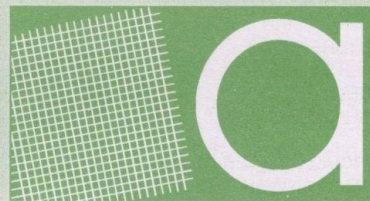


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**1st. Quarter Report
September 30, 2021
(Unaudited)**

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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
MRS. SHAZIA AMJAD
MRS. NAZIA IRFAN
MUHAMMAD IDREES

INDEPENDENT NON-EXECUTIVE DIRECTORS
MR. SAAD ZUBAIR
MR. MUHAMMAD AQEEL IDREES

COMPANY SECRETARY
MR. NISAR AHMAD

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
MR. SAAD ZUBAIR (CHAIRMAN)
MR. NISAR AHMAD (SECRETARY)
MRS. SHAZIA AMJAD (MEMBER)
MR. MUHAMMAD AQEEL IDREES (MEMBER)

**HUMAN RESOURCES AND
REMUNERATION COMMITTEE**
MR. SAAD ZUBAIR (CHAIRMAN)
MRS. NAZIA IRFAN (MEMBER)
MR. MUHAMMAD AQEEL IDREES (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 2021.

Review of the Results.

Sales during the period were recorded at Rs.124.400 Million in comparison to Rs. 70.850 Million in the same period last year. which is a healthy increase of 75.58%.

During the period the Operating expenses (Administrative & others) were 9.31% to sales in comparison to Rs.14.35% in the same period last year. Gross profit for the period is 13.47% to sales in comparison to 18.74% during the same period last year. Finance cost to sales were recorded as 0.01% to sales in comparison to 0.02% in the same period last year. Cost of goods sold were recorded at 86.83% in comparison to 81.26% in the same period last year.

In the coming days:

The world is coming to a reboot mode as the battle between COVID 19 and Vaccination continues, however, it does not seem that the normalities would come any sooner. The extraordinary spike in inflation is going to take its toll on every business. We hope that as the time passes some stability comes which is essential for short and long term decisions.

We hope and pray that 2022 is the year of stability. We will keep on striving hard to keep the costs down in order to be more competitive.

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 ڈائریکٹران کی طرف سے پہلی سہ ماہی رپورٹ 30 ستمبر، 2021 کاظر خدمت ہے:

مالیاتی نتائج مندرجہ ذیل ہیں۔

اس دورانیہ میں 124.40 ملین کی فروخت ہوئی۔ پچھلے سال اسی دورانیہ میں 70.850 ملین کی فروخت ہوئی تھی۔
جو کہ 75.58% کا اچھا اضافہ ہے

اس دوران آپریٹنگ (ایڈمنسٹریشن و دیگر اخراجات) فروخت کا 9.31% فیصدی خرچ آیا۔ پچھلے سال اسی دوران 14.35% فیصدی
خرچ آیا تھا۔ مجموعی نفع (بغیر منہائی اخراجات) 13.47% فیصدی ہوا ہے۔ پچھلے سال کا اسی دوران میں 18.74% فیصدی منافع ہوا تھا۔
فنانشل اخراجات، سیل پر 0.01% فیصدی آئے۔ جبکہ سابقہ سال کے اسی دوران میں 0.02% فیصدی اخراجات آئے تھے۔ اس دوران
فروخت شدہ اشیاء پر لاگت فروخت کا 86.83% فیصد آیا۔ جبکہ پچھلے سال اسی دوران 81.26% فیصد تھا۔

آئیو الے وقت کے متعلق:-

دنیا ایک ریوٹ موڈ پر آرہی ہے جیسا کہ کووڈ-19 اور اس کی ویکسینیشن کے درمیان جنگ ہو، تاہم لگتا کہ معمولات زندگی معمول پر
آئیں گے، مہنگائی میں غیر معمولی اضافہ ہر کاروبار کے لیے نقصان دے ہے ہمیں اُمید ہے کہ جیسے جیسے وقت گزرے گا مختصر اور طویل مدتی
فیصلوں سے استحکام آئے گا
ہم اُمید کرتے ہیں اور دعا کرتے ہیں کہ 2022 استحکام ہوگا۔ اور اخراجات کو کم کرنے کی پالیسی پر عمل کرنے کی بھرپور کوشش کرتے رہیں۔

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 ڈائریکٹران کی طرف سے

اشفاق احمد

چیف ایگزیکٹو آفیسر

ASHFAQ TEXTILE MILLS LIMITED.
BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2021.

<u>CAPITAL & LIABILITIES:</u>	SEPTEMBER 2021 RUPEES	JUNE 2021 RUPEES
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	384,835,000	384,835,000
Capital reserve		
Revaluation surplus on property, plant and equipment	356,252,307	359,885,481
Revenue reserves		
Unappropriated profit	251,215,355	244,649,359
	992,302,662	989,369,840
NON CURRENT LIABILITIES:		
Deferred liabilities		
Staff retirement gratuity	85,621,175	81,205,825
Deferred Taxation	121,813,081	121,813,081
	-	-
	207,434,256	203,018,906
CURRENT LIABILITIES:		
Trade and Other Payables	21,389,984	26,434,649
Short term bank borrowings	-	-
Current Portion of Provision for Gas Infrastructure development cess payable	-	396,884
Provision for Taxation - income tax	6,800,281	6,800,281
	28,190,265	33,631,814
	1,227,927,183	1,226,020,560
<u>PROPERTIES & ASSETS:</u>	SEPTEMBER 2021 RUPEES	JUNE 2021 RUPEES
FIXED CAPITAL EXPENDITURE:		
Property, plant and equipment	954,393,592	963,503,969
Long Term Deposits	4,509,782	4,509,782
	958,903,374	968,013,751
CURRENT ASSETS:		
Store, Spares & loose tools.	28,333,690	27,226,164
Stock-in-trade	2,289,447	2,289,447
Contract costs	2,354,786	2,830,840
Trade Debts	77,226,399	83,885,562
Loans, advances	28,052,651	28,531,169
Prepayments	3,110,022	531,520
Other receivables.	885,633	5,767,659
Tax refunds due from Government	35,231,382	35,217,188
Cash and bank balances.	91,539,799	71,727,260
	269,023,809	258,006,809
	1,227,927,183	1,226,020,560

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

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021.

	NOTE	SEPTEMBER 2021 RUPEES	SEPTEMBER 2020 RUPEES
SALES		124,400,096	70,849,588
COST OF GOODS SOLD	6	108,010,712	57,570,282
GROSS PROFIT		16,389,384	13,279,306
Distribution cost		492,016	352,238
Administrative expenses		11,086,998	9,811,648
Finance cost		11,547	11,618
		11,590,561	10,175,504
PROFIT / (LOSS) BEFORE TAXATION.		4,798,823	3,103,802
Provision for taxation		1,866,001	1,062,744
PROFIT / (LOSS) FOR THE PERIOD		2,932,822	2,041,058
Earning per share - Basic		0.01	0.06

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

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	SEPTEMBER 2021 <i>RUPEES</i>	SEPTEMBER 2020 <i>RUPEES</i>
Profit / (Loss) for the period	2,932,822	2,041,058
Other comprehensive income for the period		
Incremental depreciation on revalued assets	3,633,174	3,888,072
Total comprehensive income for the period	<u>6,565,996</u>	<u>5,929,130</u>

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

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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 June 30, 2020	349,850,000	375,170,445	253,584,657	978,605,102
Total comprehensive income for the period				
Profit for the year	-	-	11,137,342	11,137,342
Other comprehensive income				
Surplus on revaluation of property, plant and equipment arisen during the year.		-		-
Remeasurement of staff retirement gratuity		-	(524,794)	(524,794)
Deferred tax relating to		-		
Remeasurement of staff retirement gratuity	-		152,190	152,190
	-	-	10,764,738	10,764,738
Incremental depreciation on revalued assets for the year	-	(15,284,964)	15,284,964	-
Transferred to deferred tax	34,985,000	-	(34,985,000)	-
Balance as at June 30, 2021	384,835,000	359,885,481	244,649,359	989,369,840
Total comprehensive income for the period				
Profit for the period	-		2,932,822	2,932,822
Incremental depreciation on revalued assets for the period	-	(3,633,174)	3,633,174	-
	-	(3,633,174)	6,565,996	2,932,822
Balance as at September 30, 2021	384,835,000	356,252,307	251,215,355	992,302,662

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

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2021.

0	SEPTEMBER 2021 <u>RUPEES</u>	SEPTEMBER 2020 <u>RUPEES</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation.	4,798,823	3,103,803
Adjustments for:		
Depreciation	10,610,837	10,446,602
Provision for staff retirement gratuity	5,250,000	4,050,000
Finance Cost	11,547	11,618
Operating cash flows before working capital changes	<u>20,671,207</u>	<u>17,612,023</u>
Changes in working capital		
(Increase) / decrease in current Assets:		
Store, spare & loose tools.	(1,107,526)	(12,336,160)
Stock in trade	-	-
Contract costs	476,054	(23,105,192)
Trade debts	6,659,163	31,030,456
Loans, advances,	478,518	770,473
Prepayments	(2,578,502)	(2,077,503)
Other receivables	4,882,026	483,256
Tax refunds due from Government.	(14,194)	(3,970,445)
Increase / (decrease) in current liabilities.		
Trade and other payables	(5,441,549)	2,994,946
Net cash flow from changes in working capital	<u>3,353,990</u>	<u>(6,210,169)</u>
Cash generated from / (used in) operations.		
Finance cost paid	(11,547)	(11,617)
Taxes paid	(1,866,001)	(1,062,744)
Staff retirement gratuity paid	(834,650)	(1,934,790)
Net cash generated from operating activities	<u>(2,712,198)</u>	<u>(3,009,151)</u>
Cash flows from investing activities		
Additions property, plant and equipment	(1,500,460)	(13,179,570)
Long term deposits	-	-
Net cash (used in) investing activities	<u>(1,500,460)</u>	<u>(13,179,570)</u>
Cash flows from financing activities		
Net (decrease) increase in short term bank borrowings	-	-
Net cash (used in) financing activities	<u>-</u>	<u>-</u>
Net (decrease) increase in cash and cash equivalents	19,812,539	(4,786,867)
Cash and cash equivalent at the beginning of the year	71,727,260	43,843,633
Cash and cash equivalents at the end of the year	<u><u>91,539,799</u></u>	<u><u>39,056,766</u></u>

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

- 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 and deferred tax liability is provisional, final liability will be determined on the basis of annual results.

	SEPTEMBER 2021 <i>RUPEES</i>	SEPTEMBER 2020 <i>RUPEES</i>
6 COST OF SALES:		
Raw material consumed	-	-
Stores & spares consumed	8,022,294	6,424,350
wages salaries and amenities	41,791,482	35,252,399
Sizing expenses	25,245,746	12,336,323
Repair & Maintenance	1,136,607	234,667
Fuel & Power	24,100,990	18,877,865
Depreciation	9,185,885	9,263,358
Insurance	879,624	754,438
Other overhead	2,870	5,506
	110,365,498	83,148,906
 Contract Cost	 (2,354,786)	 (25,578,624)
 Finished Goods		
Opening stock	3,864,987	3,864,987
Closing stock	(3,864,987)	(3,864,987)
	-	-
	108,010,712	57,570,282

- 7 The Financial statements were authorised for issue on **27-10-2021** by the Board of Directors of the Company
- 8 Figures have been rounded off to the nearest rupee.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER