

MQBOOL

TEXTILE MILLS LIMITED.

Third Quarter and Nine Months Unaudited Financial Statements
for the Period Ended 31st March, 2021

DIRECTORS' REVIEW

Dear Shareholders,

Your Directors are pleased to present before you the financial statements of your Company for the nine months period and the third quarter ending on March 31, 2021.

During the period under report, the prices of raw material i.e. Cotton, Polyester Fibre & Viscose increased significantly without corresponding increase in prices of yarn. Despite the above, your Company has achieved better financial results due to better quality production and best marketing. The total sales, for the period were **Rs.5,302,776,192/-** & **Rs.1,866,825,509/-** for the nine months and the third quarter ended on March 31, 2021 respectively as compared to **Rs. 4,863,158,948/-** & **Rs.1,588,647,603/-** for the nine months and the third quarter respectively last year. Under the circumstances, your Company earned **Pre-Tax Profit of Rs.136,494,690/-** for the nine months period ending on March 31, 2021 which after providing the tax liability amounted to **Rs.51,310,383/-** and for the third quarter ending on March 31, 2021 the **Pre-Tax profit of Rs.19,407,487/-** which after providing the tax liability amounted to **Rs.19,223,150/-**

We sincerely believe and hope that by the grace of Almighty Allah the current situation improves soon and mills will start its operations where after the recovery of financial position of the Company is expected.

On behalf of the Board

Sd/-

Mian Tanvir Ahmad Sheikh

Chairman

Place: Multan

Dated: 23-04-2021

BALANCE SHEET
AS AT MARCH 31, 2021
(Un-Audited)

	March 31, 2021 Rupees	June 30, 2020 Rupees
ASSETS		
Non-current assets		
Property, plant and equipment	2,897,058,775	2,787,728,910
Long term deposits	10,266,514	8,181,889
	2,907,325,289	2,795,910,799
Current assets		
Stores and spares	93,789,266	61,100,864
Stock in trade	1,173,646,879	1,381,199,453
Trade debts	556,714,690	599,099,932
Loans and advances and prepayments	135,795,314	100,320,310
Due from Government	181,948,328	153,999,330
Advance tax	90,085,663	108,749,891
Cash and bank balances	42,522,559	35,504,251
	2,274,502,698	2,439,974,031
Total assets	5,181,827,987	5,235,884,830
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	168,000,000	168,000,000
General reserve	168,000,000	168,000,000
Surplus on revaluation of property, plant and equipment - net of deferred tax	1,104,999,653	1,133,642,519
Unappropriated profits	505,132,251	425,179,002
	1,946,131,904	1,894,821,521
Non-current liabilities		
Long term financing	351,814,232	288,553,256
Deferred grant	13,411,987	-
Long term loans from related parties	73,383,139	55,083,139
Lease liabilities	8,777,413	12,302,245
Deferred taxation	380,902,107	345,219,432
Staff retirement benefits - gratuity	37,233,522	37,953,766
	865,522,400	739,111,838
Current liabilities		
Trade and other payables	460,675,773	363,392,411
Accrued mark up	44,997,735	57,472,099
Short term borrowings	1,574,913,355	2,025,910,229
Unclaimed dividend	3,052,032	3,052,032
Unpaid dividend	6,711,207	9,851,010
Current portion of long term financing	215,732,928	58,123,114
Current portion of deferred grant	5,398,530	-
Current portion of lease liabilities	3,743,446	2,380,410
Provision for tax	54,948,675	81,770,166
	2,370,173,682	2,601,951,471
Contingencies and commitments	-	-
Total equity and liabilities	5,181,827,987	5,235,884,830

Chief Executive Officer

Director

Chief Financial Officer

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED MARCH 31, 2021
(Un-Audited)

	Jul. 01, 2020 to Mar. 31, 2021 Rupees	Jul. 01, 2019 to Mar. 31, 2020 Rupees	Jan. 01, 2021 to Mar. 31, 2021 Rupees	Jan. 01, 2020 to Mar. 31, 2020 Rupees
Sales	5,302,776,192	4,863,158,948	1,866,825,509	1,588,647,603
Cost of goods sold	(4,844,918,086)	(4,390,287,825)	(1,734,111,846)	(1,452,891,484)
Gross Profit	457,858,106	472,871,123	132,713,663	135,756,119
Other operating income	520,626	773,408	-	749,894
	458,378,732	473,644,531	132,713,663	136,506,013
Distribution cost	(40,989,423)	(51,255,236)	(12,406,733)	(17,516,573)
Administrative expenses	(119,149,707)	(94,738,575)	(36,866,990)	(22,838,101)
Other operating expenses	(8,394,793)	(11,376,909)	595,941	6,713,715
	(168,533,923)	(157,370,720)	(48,677,782)	(33,640,959)
Finance cost	(153,350,119)	(199,284,130)	(64,628,394)	(67,736,136)
Profit before taxation	136,494,690	116,989,681	19,407,487	35,128,918
Provision for Taxation	(85,184,307)	(75,790,399)	(184,337)	(19,879,600)
Profit for the period	51,310,383	41,199,282	19,223,150	15,249,318
Other comprehensive profit/(loss) for the period - net of tax	-	-	-	-
	51,310,383	41,199,282	19,223,150	15,249,318
Earnings per share	3.05	2.45	1.14	0.91

NOTES TO THE ACCOUNTS

- 1- These un-audited financial statements are being presented to the shareholders as required under SECP Notification No. SRO 746(1)2001 dated 05-11-2001 and in accordance with the requirements of International Accounting Standard-34 "Interim Financial Reporting".
- 2- Accounting policies adopted for the preparation of these quarterly accounts are the same as adopted in the preceding periodic financial statements.
- 3- Figures in these accounts have been rounded off to the nearest rupee.

Chief Executive Officer

Director

Chief Financial Officer

CASH FLOW STATEMENT

FOR THE PERIOD ENDED MARCH 31, 2021

(Un-Audited)

	March 31, 2021 Rupees	March 31, 2020 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	136,494,690	116,989,681
Adjustments for:		
Depreciation	94,500,000	94,475,080
Provision for gratuity	22,095,329	21,536,346
Finance cost	153,350,119	199,284,130
	<u>269,945,448</u>	<u>315,295,556</u>
Operating cash flows before working capital changes	406,440,138	432,285,237
(Increase)/decrease in current assets		
Stores and spares	(32,688,402)	(1,863,023)
Stock-in-trade	207,552,574	(402,237,676)
Trade debts	42,385,242	42,874,043
Loans and advances	(35,475,004)	376,573
Tax refunds due from government	(27,948,998)	3,029,411
	153,825,413	(357,820,671)
(Decrease)/increase in current liabilities		
Trade and other payables	116,093,879	(164,469,840)
Cash generated from operations	676,359,430	(90,005,274)
Income tax paid	(57,658,895)	(65,594,435)
Gratuity paid	(22,815,573)	(12,394,747)
Finance cost paid	(165,824,483)	(171,947,386)
	(246,298,950)	(249,936,569)
Net cash generated from operating activities	430,060,479	(339,941,843)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(203,829,865)	(113,491,895)
Long-term deposits	(2,084,625)	(2,411,400)
Net cash used in investing activities	(205,914,490)	(115,903,295)
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquired/(Repayment) of Long-term finances	237,008,994	113,043,360
Short-term borrowings - net	(450,996,874)	342,694,374
Dividend paid	(3,139,803)	(17,785,641)
Net cash used in financing activities	(217,127,683)	437,952,093
Net increase/(decrease) in cash and cash equivalents	7,018,307	(17,893,045)
Cash and cash equivalents at the beginning of the year	35,504,251	20,709,594
Cash and cash equivalents at the end of the period	<u>42,522,559</u>	<u>2,816,550</u>

Chief Executive Officer

Director

Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2021
(Un-Audited)**

Un-Audited)

	Share capital	Capital Reserve	Revenue reserves		Total
	Issued, subscribed and paid-up	Surplus on revaluation of Property, Plant and Equipment	General reserve	Unappropriated profit	
	----- Rupees -----				
Balance as at July 01, 2019	168,000,000	1,187,724,932	168,000,000	370,168,634	1,893,893,566
Profit for the nine months ended March 31, 2020	-	-	-	41,199,282	41,199,282
Other comprehensive income for the period	-	-	-	-	-
	-	-	-	41,199,282	41,199,282
Transactions with shareholders:					
Dividend for the year ended June 30, 2019 @ Rs. 1.75 per share	-	-	-	(29,400,000)	(29,400,000)
Transfer to unappropriated profit on account of incremental depreciation on surplus of revaluation of property, plant & machinery	-	(35,249,332)	-	35,249,332	-
Balance as at March 31, 2020	168,000,000	1,152,475,600	168,000,000	417,217,248	1,905,692,848
Balance as at July 01, 2020	168,000,000	1,133,642,519	168,000,000	425,179,002	1,894,821,521
Profit for the nine months ended March 31, 2021	-	-	-	51,310,383	51,310,383
Transfer to unappropriated profit on account of incremental depreciation on surplus of revaluation of property, plant & machinery	-	(28,642,866)	-	28,642,866	-
Balance as at March 31, 2021	168,000,000	1,104,999,653	168,000,000	505,132,251	1,946,131,904

Chief Executive Officer

Director

Chief Financial Officer