

*3rd Quarterly
Report
March 31
2023
(Un-audited)*



**HAMID TEXTILE
MILLS LIMITED**



Registration Number
005



CERTIFICATE NO. SG05/0299



HAMID TEXTILE MILLS LIMITED

DIRECTORS' REVIEW

Your directors take pleasure to present before you the un-audited financial statements of the company for the 3rd quarter Ended on March 31, 2023.

OPERATING RESULTS:

The Sales revenue for the period under review has been increased from Rs. 397.025 million to Rs. 415.470 million as compared to the corresponding period and the increase in sales for the period is 4.65%. Management is focused to run spinning section on conversion basis & weaving section on self-production basis so that to meet operational and fixed cost. The financial results could have been even better, if the external environmental factors allowing the textile sector to perform better which remain unfavorable. The company has earned gross profit of Rs 14.364 million as compared to the corresponding period gross profit of Rs 12.727 million and the overall results depicts net loss after taxation for the 3rd quarter at Rs. 6.177 million (March 31, 2022 –loss after taxation of Rs. 7.499 million) inclusive of depreciation charged as expenditure of Rs. 18.975 million. Despite of prevailing tough conditions, the management has been able to avoid cash loss.

The company is still facing liquidity problems due to the litigation with the bank and therefore, the company's working capital financial facilities from the bank stand expired. Due to the paucity of the desired working capital, the company operational activities are reliant on the company's own limited financial resources. However, the management is negotiating with Bank for settlement of bank loan which is expected to be achieved in foreseeable future which would be helpful in regularization of the financial limits.

FUTURE PROSPECTS:

The business outlook is very challenging due to persistent political and economic conditions prevailing in the country and the textile sector particular with old machine setup persistently facing difficulty in revival of the companies. The management of the company is making best efforts to continue operate the unit without any cash losses and the decision to work on conversion basis is in line with that policy that would be helpful to avoid cash losses. The management expects that settlement proposal shall be accepted by the bank and the company would be able to revive the financial facilities by restructuring of facilities.

The management has chalked out plan for increase in production which will make the unit more stable and viable. The management has planned for regular investment in plant and machinery, which is very difficult in the current circumstances but will be possible after the restructuring and rescheduling of the existing financial liabilities and will yield benefit for the project.

NOTE OF THANKS:

The board puts on record its gratitude to its valued shareholders, customers and raw material suppliers whose co-operation, constant support and patronage have helped your company to achieve the desired results.

The board also expresses its thanks for the valuable teamwork, loyalty and laudable efforts rendered by the executives, staff members and workers of your company and wish to place on record its appreciation for the same.

For and on behalf of the Board of Directors

CHIEF EXECUTIVE

Date: April 28, 2023

DIRECTOR



HAMID TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT MARCH 31, 2023

	Note	Un-audited March 31, 2023 Rupees	Audited June 30, 2022 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	384,304,060	403,280,039
CURRENT ASSETS			
Stores, spares and loose tools		10,948,828	9,735,147
Stock in trade	9	44,672,379	31,013,508
Trade debts		20,295,361	21,597,805
Loans and advances		4,161,911	4,159,791
Trade deposits and short term prepayments		355,000	355,000
Tax refunds due from the Government		395,736	3,943,697
Cash and bank balances		4,075,051	4,549,361
		84,904,266	75,354,309
Total Assets		469,208,326	478,634,348
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
15,000,000 shares (June 30, 2022: 15,000,000) of Rs. 10/= each		150,000,000	150,000,000
Issued subscribed and paid up capital		132,716,000	132,716,000
Accumulated losses		(258,283,286)	(264,091,913)
		(125,567,286)	(131,375,913)
Surplus on revaluation of property, plant and Equipment		354,824,878	366,811,332
		229,257,591	235,435,419
NON-CURRENT LIABILITIES			
Deferred liabilities		69,191,703	74,007,818
		69,191,703	74,007,818
CURRENT LIABILITIES			
Trade and other payables		54,271,416	53,703,493
Accrued mark-up		32,676,328	32,676,328
Loan from Director	10	11,902,600	10,902,600
Short term borrowings		24,520,295	24,520,298
Current & overdue portion of long term liabilities		47,388,393	47,388,393
		-	-
		170,759,031	169,191,111
Total equity and liabilities		469,208,326	478,634,348

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


Chief Executive


Chief Financial Officer


Director



HAMID TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2023

	NINE MONTHS ENDED		THREE MONTHS ENDED	
	MARCH 31, 2023	MARCH 31, 2022	MARCH 31, 2023	MARCH 31, 2022
	Rupees	Rupees	Rupees	Rupees
Sales	415,470,648	397,025,714	145,701,224	118,360,858
Cost of Sales	(401,106,056)	(384,297,751)	(135,440,291)	(112,348,853)
Gross Profit/ (Loss)	14,364,592	12,727,963	10,260,933	6,012,005
OPERATING EXPENSES				
- Distribution	(1,317,183)	(1,193,971)	(443,070)	(331,130)
- Administration	(18,846,729)	(16,087,821)	(4,894,809)	(5,902,811)
	(20,163,912)	(17,281,792)	(5,337,879)	(6,233,941)
	(5,799,320)	(4,553,829)	4,923,054	(221,936)
Other Operating Income	-	-	-	-
Operating Profit/ (Loss)	(5,799,320)	(4,553,830)	4,923,054	(221,936)
Finance Cost	(1,239)	(6,909)	(128)	(760)
Profit/ (Loss) Before Taxation	(5,800,559)	(4,560,739)	4,922,926	(222,696)
Taxation	(377,268)	(2,938,307)	(296,848)	(681,647)
Profit / (Loss) After Taxation Carried To Statement Of Comprehensive Income	(6,177,827)	(7,499,046)	4,626,078	(904,343)
Earning/ (Loss) per Share - Basic & Diluted	(0.47)	(0.57)	0.35	(0.07)

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


Chief Executive


Chief Financial Officer


Director



HAMID TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2023

	Share Capital	Un-appropriated profit / (Loss)	Surplus on Revaluation of Fixed Assets	Total
(Amounts in Rupees)				
Balance as on June 30, 2021 (Audited)	132,716,000	(288,976,596)	383,829,510	227,568,914
Total Comprehensive income for the nine months then ended		(7,499,046)	-	(7,499,046)
Incremental Depreciation charged to revaluation surplus	-	12,763,635	(12,763,635)	-
Balance as on March 31, 2022	132,716,000	(283,712,007)	371,065,875	220,069,868
Balance as on June 30, 2022 (Audited)	132,716,000	(264,091,913)	366,811,332	235,435,419
Total Comprehensive income for nine months then ended		5,808,627		5,808,627
Incremental Depreciation charged to revaluation surplus		-	(11,986,454)	(11,986,454)
Balance as on March 31, 2023	132,716,000	(258,283,286)	354,824,878	229,257,591


CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-Audited)

FOR THE PERIOD ENDED MARCH 31, 2023

NOTE	NINE MONTHS ENDED		THREE MONTHS ENDED	
	MARCH 31, 2023	MARCH 31, 2022	MARCH 31, 2023	MARCH 31, 2022
	Rupees	Rupees	Rupees	Rupees
PROFIT / (LOSS) FOR THE PERIOD	(6,177,827)	(7,499,046)	4,626,078	(904,343)
Items that may be reclassified subsequently to profit or loss:	-	-	-	-
	-	-	-	-
	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(6,177,827)	(7,499,046)	4,626,078	(904,343)

The annexed notes form an integral part of these financial statements


Chief Executive


Chief Financial Officer


Director



HAMID TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2023

	MARCH 2023 Rupees	MARCH 2022 Rupees
A. CASH FLOW FROM OPERATING ACTIVITY		
Profit / (loss) before taxation	(5,800,559)	(4,560,738)
ADJUSTMENTS		
Depreciation	18,975,979	20,317,435
Gain on disposal of fixed assets	-	-
Finance cost	1,239	6,909
	<u>18,977,218</u>	<u>20,324,344</u>
Operating profit before adjustment of working capital	13,176,659	15,763,606
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(1,213,681)	23,264
Stock in trade	(13,658,871)	(11,224,330)
Trade debts	1,302,444	(8,360,675)
Loans and advances	(2,120)	(3,300,060)
Trade deposits and short term prepayments	-	-
Tax refunds due from the Government	3,547,960	1,671,840
	<u>(10,024,267)</u>	<u>(21,189,961)</u>
Increase/(decrease) in current liabilities:		
Trade and other payables	567,923	16,924,100
Cash inflow from operations	<u>3,720,315</u>	<u>11,497,745</u>
Gratuity paid	-	-
Finance cost	(1,239)	(6,909)
Taxes paid	<u>(5,193,386)</u>	<u>(4,266,045)</u>
Net cash inflow from operating activities	<u>(1,474,310)</u>	<u>7,224,791</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(10,025,150)
Disposal proceeds of Fixed Assets	-	-
Net cash used in from investing activities	<u>-</u>	<u>(10,025,150)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short term loan from related parties - unsecured	2,700,000	6,000,000
Short term loan from related parties - unsecured	(1,700,000)	(4,047,400)
Net cash inflow / (outflow) from financing activities	<u>1,000,000</u>	<u>1,952,600</u>
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	(474,310)	(847,759)
Cash and cash equivalents at the beginning of the period	<u>4,549,361</u>	<u>6,787,924</u>
Cash and cash equivalents at the end of the period	<u><u>4,075,051</u></u>	<u><u>5,940,165</u></u>

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


Chief Executive


Chief Financial Officer


Director



HAMID TEXTILE MILLS LIMITED

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2023

I THE COMPANY AND NATURE OF ITS BUSINESS

Hamid Textile Mills Limited "The Company" was incorporated in Pakistan on April 09, 1987 as Private Limited Company and was subsequently converted on February 15, 1988 in public Limited Company under the Companies Ordinance, 1984 (Repealed by Companies Act, 2017). The principal activity of the company is manufacturing and sale of Yarn and Grey fabric.

2 BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 The Quarterly Financial Statements are being submitted to Shareholders as required by Section 237 of companies Act 2017.

4. The accounting policies adopted for the preparation of the accounts are same as those applied in the preparation of the preceding annual published financial statements of the company for the period ended June 30, 2022.

5. These accounts have been prepared on going concern basis without any adjustment of assets and liabilities as the management is confident of improvement in company's efficiency and profitability in future.

6. Significant event during the year

Pakistan Stock Exchange directed Company to induct itself into Central Depository Company of Pakistan Limited (CDC). Company is in process to induct its shares into CDC.

7. Contingencies and commitments

7.1 There is no change in contingencies from those disclosed in the annual accounts for the year ended June 30, 2022.

7.2 There are no commitments as at March 31, 2023.

	Un-Audited March 31 2023 Rupees	Audited June 30, 2022 Rupees
8. Property, Plant and Equipments		
Book Value as at July 1st, 2022	403,280,039	418,478,356
Additions during the period	-	12,000,150
Deletion during the period	-	(1,618,511)
Depreciation for the period	(18,975,979)	(27,198,467)
	384,304,060	403,280,039
9. Stock In Trade		
Raw Materials	38,987,709	28,384,677
Work in Process	3,176,865	2,628,831
Finished Goods	2,507,805	-
	44,672,379	31,013,508
10. Loan from Director-related parties (unsecured)		
Opening balance	10,902,600	8,950,000
Contribution during the period / year	2,700,000	6,000,000
Repayments during the period / year	(1,700,000)	(4,047,400)
	11,902,600	10,902,600
11. Basic Earning Per Share		
Profit/ (Loss) after tax for the nine months ended	(6,177,827)	(7,499,046)
Weighted average number of ordinary shares	13,271,600	13,271,600
Basic earning per share	(0.47)	(0.57)
12. Corresponding Figures		
12.1 Corresponding Figures have been rearranged and regrouped where ever necessary for the purpose of comparison. However no significant changes have been made.		
12.2 Figures have been rounded off to the nearest rupee.		
13. Date of Authorization		
These accounts have been approved by the Board of Directors on April 28, 2023.		


Chief Executive


Chief Financial Officer


Director



HAMID TEXTILE MILLS LIMITED

COMPANY PROFILE

CHAIRMAN	Mrs. Khushbu Ammad
CHIEF EXECUTIVE	Mr. Khawar Almas Khawaja
DIRECTORS	Mr. Khawar Almas Khawaja Mrs. Khushbu Ammad Mrs. Nighat Khawar Mrs. Momina Khawar Ali Mr. Muhammad Alamgir Mr. Abid Hussain Mr. Muhammad Amin
AUDIT COMMITTEE	
Chairman	Mr. Abid Hussain
Member	Mrs. Khushbu Ammad
Member	Mr. Muhammad Amin
HR AND REMUNERATION COMMITTEE	
Chairman	Mr. Abid Hussain
Member	Mr. Khawar Almas Khawaja
Member	Mr. Muhammad Alamgir
COMPANY SECRETARY	Mr. Ralph Nazir Ullah
CHIEF FINANCIAL OFFICER	Mr. Tauqeer Hussain
LEGAL ADVISOR	Mr. Sajjad Haider Tanvir Ali Shah (Bukhari Law Chamber)
AUDITORS	HLB Ijaz Tabussum & Co. Chartered Accountants Lahore.
INTERNAL AUDITORS	Awan & Co. (Chartered Accountants), Lahore.
SHARES REGISTRAR	Corplink (Pvt) Ltd. Lahore
BANKERS	National Bank of Pakistan Bank Alfalah Limited Meezan Bank Limited Habib Metropolitan Bank Ltd
REGISTERED OFFICE	142, Block - D Model Town, Lahore
MILLS	Changa Manga Road, Wan Adhan Pattoki, Kasur.
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TELEPHONE	049-4528177, 049-4528099
E.MAIL	accounts@hamid-textile.com sales@hamid-textile.com corporate@hamid-textile.com

UPC/Book Post



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HAMID TEXTILE MILLS LIMITED

Changa Manga Road, Wan Adhan Pattoki, Kasur.

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