million (Rs. 96.569 million: June 30, 2019). As of this date, the company's current liabilities exceeded it's current assets by Rs. 19.870 million (Rs. 18.773 million: June 30, 2019). These factors raise substantial doubts that company will be able to continue as a going concern and therefore may be unable to realise it's assets or discharge it's liabilities in the normal course of business.

The management has planned to enter in trading business in the near future, however to sustain the current working capital requirements the management has leased out its property (building).

The condensed interim financial report has been prepared on a going concern basis on the assumption that company would be able to obtain the working capital from the sources referred above.

The condensed interim financial report do not include adjustments relating to recoverability and classification of recorded assets amount and classification of liabilities that may be necessary to continue as a going concern.

4) The condensed interim financial report is un-audited and is being submitted to the share holders as required by section 237 of the Companies Act, 2017.



MUBARAK TEXTILE MILLS LIMITED

5) SURPLUS ON REVALUATION OF PROPERTY, PLANT & EQUIPMENT

	December 31, 2019	June 30, 2019
Surplus on revaluation of Property, Plant & Equipment	125,232,565	127,607,898
Add: Revaluation Surplus during the year	-	-
Less:		
Incremental depreciation for the period transferred to condensed interim statement of changes in equity	(1,126,969)	(2,375,333)
	124,105,597	125,232,565

6) PROVISION FOR TAXATION

6.1 Current period taxation represents tax payable under normal law of the Income Tax Ordinance 2001 and is based on estimate only. However, final liability shall be determined on the basis of the annual results.

6.2 As company has ceased its operation its solely income is income from property. Therefore, company was not required to provide the deferred taxation as there will be no timing difference as per IAS-12 "Income Taxes".

7) EARNING/ (LOSS) PER SHARE

	December 31, 2019 Six Months Ended	December 31, 2018 Six Months Ended	December 31, 2019 Quarter Ended	December 31, 2018 Quarter Ended
Profit / (Loss) for the period	(1,237,803)	(742,099)	(738,498)	(132,635)
	No of shares			
Shares in issue	5,400,000	5,400,000	5,400,000	5,400,000
	Rupees			
Earning/ (Loss) per share	(0.23)	(0.14)	(0.14)	(0.02)

8) In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting" condensed interim balance sheet has been compared with the balances of annual financial statement, whereas profit & loss account and cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

9) This condensed interim financial report was authorised for issue by the board of directors on 25.02.2020.

10) FIGURES

Corresponding figures have been restated and rearranged wherever necessary, for the purpose of comparison.

Figures have been rounded off to nearest rupee.

Sd/-
(Mr. Zulfiqar Ali)
Chief Executive

Sd/-
(Mr. Babar Khan)
Chief Financial Officer

Sd/-
(Mr. Nafees Iqbal)
Director