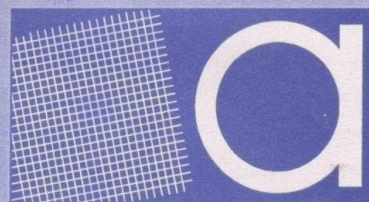


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**3rd. Quarter Report
March 31, 2023
(Unaudited)**

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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

INDEPENDENT NON-EXECUTIVE DIRECTORS

MR. MUHAMMAD AQEEL IDREES
MR. ABDUL WAHID
SYED ABUZAR HUSSAIN

COMPANY SECRETARY

MR. NISR AHMAD

CHIEF FINANCIAL OFFICER (CFO)

MR. MOHAMMAD ANWAR JAVED

AUDITORS

RSM AVAIS HYDER LIAQAT NAUMAN,
CHARTERED ACCOUNTANTS

SHARE REGISTRAR

M/S FD REGISTRAR SERVICES (SMC-PVT) LTD.
1705, 17H FLOOR, SAIMA TRADE TOWER A,
I.I. CHUNDRIGAR ROAD, KARACHI

BANKERS

UNITED BANK LIMITED.

AUDIT COMMITTEE

SYED ABUZAR HUSSAIN (CHAIRMAN)
MR. NISR AHMAD (SECRETARY)
MRS. SHAZIA AMJAD (MEMBER)
MR. MOHAMMAD AQEEL IDREES (MEMBER)

HUMAN RESOURCES AND

REMUNERATION COMMITTEE

MR. MOHAMMAD AQEEL IDREES (CHAIRMAN)
MRS. NAZIA IRFAN (MEMBER)
MR. ABDUL WAHID (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,

The Directors of your Company are pleased to present our 3rd Quarter's un-audited accounts for the period ended 31st March 2023

Review of the Results.

Sales during the period were recorded at Rs.266,938 Million compared to the same period were recorded Rs.382,183 Million.

During this period the Operating (Distribution, Administrative & Other) expenses were 14.57% to sales, in comparison to Rs.9.70% in the same period last year. Financial charges to sales were recorded as 0.04% in comparison to 0.04% in the same period in last year.

In the coming days:

It would not be wrong if the current world market situation be termed as "recession" as for the last six months we are seeing unprecedented lack of demand of textile fabrics not just internationally but also domestically. This abnormal slow down could be because of the world market getting into terms with post covid coupled with war in Europe which has resulted in extraordinary spike in every day utilities and pushed inflation up sharply, thus resulting in sharp shrinkage in the purchasing power of the general population which has translated into less demand through out the chain.

The abnormal lack of demand has pushed the market prices down, while abnormal increase in utility prices in Pakistan has pushed the cost of doing business abnormally high, thus resulting in cash loss for the company.

We are trying our best to keep the wheels running with a hope that the economies settle down and normal business activities could begin soon. =

We must appreciate the hard work of our entire team which has obtained the best results even under these unprecedented situation and we hope and pray that things normalize in the world and in Pakistan soon.

---SD---

On behalf of the Board
(ASHFAQ AHMAD)
Chief Executive Officer

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2023

<u>EQUITY & LIABILITIES:</u>	MARCH 31, 2023 RUPEES	JUNE 30, 2022 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	465,650,350	423,318,500
Revaluation surplus on Property Plant and equipment	334,461,271	345,360,789
Revanue Reserves		
Unappropriated Profit	141,871,522	238,966,146
	941,983,143	1,007,645,435
NON CURRENT LIABILITIES:		
Deferred liabilities		
Staff Retirement Gratuity	93,592,328	95,282,398
Dederred taxation	116,963,023	116,963,022
	210,555,351	212,245,420
CURRENT LIABILITIES:		
Trade and Other Payables	31,149,172	42,814,109
cuurrebt portion of Gas Inst. Development Cess payable	-	95,127
Provision for Taxation - income tax	3,336,713	6,346,749
	34,485,885	49,255,985
	1,187,024,379	1,269,146,840
<u>ASSETS:</u>	MARCH 31, 2023 RUPEES	JUNE 2022 RUPEES
NON CURRENT ASSETS		
Property, Plant and Equipment	909,672,294	935,153,756
Long Term Securities Deposits	4,509,782	4,509,782
	914,182,076	939,663,538
CURRENT ASSETS:		
Store, Spares & loose tools.	34,559,637	42,222,210
Contract costs	1,790,929	2,263,975
Trade Debts	42,644,559	93,909,179
Loans and Advances	29,004,636	34,034,197
Deposits and Prepayments	1,450,171	577,565
Other Receivables.	200,000	173,612
Tax Refunds due from Government	34,248,474	32,504,097
Short Term Investment	77,289,016	60,772,985
Cash and Bank Balances.	51,654,881	63,025,482
	272,842,303	329,483,302
	1,187,024,379	1,269,146,840

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

DATED: APRIL28, 2023
PLACE: FAISALABAD.

---SD---
CHIEF EXECUTIVE

---SD---
DIRECTOR

---SD---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2023.

	NOTE	(QUARTER)		(9 MONTHS)	
		JANUARY - MARCH		JULY - MARCH	
		2022 RUPEES	2022 RUPEES	2023 RUPEES	2022 RUPEES
SALES		52,441,821	129,176,661	266,938,054	382,182,635
COST OF GOODS SOLD	6	85,960,736	98,511,275	302,448,972	314,534,058
GROSS PROFIT		(33,518,915)	30,665,386	(35,510,918)	67,648,577
Other operating income					
Other Income / (Loss)		4,457,491	-	12,186,166	1,026,375
Distribution cost		533,464	599,856	1,611,506	1,597,998
Administrative expenses		9,336,271	9,608,382	37,264,121	33,595,464
Other Operating Expenses		(42,781)	988,138	10,941	1,893,258
Finance cost		194	92,062	114,259	160,719
		9,827,148	11,288,438	39,000,827	37,247,439
PROFIT BEFORE TAXATION.		(38,888,572)	19,376,948	(62,325,579)	31,427,513
Provision for taxation		5,188,362	1,383,498	3,336,713	2,310,626
PROFIT FOR THE YEAR		(44,076,934)	17,993,450	(65,662,292)	29,116,887
Earning per share - Basic		-0.95	0.43	-1.41	0.69

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

DATED: APRIL 28, 2023
PLACE: FAISALABAD.

---SD---
CHIEF EXECUTIVE

---SD---
DIRECTOR

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CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2023

	(QUARTER)		(9 MONTHS)	
	JANUARY - MARCH		JULY - MARCH	
	2023	2022	2023	2022
	<u>RUPEES</u>	<u>RUPEES</u>	<u>RUPEES</u>	<u>RUPEES</u>
Profit/(Loss) for the period	(44,076,934)	17,993,450	(65,662,292)	29,116,887
Other comprehensive income for the period				
Incremental depreciation on revalued assets	-	-	-	-
Total comprehensive income/(loss) for the period	<u>(44,076,934)</u>	<u>17,993,450</u>	<u>(65,662,292)</u>	<u>29,116,887</u>

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

DATED: APRIL 28, 2023
PLACE: FAISALABAD.

---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 MARCH 31, 2023

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 July 01, 2021	384,835,000	359,885,481	244,649,359	989,369,840
Total comprehensive income for the period				
profit for the year	-	-	19,042,134	19,042,134
Other comprehensive income				
Items that will not be subsequently reclassified to profit or loss				
Remeasurement of staff retirement bgratuity			(1,079,632)	(1,079,632)
Deferred tax relating to			313,093	313,093
Remeasurement of staff retirement bgratuity				
	-	-	18,275,595	18,275,595
Incremental depreciation on revalued assets for the period		(14,524,692)	14,524,692	-
Transaction with owners				
Issue of bonus shares	38,483,500		(38,483,500)	-
Balance as at June 30, 2022	423,318,500	345,360,789	238,966,146	1,007,645,435
Total comprehensive income for the period				
profit for the period	-	-	(65,662,292)	(65,662,292)
Incremental depreciation on revalued assets for the period	-	(10,899,518)	10,899,518	-
	-	(10,899,518)	(54,762,774)	(65,662,292)
Transaction with owners				
Issue of bonus shares	42,331,850		(42,331,850)	-
Balance as at March 31, 2023	465,650,350	334,461,271	141,871,522	941,983,143

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

DATED: APRIL 28, 2023
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---SD---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2023

	MAR. 31, 2022 <u>RUPEES</u>	MAR. 31, 2022 <u>RUPEES</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) before taxation.	(62,325,579)	29,116,887
Adjustments for:		
Depreciation	30,748,522	31,931,871
Provision for staff retirement gratuity	17,200,000	15,450,000
Loss on disposal of property, plant and equipments	-	(1,026,375)
Finance Cost	114,259	160,719
Operating cash flows before working capital changes	<u>(14,262,798)</u>	<u>75,633,102</u>
Changes in working capital		
(Increase) / decrease in current Assets:		
Store, spare & loose tools.	7,662,573	(11,515,615)
Stock in trade	-	2,289,447
contract cost	473,046	(881,720)
Trade debts	51,264,620	(15,296,094)
Loans, advances,	5,029,561	(1,270,824)
Deposits and prepayments	(872,606)	(551,614)
Other receivables	(26,388)	5,767,659
Tax refunds due from Government.	(1,744,377)	2,713,091
Increase / (decrease) in current liabilities.		
Trade and other payables	(11,760,064)	14,699,328
Net cash flow from changes in working capital	<u>50,026,365</u>	<u>(4,046,342)</u>
Cash generated from / (used in) operations.		
Finance cost paid	(114,259)	(160,719)
Taxes paid	(6,139,643)	(5,811,221)
Staff retirement gratuity paid	(18,890,070)	(4,574,851)
Net cash generated from operating activities	<u>(25,143,972)</u>	<u>(10,546,791)</u>
Cash flows from investing activities		
Additions property, plant and equipment	(5,474,165)	(7,840,348)
Proceeds from disposal of operating asstes	-	-
Addition in Short Term Investments	(16,516,031)	-
Net cash (used in) investing activities	<u>(21,990,196)</u>	<u>(7,840,348)</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	(11,370,601)	53,199,621
Cash and cash equivalent at the beginning of the year	63,025,482	71,727,260
Cash and cash equivalents at the end of the year	<u>51,654,881</u>	<u>124,926,881</u>

DATED: APRIL 28, 2023
PLACE: FAISALABAD:

---SD---
CHIEF EXECUTIVE

---SD---
DIRECTOR

---SD---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2023.

- 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.

	QUARTER JANUARY - MARCH		(9 MONTHS) JULY - MARCH	
	2023 RUPEES	2022 RUPEES	2023 RUPEES	2022 RUPEES
6 COST OF SALES:				
Raw material consumed	-	-	-	-
Stores & spares consumed	3,004,262	8,212,809	25,781,231	27,045,070
wages salaries and amenities	35,353,970	48,727,863	127,198,776	129,314,078
Sizing expenses	18,693,827	24,069,465	65,364,450	70,766,580
Repair & Maintenance	275,081	744,995	1,151,300	3,896,193
Fuel & Power	16,768,085	7,520,437	54,922,065	55,233,611
Depreciation	8,979,011	9,259,546	26,864,496	27,654,336
Insurance	1,079,688	862,313	2,953,560	2,038,083
Others	1,004	3,637	4,023	9,220
	<u>84,154,928</u>	<u>99,401,065</u>	<u>304,239,901</u>	<u>315,957,171</u>
Contract cost	1,805,808	(889,790)	(1,790,929)	(3,712,560)
	<u>85,960,736</u>	<u>98,511,275</u>	<u>302,448,972</u>	<u>312,244,611</u>
Finished Goods				
Opening stock	-	-	-	2,289,447
Closing stock	-	-	-	-
	<u>85,960,736</u>	<u>98,511,275</u>	<u>302,448,972</u>	<u>314,534,058</u>

7 Transactions with Associated Undertakings.

8 Figures have been rounded off to the nearest rupee.

DATED: APRIL 28, 2023
PLACE: FAISALABAD.

---SD---
CHIEF EXECUTIVE

---SD---
DIRECTOR

---SD---
CHIEF FINANCIAL OFFICER

ڈائریکٹر رپورٹ برائے حصہ داران اشفاق ٹیکسٹائل ملز لمیٹڈ

محترم حصہ داران، ممبران

کمپنی کے ڈائریکٹر ان کی طرف سے تیسری سہ ماہی کی رپورٹ 31 مارچ، 2023ء حاضر خدمت ہے:

مالیاتی نتائج مندرجہ ذیل ہیں۔

اس دورانیہ میں 266,938 ملین کی فروخت ہوئی۔ پچھلے سال اسی دورانیہ میں 382,183 ملین کی فروخت ہوئی تھی۔

اس دوران آپریٹنگ (ڈسٹری بیوٹن، ایڈمنسٹریشن و دیگر اخراجات) فروخت کا 14.57% فیصدی خرچ آیا۔ پچھلے سال اسی دوران 9.70% فیصدی خرچ آیا تھا۔ فنانشل اخراجات، سیل پر 0.04% فیصدی آئے۔ جبکہ سابقہ سال کے اسی دوران میں 0.04% فیصدی اخراجات آئے تھے۔

آئیو الے وقت کے متعلق:-

اگر عالمی مارکیٹ کی موجودہ صورت حال کو کسادبازی سے تعبیر کیا جائے تو یہ غلط نہیں ہو گا پچھلے چھ ماہ کے دوران ہم ٹیکسٹائل فیبرکس کی مانگ میں نہ صرف عالمی منڈی میں بلکہ مقامی سطح پر بھی غیر معمولی کمی دیکھ رہے ہیں یہ غیر معمولی سست روی اس وجہ سے ہو سکتی ہے کہ عالمی منڈی نے کووڈ کے بعد یورپ میں جنگ شروع کر دی ہے جس کے نتیجے میں روزمرہ کے استعمال میں غیر معمولی کمی اور مہنگائی میں تیزی سے اضافہ ہوا ہے اس طرح عام لوگوں کی قوت خرید میں نمایاں کمی آئی ہے

مانگ کی غیر معمولی کمی نے مارکیٹ کی قیمتوں کو نیچے دھکیل دیا ہے جبکہ پاکستان میں یوٹیلیٹی کی قیمتوں میں غیر معمولی اضافے نے کاروبار کرنے کی لاگت کو غیر معمولی حد تک بڑھا دیا ہے جس کی وجہ سے کمپنی کو مالی خسارہ ہوا ہے۔

ہم اس اُمید کے ساتھ پیہ کوروں دواں رکھنے کی پوری کوشش کر رہے ہیں کی معیشتیں ٹھیک ہو جائیں اور کاروباری سرگرمیاں جلد شروع ہو جائیں

ہمیں اپنی پوری ٹیم کی محنت کو سراہنا چاہیے جس نے ان بے مثال حالات میں بھی بہترین نتائج حاصل کیے ہیں۔ اور ہم اُمید اور دُعا کرتے ہیں کہ دنیا اور پاکستان میں حالات جلد معمول پر آجائیں۔ اور اللہ تعالیٰ سے دعا گو ہیں کہ وہ ہمیشہ اپنی رحمت کا سایہ ہمارے ملک پر رکھے۔

---SD---

بورڈ آف ڈائریکٹر ان کی طرف سے

اشفاق احمد

چیف ایگزیکٹو آفیسر