

# AHMAD HASSAN TEXTILE MILLS LIMITED

## STATEMENT OF FINANCIAL POSTION (UN-AUDITED) AS AT SEPTEMBER 30, 2021

	SEP 30, 2021 Rupees	June 30, 2020 Rupees
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,361,323,074	1,377,374,549
Investment property	-	-
Long term deposits	12,387,177	12,387,177
Long term investment	-	-
	<b>1,373,710,251</b>	1,389,761,726
<b>CURRENT ASSETS</b>		
Stores, spare parts and loose tools	74,346,924	38,909,619
Stock-in-trade	1,116,312,478	838,600,546
Trade debts	492,011,995	403,727,475
Loans and advances	110,677,102	53,857,631
Due from Government	24,162,777	11,813,005
Other receivables	3,161,869	3,161,869
Short term investment	25,152,490	32,801,776
Cash and bank balances	1,225,849	4,442,391
	<b>1,847,051,484</b>	1,387,314,312
<b>TOTAL ASSETS</b>	<b>3,220,761,735</b>	<b>2,777,076,038</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	84,715,354	84,715,354
Capital reserve	32,746,284	32,746,284
Surplus on revaluation of property, plant and equipment	340,465,185	343,783,721
Revenue reserve - unappropriated profit	948,935,071	860,441,793
	<b>1,406,861,894</b>	1,321,687,152
Subordinated loans	62,500,000	62,500,000
<b>NON-CURRENT LIABILITIES</b>		
Long term loans and financing	267,552,495	242,004,726
Liabilities against assets subject to finance lease	1,433,894	1,594,705
Deferred income - government grant	20,673	102,493
Long term payable	20,325,556	25,796,469
Deferred taxation	85,424,142	104,052,348
	<b>374,756,760</b>	373,550,741
<b>CURRENT LIABILITIES</b>		
Trade and other payables	935,581,665	654,492,326
Unclaimed dividend	3,474,561	3,474,561
Finances under markup arrangements and other credit facilities	259,619,204	204,752,056
Current portion of non-current liabilities	111,478,079	103,909,505
Accrued finance cost	7,581,205	4,690,465
Provision for taxation	58,908,367	48,019,232
	<b>1,376,643,081</b>	1,019,338,145
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,220,761,735</b>	<b>2,777,076,038</b>

Sd/-  
Chief Executive

## STATEMENT OF PROFIT OR LOSS ACCOUNT FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Sep 30, 2021 Rupees	Sep 30, 2020 Rupees
Sales - net	1,018,321,592	825,772,004
Cost of sales	(911,333,656)	(772,261,704)
<b>Gross profit</b>	<b>106,987,936</b>	53,510,300
Other income	1,113,690	10,880
Profit on trading	8,500,000	50,000
Distribution cost	(8,006,352)	(7,732,376)
Administrative expenses	(13,619,472)	(10,489,542)
Other operating expenses	(8,404,232)	(3,120,142)
	<b>(20,416,366)</b>	<b>(21,281,180)</b>
<b>Profit before finance cost</b>	<b>86,571,570</b>	32,229,120
Finance cost	(8,842,411)	(7,116,119)
<b>Profit before taxation</b>	<b>77,729,159</b>	25,113,001
Taxation	7,445,579	(11,888,480)
<b>Profit/(Loss) after taxation</b>	<b>85,174,738</b>	13,224,521
Earnings/(loss) per share	10.05	1.56

## STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Quarter ended	
	September 30, 2021	September 30, 2020
	Rupees	Rupees
Profit for the period	85,174,738	19,021,706
Other comprehensive Income / (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>85,174,738</b>	<b>19,021,706</b>

Sd/-  
Director

## STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Sep 30, 2021 Rupees	Sep 30, 2020 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>77,729,159</b>	25,113,001
Profit before taxation	77,729,159	25,113,001
Adjustments for:		
Depreciation on property, plant and equipment	17,049,487	17,448,627
Provision for Workers' Profit Participation Fund	4,157,958	-
Provision for Workers' Welfare Fund	1,585,989	-
Duty Drawback of taxes on export sales	(1,787)	-
Gain on disposal of Fixed assets	(1,007,490)	-
Dividend Income	(104,413)	(5,000)
Unrealized (gain) / loss on remeasurement of short term investments	2,649,285	(5,880)
Exchange rate fluctuation loss / (gain) - net	-	-
Amortization of deferred government grant	(81,820)	-
Finance cost - net	8,842,411	7,116,119
	<b>33,089,620</b>	24,553,866
Operating cash flows before movements in working capital	110,818,779	49,666,867
<b>(Increase) / decrease in current assets</b>	<b>(35,437,305)</b>	(4,811,651)
Stores, spares and loose tools	(277,711,932)	(4,345,070)
Stock in trade	(88,284,520)	33,790,484
Trade debts	(37,317,896)	(22,354,514)
Loans and advances (excluding advance income tax)	(12,349,772)	(15,743,817)
Tax refunds due from government	-	(97,277)
Other receivables	-	-
<b>Increase / (decrease) in current liabilities</b>	<b>275,051,905</b>	(27,510,817)
Trade and other payables	(176,049,520)	(41,072,662)
<b>Cash generated from operations</b>	<b>(65,230,741)</b>	8,594,205
Income tax paid - net	(19,501,575)	-
Finance cost paid - net	(5,951,671)	(9,844,461)
Duty drawback of taxes on export sales received	1,787	-
	<b>(25,451,459)</b>	<b>(9,844,461)</b>
<b>Net cash generated (used in) /from operating activities</b>	<b>(90,682,200)</b>	<b>(1,250,256)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(8,930,131)</b>	(1,967,309)
Additions to property, plant and equipment	7,659,200	-
Decrease in Capital Work in Progress	1,280,409	-
Proceeds from disposal of fixed assets	-	42,000,000
Investment property	-	(7,000,000)
Short term investments	5,000,000	5,000
Dividend income	104,413	-
Mark-up on security deposit with SNGPL	-	-
<b>Net cash generated from/(used in) investing activities</b>	<b>5,113,891</b>	33,037,691
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>33,116,343</b>	8,069,788
Long term finances obtained	(160,811)	(292,087)
Repayment of finance lease	(5,470,913)	-
Long term payable	54,867,148	(12,348,483)
Short term finances - net	82,351,767	(4,570,781)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(3,216,542)</b>	27,216,654
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>4,442,391</b>	863,378
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>1,225,849</b>	28,080,032

Sd/-  
Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Issued, subscribed and paid up share capital	Reserves			Total	
	Capital		Revenue		
	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit		
Rupees					
Balance as at June 30, 2020 - restated	84,715,358	32,746,284	357,887,596	690,086,172	1,165,435,410
<b>Distribution to owners:</b>					
Final cash dividend of Rs. 1.5 per share for the year ended June 30, 2020	-	-	-	(11,535,239)	(11,535,239)
<b>Total comprehensive income for the year:</b>					
Profit after taxation for the year	-	-	-	167,786,985	167,786,985
Other comprehensive loss for the year	-	-	-	-	-
	-	-	-	167,786,985	167,786,985
<b>Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax) - note 17.2.</b>					
	-	-	(13,673,626)	13,673,626	-
<b>Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment (net of deferred tax) - note 17.2</b>					
	-	-	(430,249)	430,249	-
Balance as at June 30, 2021 (Audited)	84,715,358	32,746,284	343,783,721	860,441,793	1,321,687,156
<b>Distribution to owners:</b>					
Final cash dividend of Rs. 2..05 per share for the year ended June 30, 2021	-	-	-	-	-
<b>Total comprehensive income for the period:</b>					
Profit for the period	-	-	-	85,174,738	85,174,738
Other comprehensive loss for the period	-	-	-	-	-
	-	-	-	85,174,738	85,174,738
<b>Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax)</b>					
	-	-	(3,318,535)	3,318,535	-
Balance as at September 30, 2021 (Un-Audited)	84,715,358	32,746,284	340,465,186	948,935,066	1,406,861,894

## NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 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.

## BOARD OF DIRECTORS

CHAIRMAN	Mian Muhammad Javed	Non-Executive Director
CHIEF EXECUTIVE	Mr. Muhammad Haris	Executive Director
DIRECTORS	Mr. Haseeb Haris Mughal	Non-Executive Director
	Mrs. Salma Javed	Non-Executive Director
	Mrs. Bushra Ali	Non-Executive Director
	Mr. Muhammad Umar Farooq Janjua	Non-Executive Director
	Mr. Ali Kamal	Independent Director
	Mr. Nazir Ahmed Khan	Independent Director

### Directors' Review

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

### Dear Shareholders

Yours Directors are pleased to present before you un-audited accounts of your company for the quarter ended September 30, 2021.

### SUMMARIZED FINANCIAL RESULTS

Particulars	Sep-2021	Sep-2020
Sales.net	1,018,321,592	825,772,004
Gross.profit	106,987,936	53,510,300
Profit after taxation	85,174,738	13,224,521
G.P ratio	10.51%	6.48%
Earnings per share	10.05	1.56

### REVIEW OF OPERATION:

During the period under review, financial results of the company reached to unprecedented level. Sales of the Company increased by Rs. 192.55 million as compared to preceding period which in terms of percentage stood to 23%. Gross profit of the Company recorded to Rs. 106.99 million as compared to Rs. 53.51 million recorded in preceding period thus registering an increase of Rs. 53.48 million in terms of amount and 100% in terms of percentage. Profit after tax stood to Rs. 85.17 million as compared to Rs. 13.22 million recorded in preceding period thus registering an increase of Rs. 71.95 million in terms of amount and 544% in terms of percentage.

### FUTURE OUTLOOK:

Prices of raw materials and freight costs have been increased drastically. Price of fabric has also been increased but not in proportion to increase in the price of yarn. Due to increase of prices of raw materials, sales of finished product have shown downward trend. Consequently inventories have been piled up in the mills and profit margins have been squeezed. There is a likelihood of correction of cost of raw material which may cause inventory loss. During the year under review, prices of cotton shall be the significant factor in determining the profitability of the textile sector. State Bank of Pakistan has increased policy rate which will also effect the profitability of the Company.

### ACKNOWLEDGEMENT

Your Directors place on record their deed appreciation for the efforts made by the workers and staff of the Company for their deed devotion to work. Your Directors would also like to express their thanks to the shareholders and Financial Institutions for their support and assistant.

On behalf of the Board of Directors

CHIEF EXECUTIVE DIRECTOR

Dated: November 27, 2021  
Multan

# ACCOUNTS

## For the First Quarter Ended September 30, 2021 (Un-Audited)



# AHMAD HASSAN TEXTILE MILLS LTD.

**AHMAD HASSAN TEXTILE MILLS LTD.**  
46 - Hassan Parwana Colony,  
MULTAN

## ڈائریکٹرز کی جائزہ رپورٹ

مہر بان اور رقم کرنے والا ہے

محترم حصہ داران!

ہم ڈائریکٹرز بخوشی آپ کے سامنے مورخہ 30 ستمبر 2021 تک کے مکمل ہونے والے ادارے کے 3 ماہ کے غیر آڈٹ شدہ اکاؤنٹس پیش کر رہے ہیں۔

ستمبر 2021 (روپوں میں)	ستمبر 2020 (روپوں میں)	مالیاتی نتائج کا خلاصہ
1,018,321,592	825,772,004	کل رقم فروختگی
106,987,936	53,510,300	کل منافع
85,174,738	13,224,521	منافع بعد از ٹیکس
10.51%	6.48%	شرح منافع
10.05	1.56	فی حصص آمدنی

### کاروباری امور کا جائزہ

زیر جائزہ مدت کے دوران کمپنی کے مالیاتی نتائج غیر معمولی سطح پر پہنچ گئے۔ کمپنی کی فروخت میں اضافہ ہوا۔ گزشتہ مدت کے مقابلے میں 192.55 ملین جو کہ فیصد کے لحاظ سے 23 فیصد رہی۔ کمپنی کا مجموعی منافع 106.99 ملین گزشتہ مدت 53.51 ملین کا اضافہ ریکارڈ کیا گیا۔ 53.48 ملین کا اضافہ دوسری مدت میں 100 فیصد رہا۔ منافع بعد از ٹیکس 85.17 ملین گزشتہ مدت میں 13.22 ملین ریکارڈ اضافہ ہوا۔ اضافہ 71.95 ملین رقم کی صورت میں 544 فیصد رہا۔

### مستقبل کا نقطہ نظر:

خام مال کی قیمتوں اور مال برداری کے اخراجات میں بہت اضافہ ہوا ہے۔ کپڑے کی قیمتوں میں بھی اضافہ ہوا ہے لیکن یارن کی قیمت میں اضافہ کے تناسب سے نہیں۔ خام مال کی قیمتوں میں اضافہ کی وجہ سے تیار مصنوعات کی فروخت میں کمی کا رجحان دیکھا گیا ہے۔ نتیجتاً ملوں میں شاک کا ڈھیر لگ گیا اور منافع کا مارجن کم ہو گیا۔ خام مال کی قیمتوں کا درست ہونے کا امکان ہے جس کی وجہ سے شاک میں نقصان ہو سکتا ہے۔ زیر جائزہ سال کے دوران کپاس کی قیمتیں ٹیکسٹائل سیکٹر کے منافع کا تعین کرنے میں اہم عنصر ہوگی۔ اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں اضافہ کیا ہے جس کی وجہ سے کمپنی کے منافع پر بھی اثر پڑے گا۔

### اقرار نامہ:

آپ کے ڈائریکٹرز کمپنی کے کارکنوں اور عملے کی طرف سے کام کے لئے لگن کیلئے کی جانے والی کوششوں کے لئے ان کی تعریف کرتے ہیں۔

آپ کی ڈائریکٹرز بھی شیئر ہولڈرز اور مالیاتی اداروں کے تعاون اور معاونت کے لئے شکریہ ادا کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

ملتان

چیف ایگزیکٹو

ڈائریکٹر 27 نومبر 2021