

# AHMAD HASSAN TEXTILE MILLS LIMITED

## CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT MARCH 31, 2021

	March 31, 2021 Un-Audited Rupees	June 30, 2020 Audited Rupees
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	2,539,703,999	2,573,275,441
Investment property	-	43,311,500
Intangible assets	42,185	76,699
Long term deposits	12,786,877	12,617,377
Long term investment	-	-
	2,552,533,061	2,629,281,017
<b>CURRENT ASSETS</b>		
Stores, spare parts and loose tools	65,345,427	78,334,628
Stock-in-trade	1,212,423,830	1,098,590,926
Trade debts	428,829,293	609,448,391
Loans and advances	409,359,754	95,984,647
Due from Government	79,434,043	53,309,289
Other receivables	9,520,804	7,105,167
Short term investment	31,668,560	46,680
Cash and bank balances	48,606,668	12,342,710
	2,285,188,379	1,955,162,438
<b>TOTAL ASSETS</b>	<b>4,837,721,440</b>	<b>4,584,443,455</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorized share capital	200,000,000	200,000,000
Issued, subscribed and paid up share capital	144,082,488	144,082,488
Capital reserve	32,746,284	32,746,284
Surplus on revaluation of property, plant and equipment	580,620,448	598,128,563
Revenue reserve - unappropriated profit	1,257,718,716	1,049,705,459
	2,015,167,936	1,824,662,794
Subordinated loans	105,000,000	105,000,000
<b>NON-CURRENT LIABILITIES</b>		
Long term loans and financing	426,833,145	509,856,710
Liabilities against assets subject to finance lease	1,265,126	2,108,206
Deferred income - government grant	541,495	1,608,850
Deferred taxation	174,962,398	187,465,162
	603,602,164	701,038,928
<b>CURRENT LIABILITIES</b>		
Trade and other payables	939,180,629	860,213,907
Unclaimed dividend	6,657,163	3,376,878
Finances under markup arrangements and other credit facilities	925,183,064	920,907,233
Current portion of non-current liabilities	146,237,929	42,137,973
Accrued finance cost	26,238,892	37,646,441
Provision for taxation	70,453,663	89,459,301
	2,113,951,340	1,953,741,733
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,837,721,440</b>	<b>4,584,443,455</b>

Sd/-  
Chief Executive

## CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2021

	Nine months period ended		Quarter ended	
	Mar 31, 2021	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020
	Rupees	Rupees	Rupees	Rupees
Sales - net	5,847,888,385	6,009,047,390	2,078,509,771	2,031,878,444
Cost of sales	(5,371,900,707)	(5,449,055,128)	(1,925,426,717)	(1,857,525,480)
<b>Gross profit</b>	<b>475,987,678</b>	<b>559,992,262</b>	<b>153,083,054</b>	<b>174,352,964</b>
Other income / (loss)	(634,878)	-	(900,638)	-
Profit on trading	1,856,786	160,300	1,741,786	-
Distribution cost	(39,127,882)	(37,900,136)	(18,757,150)	(9,826,854)
Administrative expenses	(58,355,494)	(57,127,219)	(20,970,753)	(20,923,731)
Other operating expenses	(22,882,574)	(17,967,219)	(5,115,940)	(5,942,764)
	(119,144,042)	(112,834,274)	(44,002,695)	(36,693,349)
<b>Profit before finance cost</b>	<b>356,843,636</b>	<b>447,157,988</b>	<b>109,080,359</b>	<b>137,659,615</b>
Finance cost	(87,396,004)	(170,391,791)	(29,403,729)	(55,415,505)
<b>Profit before taxation</b>	<b>269,447,632</b>	<b>276,766,197</b>	<b>79,676,630</b>	<b>82,244,110</b>
Taxation	(57,330,120)	(100,073,489)	5,154,602	(26,314,749)
<b>Profit after taxation</b>	<b>212,117,512</b>	<b>176,692,708</b>	<b>84,831,232</b>	<b>55,929,361</b>
Earnings per share - basic and diluted	14.72	12.26	5.89	3.88

## NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD OF NINE MONTHS ENDED AT MARCH 31, 2021

- These un-audited accounts are being presented to the shareholders as required under SECP notification No.764(1)/2001 dated 05-11-2001 and in accordance with the requirements of International Accounting Standard-34 "Interim Financial Reporting".
- Accounting policies adopted for the preparation of these quarterly accounts are the same as adopted in the preceding annual accounts.
- Figures from previous year have been re-arranged for the purpose of comparison wherever necessary.
- Figures in these accounts have been rounded off to the nearest rupee.
- Provisions for taxation has been calculated on turnover basis.

Sd/-  
Director

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE PERIOD OF NINE MONTHS ENDED MARCH 31, 2021

	Nine months period ended	
	Mar 31, 2021	Mar 31, 2020
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>269,447,632</b>	<b>276,766,197</b>
Profit before taxation	269,447,632	276,766,197
Adjustments for:		
Depreciation on property, plant and equipment	64,665,548	103,721,032
Amortization on intangible asset	34,514	34,514
Gain on sale of property, plant and equipment	-	-
Unrealized loss on re-measurement of investment	651,101	11,440
Finance cost	87,396,004	170,391,791
	152,747,167	274,158,777
Operating cash flows before movements in working capital (Increase) / decrease in current assets	422,194,799	550,924,974
Stores, spares and loose tools	12,989,201	10,877,402
Stock in trade	(113,832,904)	(307,951,959)
Trade debts	180,619,098	(213,809,012)
Loans and advances (excluding advance income tax)	(327,050,929)	14,561,490
Tax refunds due from government	(26,124,754)	2,169,717
Other receivables	(2,415,637)	(6,072,617)
<b>Increase / (decrease) in current liabilities</b>	<b>78,966,722</b>	<b>194,819,953</b>
Trade and other payables	(196,849,203)	(305,405,026)
	225,345,596	245,519,948
<b>Cash generated from operations</b>	<b>(75,162,698)</b>	<b>(62,136,211)</b>
Income tax paid - net		-
Long term deposits (given) / received back - net	(75,162,698)	(62,136,211)
	150,182,898	183,383,737
<b>Net cash generated from operating activities</b>	<b>(20,225,087)</b>	<b>8,523,462</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(31,094,106)	(9,313,552)
Proceeds from disposal of property, plant and equipment	-	-
Proceeds from disposal of Long term investment	43,311,500	17,837,014
Long term deposits	(169,500)	-
Purchase of computer software	-	-
Short term investments	(32,272,981)	-
Dividend income	-	-
Mark-up on security deposit with SNGPL	-	-
<b>Net cash (used in) / generated from investing activities</b>	<b>(20,225,087)</b>	<b>8,523,462</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finances obtained	40,335,921	-
Repayment of long term finances	(20,326,885)	(110,036,803)
Repayment of finance lease	(843,080)	(2,556,431)
Dividend paid	(18,332,087)	(15,774,315)
Short term finances - net	4,275,831	91,272,487
Finance cost paid	(98,803,553)	(168,333,273)
<b>Net cash (used in) financing activities</b>	<b>(93,693,853)</b>	<b>(205,428,335)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>36,263,958</b>	<b>(13,521,136)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>12,342,710</b>	<b>16,765,243</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>48,606,668</b>	<b>3,244,107</b>

Sd/-  
Chief Financial Officer

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE PERIOD OF NINE MONTHS ENDED MARCH 31, 2021

	Share Capital  Issued, subscribed and paid up capital	Reserves			Total
		Capital		Revenue	
		Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	
Rupees					
Balance as at June 30, 2019 (Audited)	144,082,488	32,746,284	742,422,219	921,685,893	1,840,936,884
Distribution to owners:					
Final cash dividend of Rs. 1.25 per share for the year ended June 30, 2019	-	-	-	(18,010,310)	(18,010,310)
Total comprehensive income for the period:	-	-	-	120,763,347	120,763,347
Profit for the period	-	-	(118,777,753)	-	(118,777,753)
Other comprehensive income for the period	-	-	(118,777,753)	120,763,347	1,985,594
Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax)					
	-	-	(13,576,454)	13,576,454	-
Balance as at March 31, 2019 (Un-audited)	144,082,488	32,746,284	610,068,012	1,038,015,384	1,824,912,168
Total comprehensive income for the period:					
Profit for the period	-	-	-	267,460	267,460
Other comprehensive income for the period	-	-	(516,835)	-	(516,835)
	-	-	(516,835)	267,460	(249,375)
Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax)					
	-	-	(11,422,614)	11,422,614	-
Balance as at June 30, 2019 (Audited)	144,082,488	32,746,284	598,128,563	1,049,705,458	1,824,662,793
Distribution to owners:					
Final cash dividend of Rs. 1.25 per share for the year ended June 30, 2019	-	-	-	(21,612,372)	(21,612,372)
Total comprehensive income for the period:	-	-	-	212,117,512	212,117,512
Profit for the period	-	-	-	212,117,512	212,117,512
Other comprehensive loss for the period	-	-	-	-	-
	-	-	-	212,117,512	212,117,512
Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax)					
	-	-	(17,508,116)	17,508,116	-
Balance as at March 31, 2021 (Un-audited)	144,082,488	32,746,284	580,620,447	1,257,718,714	2,015,167,933

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2021

	Nine months period ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	Rupees	Rupees	Rupees	Rupees
<b>Profit for the period</b>	<b>212,117,512</b>	<b>176,692,708</b>	<b>84,831,232</b>	<b>55,929,361</b>
Other comprehensive loss for the period: Items that will not be subsequently reclassified to profit or loss:				
Impact of revaluation carried out during the period	-	-	-	-
Less: related deferred tax	-	-	-	-
	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>212,117,512</b>	<b>176,692,708</b>	<b>84,831,232</b>	<b>55,929,361</b>

# ACCOUNTS

## For the Third Quarter & Nine Months Period Ended March 31, 2021 (Un-Audited)



**AHMAD HASSAN TEXTILE MILLS LTD.**

### BOARD OF DIRECTORS

1. Mian Muhammad Javed	- Chairman/ Non-Executive Director
2. Mr. Muhammad Aurangzeb	- Chief Executive / Executive Director
3. Mr. Muhammad Haris	- Executive Director
4. Mr. Muhammad Jahanzaib	- Executive Director
5. Mrs. Salma Javed	- Non-Executive Director
6. Mrs. Waheeda Parvaiz	- Non-Executive Director
7. Mr. Ali Kamal	- Independent Director
8. Mr. Naz̄er Ahmed Khan	- Independent Director

### DIRECTORS' REVIEW

In the name of Allah, the Most Beneficent, the Merciful

**Dear Shareholders,**

We have pleasure in presenting the un-audited accounts of your Company for the Nine months ended March 31, 2021.

### SUMMARIZED FINANCIAL RESULTS:

	March 2021 (Rupees)	March 2020 (Rupees)
Sales Net	5,847,888,385	6,009,047,390
Gross Profit	475,987,678	559,990,262
Profit After Taxation	212,117,512	176,692,708
G.P Ratio	8.14%	9.32%
Earnings Per Share	14.72	12.26

### REVIEW OF OPERATIONS:

During the period under review, our gross profit margin has a valuable impact on the profitability of the Company, which is also reflected in our financial statements by increasing our profit after tax from 176.693 million to 212.117 million. Our distribution cost decreased by 3.24%, admin cost increased by 2.15% and finance cost decreases by 48.71% because of low utilization of limits and curtailment in interest rate, scenario for the period under review as compared to same period of last year.

### FUTURE OUTLOOK

2021 is not happening the way we imagined, we all going through the challenging time in our lives with COVID-19, managing both our professional and personal lives has become difficult and all of us are wondering what new normal would be like. Third wave of COVID -19, which affects our life and expected lock down would affects our profits in future. This situation doubly challenging for us. We are still waiting for the clear textile policy may be announced by Govt. of Pakistan, Which is going to have positive impact on textile sector in general and to our company in particular.

Besides of increasing trend of raw material prices, energy cost, your directors are passionate to maintain high profit margin and reducing the cost of doing business by adding Solar Energy system. For this purpose, we are contacting with banks to avail the finance and to enjoy the benefits in reduction of energy cost.

We hope all of your directors' sincerely efforts towards there deduction in business cost; will result in increase in shareholder's wealth and stakeholder's interest in your Company.

The 'Scheme of Arrangement' for reconstruction of the Company has been approved by the Board of Directors and members. Accordingly petition for approval of the same has been filed by the legal consultant with the Lahore High Court, Multan Bench, which is pending adjudication.

### ACKNOWLEDGMENT

Your Directors place on record their deep appreciation for the efforts made by the workers and staff of the Company for their deep devotion to work.

Your Directors would also like to express their thanks to the Shareholders and Financial Institutions for their support and assistance.

On behalf of the Board of Directors

Multan

Dated: April 29, 2021

Chief Executive

Director

## ڈائریکٹرز کی جائزہ رپورٹ

شروع اللہ کے نام سے جو نہایت مہربان اور رحم کرنے والا ہے

محترم حصہ داران!

ہمیں 31 مارچ 2021 کو ختم ہونے والے نو ماہ کے لئے آپ کی کمپنی کے غیر آڈٹ شدہ اکاؤنٹس پیش کرنے میں خوشی ہے۔

### مالیاتی نتائج کا خلاصہ

مارچ 2021ء (روپوں میں)	مارچ 2020ء (روپوں میں)	کل رقم فروختگی
5,847,888,385	6,009,047,390	کل منافع
475,987,678	559,992,262	شرح منافع
212,117,512	176,692,708	بعد ادا کی گئی ٹیکس منافع
8.14%	9.32%	
14.72	12.26	

### کاروباری امور کا جائزہ

زیر نظر مدت کے دوران، ہمارے مجموعی منافع کا مارجن کمپنی کے منافع پر گہرا اثر ڈالتا ہے۔ جس کی عکاسی ہمارے

مالیاتی گوشواروں میں ٹیکس کے بعد ہمارے منافع کو 176.693 ملین سے بڑھا کر 212.117 ملین کر دیا ہے، ہماری

تقسیمی لاگت میں 3.25 فیصد، ایڈمن لاگت میں 2.15 فیصد اور ٹرانس لاگت میں 48.71 فیصد کی، لمٹ کے کم

استعمال اور شرح سود میں کمی کی وجہ سے ہوئی ہے، گزشتہ سال کی اسی مدت کے مقابلے میں زیر جائزہ مدت کے منظر نامے

میں کمی واقع ہوئی ہے۔

### مستقبل کا نقطہ نظر:

2021ء میں اس طرح نہیں ہو رہا جس طرح ہم نے تصور کیا تھا۔ ہم سب کو ویڈ۔19 کے ساتھ اپنی زندگی کے مشکل

وقت سے گزر رہے ہیں۔ ہماری پیشہ وارانہ اور ذاتی زندگی دونوں کا انتظام مشکل ہو گیا ہے اور ہم سب حیران ہیں کہ نیا

معمول کیسا ہوگا۔ کوویڈ۔19 کی تیسری لہر جو ہماری زندگی کو متاثر کر رہی ہے اور متوقع لاک ڈاؤن مستقبل میں ہمارے منافع

کو متاثر کرے گا۔ یہ صورتحال ہمارے لئے دو گنا چیلنج ہے۔ ہم ابھی انتظار کر رہے ہیں کہ حکومت پاکستان کی جانب سے

واضح ٹیکسٹائل پالیسی کا اعلان کیا جائے جس کے عام طور پر ٹیکسٹائل سیکٹر اور خاص طور پر ہماری کمپنی پر مثبت اثرات مرتب ہوں۔

خام مال کی قیمتوں، توانائی لاگت کے اضافے کے رجحان کے علاوہ، آپ کے ڈائریکٹر زیادہ منافع کے مارجن کو برقرار

رکھنے اور سستی توانائی کے نظام کو شامل کر کے کاروبار کرنے کی لاگت کو کم کرنے کے شوقین ہیں۔ اس مقصد کے لئے ہم

مالیات سے فائدہ اٹھانے اور توانائی کی لاگت میں کمی کے فوائد سے لطف اندوز ہونے کے لئے بنکوں سے رابطہ کر رہے ہیں۔

ہمیں امید ہے کہ آپ کے تمام ڈائریکٹرز کاروبار کی لاگت میں کمی کے لئے خلوص نیت سے کوشش کریں گے۔ جس

کے نتیجے میں شیئر ہولڈرز کی دولت میں اضافہ ہوگا اور آپ کی کمپنی میں اسٹیک ہولڈر کی دلچسپی بڑھے گی۔ کمپنی کی تعمیر نو کے

لئے انتظام کی اسکیم کو بورڈ آف ڈائریکٹرز اور ممبران نے منظوری دے دی ہے۔ اس کے مطابق قانونی مشیر کی جانب سے

اس کی منظوری کے لئے درخواست لاہور ہائیکورٹ ملتان بینچ میں دائر کی گئی ہے جو کہ فیصلہ کرنے کے لئے زیر التوا ہے۔

### اعتراف

آپ کے ڈائریکٹرز کام کے لئے گہری عقیدت کے لئے کمپنی کے کارکنوں اور عملے کی کوششوں کے لیے اپنی گہری

تقریف کو ریکارڈ پر رکھتے ہیں۔

آپ کے ڈائریکٹر، شیئر ہولڈرز اور مالی اداروں کی معاذت اور مدد پر ان کا بھی شکریہ ادا کرنا چاہیں گے۔

بورڈ آف ڈائریکٹرز کی جانب سے

ملتان

29 اپریل 2021

چیف ایگزیکٹو

ڈائریکٹر