

*1st Quarterly  
Report  
September 30  
2024  
(Un-audited)*



**HAMID TEXTILE  
MILLS LIMITED**



Registration Number  
005



**CERTIFICATE NO. SG05/0299**



# HAMID TEXTILE MILLS LIMITED

## DIRECTORS' REVIEW

Your directors take pleasure in presenting before you the unaudited financial statements of the company for the 1<sup>st</sup> Quarter Ended on September 30, 2024.

### **OPERATING RESULTS:**

During the period under review, sales have increased from Rs. 200.932 million to Rs. 205.562 million compared to the corresponding period, showing a 2.30% increase. The management is focused on running the unit on optimum level to meet operational and fixed costs. However, unfavorable external environmental factors have affected the textile sector's performance, leading to an increase in the cost of doing business compared to the comparative quarter. The company incurred a gross profit of Rs. 1.974 million compared to Rs. 2.991 million in the corresponding period. However, the overall result showed a net loss after taxation for the 1st quarter at Rs. 8.693 million (September 30, 2023 – loss after taxation of Rs. 4.187 million), including depreciation charged as expenditure of Rs. 9.464 million. Despite the prevailing tough conditions, the management was able to avoid cash loss.

Unfortunately, the company is still facing liquidity problems due to ongoing litigation with the bank. As a result, the company's working capital financial facilities from the bank stand expired. The company's operational activities are currently reliant on its own limited financial resources. However, the management is negotiating with the bank for a settlement of the bank loan, which is expected to be achieved in the foreseeable future. This settlement would be helpful in regularizing the financial limits.

### **FUTURE PROSPECTS:**

The prevailing economic conditions in the country have made the business outlook very challenging, particularly for the textile sector, which is struggling to revive companies with old machine setups. Despite these difficulties, the company's management is working hard to operate the unit without incurring cash losses. The decision to work on a conversion basis is consistent with this policy and will help to avoid cash losses. The management expects the bank will accept the settlement proposal, which will allow the company to restructure its financial facilities and revive its operations. 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  
October 30, 2024

DIRECTOR



# HAMID TEXTILE MILLS LIMITED

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-Audited)

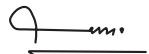
AS AT SEPTEMBER 30, 2024

|   |    | Un-audited<br>September 30,<br>2024<br>Rupees | Audited<br>June 30,<br>2024<br>Rupees |
|---|----|---|---------------------------------------|
| <b>ASSETS</b>   |    |   |                                       |
| <b>NON-CURRENT ASSETS</b>   |    |   |                                       |
| Property, plant and equipment                                     | 7  | 548,937,144                                   | 555,401,186                           |
| <b>CURRENT ASSETS</b>   |    |   |                                       |
| Stores, spares and loose tools                                    |    | 13,471,997                                    | 13,752,485                            |
| Stock in trade  | 8  | 64,914,004                                    | 73,103,621                            |
| Trade debts   |    | 78,705,558                                    | 70,592,713                            |
| Loans and advances  |    | 10,708,028                                    | 720,870                               |
| Trade deposits and short term prepayments                         |    | 360,000                                       | 360,000                               |
| Tax refunds due from the Government                               |    | 9,404,451                                     | 11,269,655                            |
| Cash and bank balances  |    | 4,014,410                                     | 5,118,964                             |
|   |    | <u>181,578,449</u>                            | <u>174,918,309</u>                    |
| <b>Total Assets</b>   |    | <u><b>730,515,593</b></u>                     | <u><b>730,319,495</b></u>             |
| <b>EQUITY AND LIABILITIES</b>                                     |    |   |                                       |
| <b>SHARE CAPITAL AND RESERVES</b>                                 |    |   |                                       |
| <b>Authorised share capital</b>                                   |    |   |                                       |
| 15,000,000 shares (June 30, 2024: 15,000,000)<br>of Rs. 10/= each |    | <u>150,000,000</u>                            | <u>150,000,000</u>                    |
| Issued subscribed and paid up capital                             |    | 132,716,000                                   | 132,716,000                           |
| Accumulated losses  |    | <u>(245,910,559)</u>                          | <u>(242,886,212)</u>                  |
|   |    | (113,194,559)                                 | (110,170,212)                         |
| Surplus on revaluation of property, plant and Equipment           |    | <u>478,331,258</u>                            | <u>483,999,917</u>                    |
|   |    | 365,136,699                                   | 373,829,704                           |
| <b>NON-CURRENT LIABILITIES</b>                                    |    |   |                                       |
| Long term loan  | 9  | 35,000,000                                    | 25,000,000                            |
| Deferred liabilities  |    | 93,266,418                                    | 96,158,890                            |
|   |    | 128,266,418                                   | 121,158,890                           |
| <b>CURRENT LIABILITIES</b>  |    |   |                                       |
| Trade and other payables  |    | 124,200,857                                   | 122,844,281                           |
| Accrued mark-up   |    | 33,101,328                                    | 32,676,328                            |
| Loan from Director  | 10 | 7,901,600                                     | 7,901,600                             |
| Short term borrowings   |    | 24,520,298                                    | 24,520,298                            |
| Current & overdue portion of long term liabilities                |    | 47,388,393                                    | 47,388,393                            |
| Provisions  |    | -   | -                                     |
|   |    | <u>237,112,476</u>                            | <u>235,330,900</u>                    |
| <b>Total equity and liabilities</b>                               |    | <u><b>730,515,593</b></u>                     | <u><b>730,319,495</b></u>             |

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)

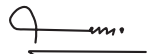
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

|  | September,<br>2024<br>Rupees | September,<br>2023<br>Rupees |
|--|------------------------------|------------------------------|
| Sales  | 205,562,049                  | 200,932,741                  |
| Cost of Sales  | <u>(203,587,623)</u>         | <u>(197,941,599)</u>         |
| Gross Profit/ (Loss)   | 1,974,426                    | 2,991,142                    |
| OPERATING EXPENSES   |                              |                              |
| - Distribution   | 1,029,774                    | 646,900                      |
| - Administration   | 8,828,110                    | 7,782,242                    |
|  | <u>(9,857,884)</u>           | <u>(8,429,142)</u>           |
| Operating Profit/ (Loss)   | (7,883,458)                  | (5,438,000)                  |
| Other Income   | -                            | -                            |
| Finance Cost   | <u>(1,132,493)</u>           | <u>(6,100)</u>               |
| Profit/ (Loss) Before Taxation   | (9,015,951)                  | (5,444,100)                  |
| Taxation   | <u>322,946</u>               | <u>1,256,716</u>             |
| Profit / (Loss) After Taxation Carried<br>To Statement Of Comprehensive Income | <u>(8,693,005)</u>           | <u>(4,187,384)</u>           |
| Earning/ (Loss) per Share - Basic & Diluted                                    | <u>(0.66)</u>                | <u>(0.32)</u>                |

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 CASH FLOW (Un-audited)

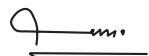
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

|  | September 30<br>2024<br>Rupees | September 30<br>2023<br>Rupees |
|--|--------------------------------|--------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITY</b>                  |                                |                                |
| Profit / (loss) before taxation                              | (9,015,951)                    | (5,444,100)                    |
| <b>ADJUSTMENTS</b>   |                                |                                |
| Depreciation   | 9,464,042                      | 10,322,803                     |
| Gain on disposal of fixed assets                             | -                              | -                              |
| Finance cost   | 1,132,493                      | 6,100                          |
|  | <u>10,596,535</u>              | <u>10,328,903</u>              |
| Operating profit before adjustment of working capital        | 1,580,584                      | 4,884,803                      |
| <b>(Increase) / decrease in current assets:</b>              |                                |                                |
| Stores, spares and loose tools                               | 280,488                        | 285,261                        |
| Stock in trade   | 8,189,617                      | 13,401,275                     |
| Trade debts  | (8,112,845)                    | 10,094,454                     |
| Loans and advances   | (9,987,158)                    | (13,737,523)                   |
| Trade deposits and short term prepayments                    | -                              | -                              |
| Tax refunds due from the Government                          | 1,865,204                      | 1,238,378                      |
|  | <u>(7,764,694)</u>             | <u>11,281,845</u>              |
| <b>Increase/(decrease) in current liabilities:</b>           |                                |                                |
| Trade and other payables                                     | 928,891                        | 7,526,484                      |
| Cash inflow from operations                                  | (5,255,219)                    | 23,693,132                     |
| Gratuity paid  | -                              | -                              |
| Finance cost   | (707,493)                      | (6,100)                        |
| Paid Provision for LESCO Bill                                | -                              | (15,705,169)                   |
| Taxes paid   | (2,141,842)                    | (1,764,979)                    |
| Net cash inflow from operating activities                    | <u>(8,104,554)</u>             | <u>6,216,884</u>               |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                |                                |                                |
| Purchase of Fixed Assets                                     | (3,000,000)                    | -                              |
| Disposal proceeds of Fixed Assets                            | -                              | -                              |
| Net cash used in from investing activities                   | <u>(3,000,000)</u>             | <u>-</u>                       |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                |                                |                                |
| Short term loan from related parties - unsecured             | -                              | -                              |
| Long term loan from Other than banking companies - unsecured | 10,000,000                     | (900,000)                      |
| Net cash inflow / (outflow) from financing activities        | <u>10,000,000</u>              | <u>(900,000)</u>               |
| Net Increase/(decrease) in cash and cash equivalents (A+B+C) | (1,104,554)                    | 5,316,884                      |
| Cash and cash equivalents at the beginning of the period     | 5,118,964                      | 3,658,352                      |
| Cash and cash equivalents at the end of the period           | <u><u>4,014,410</u></u>        | <u><u>8,975,236</u></u>        |

The annexed notes from 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 SEPTEMBER 30, 2024

|  | Share Capital       | Un-appropriated profit / (Loss) | Surplus on Revaluation of Fixed Assets | Total              |
|--|---------------------|---------------------------------|--|--------------------|
|  | (Amounts in Rupees) |                                 |  |                    |
| Balance as on June 30, 2023 (Audited)                      | 132,716,000         | (240,637,117)                   | 508,175,661                            | 400,254,544        |
| Total Comprehensive income for the three months then ended | -                   | 1,856,552                       | -                                      | 1,856,552          |
| Incremental Depreciation charged to revaluation surplus    | -                   | -                               | (6,043,936)                            | (6,043,936)        |
| <b>Balance as on September 30, 2023</b>                    | <b>132,716,000</b>  | <b>(238,780,565)</b>            | <b>502,131,725</b>                     | <b>396,067,160</b> |
| Balance as on June 30, 2024 (Audited)                      | 132,716,000         | (242,886,212)                   | 483,999,917                            | 373,829,704        |
| Total Comprehensive income for three months then ended     | -                   | (8,693,005)                     | -                                      | (8,693,005)        |
| Incremental Depreciation charged to revaluation surplus    | -                   | 5,668,658                       | (5,668,658)                            | -                  |
| <b>Balance as on September 30, 2024</b>                    | <b>132,716,000</b>  | <b>(245,910,559)</b>            | <b>478,331,258</b>                     | <b>365,136,699</b> |

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-Audited)

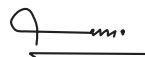
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

|  | September 2024<br>Rupees | September 2023<br>Rupees |
|--|--------------------------|--------------------------|
| <b>PROFIT / (LOSS) FOR THE PERIOD</b>                          | (8,693,005)              | (4,187,384)              |
| Items that may be reclassified subsequently to profit or loss: |                          |                          |
| Incremental Depreciation on revalued assets                    | 5,668,658                | 6,043,936                |
|  | -                        | -                        |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>               | <b>(3,024,346)</b>       | <b>1,856,552</b>         |

The annexed notes form an integral part of these financial statements

  
Chief Executive

  
Chief Financial Officer

  
Director



# HAMID TEXTILE MILLS LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (un-audited)

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

## 1. 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.

- The Quarterly Financial Statements are being submitted to Shareholders as required by Section 237 of companies Act 2017.
- 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, 2024.
- The management using going concern assumption is valid and the management is of view that overall assets of the company exceeds the total obligations to pay, the company is alive and continuously maintaing its operations with directors and sponsors loan and generating sufficient internal funds to maintain its operations. it is true that company is facing financial constraints due to pending litigation in Hon'ble Courts with National Bank of Pakistan and had been facing all odd factors prevailing in Pakistan economy, textile sector in particular and having financial constraints stated herein, the operations of the company remains alive in last decade which justifies that preparation of financial statements as going concern is justified.

## 6. Contingencies and commitments

- There is no change in contingencies from those disclosed in the annual accounts for the year ended June 30, 2024.
- There are no commitments as at September 30, 2024.

|   | <b>Un-Audited<br/>September 30<br/>2024<br/>Rupees</b> | <b>Audited<br/>June 30,<br/>2024<br/>Rupees</b> |
|---|--|---|
| <b>7 Property, Plant and Equipments</b>   |  |   |
| Book Value as at July 1st, 2024   | 555,401,186  | 596,999,533                                     |
| Addition during the peirod  | 3,000,000  | -   |
| Deletion during the period  | -  | (350,000)                                       |
| Depreciation for the period   | (9464,042)   | (41,248,346)                                    |
|   | <b>548,937,144</b>                                     | <b>555,401,186</b>                              |
| <b>8 Stock In Trade</b>   |  |   |
| Raw Materials   | 41,606,348   | 34,108,512                                      |
| Work in Process   | 4,989,706  | 4,939,706                                       |
| Finished Goods  | 18,317,950   | 34,055,403                                      |
|   | <b>64,914,004</b>                                      | <b>73,103,621</b>                               |
| <b>9 Long Term Loan Other Than Banking Companies (Un-Secured)</b>   |  |   |
| Opening balance   | 25,000,000   | 25,000,000                                      |
| Receipt during the period / year  | 10,000,000   | -   |
|   | <b>35,000,000</b>                                      | <b>25,000,000</b>                               |
| <b>10 Loan from Director-related parties (unsecured)</b>  |  |   |
| Opening balance   | 7,901,600  | 11,248,100                                      |
| Contribution during the period / year   | -  | -   |
| Repayments during the period / year   | -  | (3,346,500)                                     |
| Basic earning per share   | <b>7,901,600</b>                                       | <b>7,901,600</b>                                |
| <b>11 Basic Earning Per Share</b>   |  |   |
| Profit / (Loss) after tax for the three months ended  | (8,693,005)  | (4,187,384)                                     |
| Weighted average number of ordinary shares  | 13,271,600   | 13,271,600                                      |
| Basic earning per share   | <b>(0.66)</b>  | <b>(0.32)</b>                                   |
| <b>12 Corresponding Figures</b>   |  |   |
| <b>12.1</b> Corresponding Figures have been rearranged and regrouped where ever necessary for the purpose of comparison. However no significant changes have been made. |  |   |
| <b>12.2</b> Figures have been rounded off to the nearest rupee.   |  |   |
| <b>13 Date of Authorization</b>   |  |   |
| These accounts have been approved by the Board of Directors on October 30, 2024.  |  |   |

  
Chief Executive

  
Chief Financial Officer

  
Director



# HAMID TEXTILE MILLS LIMITED

## COMPANY INFORMATION

|                               |  |
|-------------------------------|--|
| CHAIRMAN                      | Mrs. Khushbu Ammad   |
| CHIEF EXECUTIVE               | Mr. Khawar Almas Khawaja   |
| DIRECTORS                     | Mr. Khawar Almas Khawaja<br>Mrs. Khushbu Ammad<br>Mrs. Nighat Khawar<br>Mrs. Momina Khawar Ali<br>Mr. Muhammad Alamgir<br>Mr. Abid Hussain<br>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<br>(Bukhari Law Chamber)   |
| AUDITORS                      | HLB Ijaz Tabussum & Co<br>Chartered Accountants<br>Lahore  |
| INTERNAL AUDITORS             | Awan & Co (Chartered Accountants), Lahore  |
| SHARES REGISTRAR              | Corplink (Pvt) Ltd Lahore  |
| BANKERS                       | National Bank of Pakistan<br>Bank Alfalah Limited<br>Meezan Bank Limited<br>Habib Metropolitan Bank Ltd  |
| REGISTERED OFFICE             | 142, Block - D<br>Model Town, Lahore   |
| MILLS                         | Changa Manga Road, Wan Adhan<br>Pattoki, Kasur   |
| TELEFAX                       | 049-4528188  |
| TELEPHONE                     | 049-4528177, 049-4528099   |
| EMAIL                         | <a href="mailto:accounts@hamid-textile.com">accounts@hamid-textile.com</a> ,<br><a href="mailto:sales@hamid-textile.com">sales@hamid-textile.com</a><br><a href="mailto:corporate@hamid-textile.com">corporate@hamid-textile.com</a> , |

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