

AN

TEXTILE MILLS LIMITED



1st
Quarter
Report

SEPTEMBER 30, 2024
(UN-AUDITED)

COMPANY INFORMATION

Board of Directors	Mrs. Nazma Amer Mr. Aizad Amer Khawaja Amer Khurshid Mr. Anns Amer Mrs. Yusra Amer Syed Khalid Ali Mr. Umar Muneer	Chairperson Chief Executive Officer Director Director Director Director Director
Audit Committee	Mr. Umar Muneer Mrs. Yusra Amer Syed Khalid Ali	Chairman Member Member
HR and Remuneration Committee	Syed Khalid Ali Mr. Umar Muneer Mr. Anns Amer	Chairman Member Member
Nomination Committee	Mr. Umar Muneer Mrs. Yusra Amer Syed Khalid Ali	Chairman Member Member
Risk Management Committee	Mr. Anns Amer Mr. Umar Muneer Syed Khalid Ali	Chairman Member Member
Chief Financial Officer	Mr. Muhammad Saqib Ehsan	
Company Secretary	Mr. Muzammal Jamil	
Auditors	Riaz Ahmad and Company Chartered Accountants FS Tower, Outside Al-Fateh Garden, East Canal Road, Faisalabad	
Bankers	Bank Al Habib Limited Habib Metro Bank Limited Habib Bank Limited Meezan Bank Limited National Bank of Pakistan	
Share Registrar	Corplink (Private) Limited Wings Arcade, I-K, Commercial, Model Town, Lahore	
Registered Office & Mills	35 Kilometer, Sheikhupura Road, Faisalabad	

DIRECTORS' REVIEW TO THE SHAREHOLDERS

The Directors of your Company feel pleasure to submit un-audited condensed interim financial information of your Company for the 1st quarter ended September 30, 2024.

	Quarter ended	
	30 September 2024	30 September 2023
	(Rupees in Thousand)	
REVENUE	1,043,184	637,640
COST OF SALES	(1,056,435)	(658,013)
GROSS LOSS	(13,251)	(20,373)
DISTRIBUTION COST	(2,579)	(302)
ADMINISTRATIVE EXPENSES	(17,222)	(16,451)
OTHER INCOME	1	-
FINANCE COST	(11,377)	(6,206)
LOSS BEFORE LEVY AND TAXATION	(44,428)	(43,332)
LEVY	(13,040)	(7,970)
LOSS BEFORE TAXATION	(57,468)	(51,302)
TAXATION	(7,032)	23,295
LOSS AFTER TAXATION	(64,500)	(28,007)
LOSS PER SHARE- BASIC AND DILUTED (RUPEES)	(6.68)	(2.90)

REVIEW OF OPERATING RESULTS

During the period under review, revenue was Rupees 1,043.184 million as compared to corresponding period's sales amounting to Rupees 637.640 million. The cost of sales was Rupees 1,056.435 million as compared to Rupees 658.013 million in the corresponding period. The company incurred loss after taxation of Rupees 64.500 million as compared to corresponding period's loss after taxation of Rupees 28.007 million.

FUTURE OUTLOOK

Pakistan economy faced significant uncertainty, characterized by high inflation and a decline in large-scale manufacturing. The cost of conducting business remains prohibitively high, and the textile industry is en-counterering escalating difficulties amidst regional competition. Global demands remains subdued, resulting in depressed demand of end products. The industry will continue to grapple with these

challenges until issues pertaining to energy and borrowing cost are addressed, a task made daunting by commitments to IMF.

The management remains cognizant of these challenges as it continues its efforts to regain its profitability by increasing its market efforts to increase in share of the market. We also remain focused on the challenge of reducing our operating costs and using our efficiencies to maximize our returns. Moreover, the Company will operate on its optimum capacity as it has support from interest free loans obtained from the directors of the Company and facility of borrowings from the banks to meet the liquidity requirements.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the cooperation, commitment, and hard work extended to the Company by the customers, suppliers, bankers, and all the employees of the Company.

On behalf of the Board



(Aizad Amer)
Chief Executive Officer

FAISALABAD

Dated: October 30, 2024



(Kh. Amer Khurshid)
Director

حصص یافتگان کے لئے ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز انتہائی مسرت کے ساتھ اپنی کمپنی کی غیر آڈٹ شدہ 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی تک کی مالیاتی کارکردگی پیش کر رہے ہیں۔

لیائی نتائج

30 ستمبر 2023	30 ستمبر 2024	
(رقم ہزاروں میں)	(رقم ہزاروں میں)	
637,640	1,043,184	آمدن
(658,013)	(1,056,435)	فروخت کی لاگت
(20,373)	(13,251)	مجموع نقصان
(302)	(2,579)	تقسیم کی لاگت
(16,451)	(17,222)	انتظامیہ اخراجات
-	1	دیگر آمدن
(6,206)	(11,377)	مالیاتی لاگت
(43,332)	(44,428)	ٹیکس اور لیوی سے پہلے نقصان
(7,970)	(13,040)	لیوی
(51,302)	(57,468)	ٹیکس سے پہلے نقصان
23,295	(7,032)	ٹیکس
(28,007)	(64,500)	ٹیکس کے بعد نقصان
(2.90)	(6.68)	نقصان فی حصہ - روپے

کارروائی کے نتیجے کا جائزہ:

دورانِ جائزہ سہ ماہی آمدن مبلغ 1,043.184 ملین ہوئی۔ جبکہ اس کے مقابل پچھلے سال کی سہ ماہی آمدن مبلغ 637.640 ملین تھی فروخت کی لاگت مبلغ 1,056.435 ملین ہے۔ جبکہ اس کے مقابل پچھلے سال کی سہ ماہی میں فروخت کی لاگت مبلغ 658.013 ملین تھی۔ کمپنی کو اس سہ ماہی میں ٹیکس کے بعد مبلغ 64.500 ملین کا نقصان ہوا۔ جب کہ اس کے مقابل پچھلے سال کی سہ ماہی میں مبلغ 28.007 ملین کا نقصان ہوا تھا۔

مستقبل کا ڈھانچہ:

پاکستانی معیشت کو نمایاں غیر یقینی صورت حال کا سامنا کرنا پڑا۔ جس کی خصوصیت بلند افراط زر اور بڑے پیمانے پر مینوفیکچرنگ کی کمی ہے۔ کاروبار چلانے کی لاگت اب بھی بہت زیادہ ہے۔ اور ٹیکسٹائل کی صنعت علاقائی مسابقت کے درمیان بڑھتی ہوئی مشکلات کا مقابلہ کر رہی ہے۔ عالمی طلب کم ہو رہی ہے جس کے نتیجے میں ہماری مصنوعات کی مانگ میں کمی آئی ہے۔ صنعت ان چیلنجوں سے اس وقت تک نمٹتی رہے گی جب تک کہ توانائی اور سودی لاگت سے متعلق مسائل کو حل نہیں کیا جاتا۔ یہ کام آئی ایم ایف سے وعدوں کی وجہ سے مشکل بنا ہوا ہے۔

انتظامیہ ان چیلنجوں سے بخوبی واقف ہے کیونکہ وہ مارکیٹ میں حصہ بڑھانے کے لئے اپنی مارکیٹ کی کوششوں کو بڑھا کر اپنے منافع کو دوبارہ حاصل کرنے کی کوشش جاری رکھے ہوئے ہے۔ ہم اپنے اپریٹنگ اخراجات کو کم کرنے اور اپنے منافع کو زیادہ سے زیادہ کرنے کے لیے اپنی صلاحیتوں کو استعمال کرنے کے چیلنج پر بھی توجہ مرکوز کیے ہوئے ہے۔ مزید برآں کمپنی اپنی بہترین صلاحیت پر کام کرنے گی۔ کیونکہ اسے کمپنی کے ڈائریکٹرز سے حاصل کیے گئے بلا سود قرضوں اور مالی ضروریات کو پورا کرنے کے لیے بینکوں سے قرض لینے کی سہولت حاصل ہے۔

اعتراف:

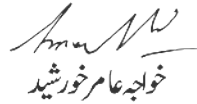
بورڈ اپنے گاہکوں، سپلائرز، بنکرز، اور ملازموں کے تعاون، عزم اور محنت کی تعریف کرتا ہے اور اسے اپنے ریکارڈ میں لاتا ہے۔

منجانب بورڈ آف ڈائریکٹرز



ایزد عامر

چیف ایگزیکٹو آفیسر



خواجہ عامر خورشید


ڈائریکٹر

فیصل آباد

مورخہ 30 اکتوبر 2024

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	NOTE	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024 (Rupees in thousand)	NOTE	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024 (Rupees in thousand)
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Authorized share capital						
10,000,000 (30 June 2024: 10,000,000) ordinary shares of Rupees 10 each		100,000	100,000			
Issued, subscribed & paid up share capital						
Directors' loan		96,600	96,800			
		360,000	360,000			
Capital Reserves						
Premium on issue of shares reserve		17,250	17,250			
Equity portion of shareholders' loans		44,778	44,778			
Surplus on revaluation of property, plant and equipment and investment properties - net of deferred income tax		452,205	461,610			
		514,233	523,638			
Accumulated loss		(216,683)	(161,566)			
Total equity		754,150	618,650			
LIABILITIES						
NON-CURRENT LIABILITIES						
Deferred income tax liability		117,506	110,474			
Staff retirement gratuity		39,103	39,312			
		156,609	149,786			
CURRENT LIABILITIES						
Trade and other payables		562,454	446,123			
Unclaimed dividend		1,023	1,023			
Accrued mark-up		11,249	10,151			
Short term borrowings		547,046	494,942			
		1,121,772	952,239			
TOTAL LIABILITIES		1,276,381	1,102,025			
CONTINGENCIES AND COMMITMENTS						
TOTAL EQUITY AND LIABILITIES	5	2,032,531	1,920,675			
The annexed notes form an integral part of this condensed interim financial information.						
				TOTAL ASSETS		
						2,032,531
						1,920,675
				ASSETS		
				NON-CURRENT ASSETS		
				Property, plant and equipment		1,236,908
				Long term deposits and prepayments		5,333
				Long term loans		3,824
						200
						1,240,530
				ASSETS		
				CURRENT ASSETS		
				Stores, spare parts and loose tools		67,449
				Stock in trade		197,565
				Trade debts		267,205
				Loans and advances		2,121
				Advance income tax and levy - net		6,296
				Other receivables		50,629
				Short term deposits and prepayments		45,607
				Cash and bank balances		12,368
						60,621
						26,868
						679,745


Aizad Amer
Chief Executive Officer


Khawaja Amer Khurshid
Director


Muhammad Saqib Ehsan
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

	NOTE	Quarter ended	
		30 September 2024	30 September 2023
(Rupees in Thousand)			
REVENUE		1,043,184	637,640
COST OF SALES	8	(1,056,435)	(658,013)
GROSS LOSS		(13,251)	(20,373)
DISTRIBUTION COST		(2,579)	(302)
ADMINISTRATIVE EXPENSES		(17,222)	(16,451)
OTHER INCOME		1	-
FINANCE COST		(11,377)	(6,206)
LOSS BEFORE TAXATION AND LEVY		(44,428)	(43,332)
LEVY		(13,040)	(7,970)
LOSS BEFORE TAXATION		(57,468)	(51,302)
TAXATION		(7,032)	23,295
LOSS AFTER TAXATION		(64,500)	(28,007)
LOSS PER SHARE- BASIC AND DILUTED		(6.68)	(2.90)

The annexed notes form an integral part of this condensed interim financial information.



Aizad Amer
Chief Executive Officer



Khawaja Amer Khurshid
Director



Muhammad Saqib Ehsan
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

	Quarter ended	
	30 September 2024	30 September 2023
	(Rupees in thousand)	
LOSS AFTER TAXATION	(64,500)	(28,007)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(64,500)	(28,007)

The annexed notes form an integral part of this condensed interim financial information.



Aizad Amer
Chief Executive Officer



Khawaja Amer Khurshid
Director



Muhammad Saqib Ehsan
Chief Financial Officer


CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

	RESERVES					TOTAL EQUITY		
	SHARE CAPITAL	DIRECTORS' LOAN	CAPITAL RESERVES				UNAPPROPRIATED PROFIT / (ACCUMULATED LOSS)	
			Share premium	Equity portion of Shareholder's loan	Surplus on revaluation of property, plant and investment properties - net of deferred income tax			Total
Balance as at 30 June 2023 - (Audited)	96,600	360,000	17,250	44,778	475,667	537,695	(69,985)	924,310
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(3,609)	(3,609)	3,609	-
Loss for the period ended	-	-	-	-	-	-	(28,007)	(28,007)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	-	(28,007)	(28,007)
Balance as at 30 September 2023 - (Un-audited)	96,600	360,000	17,250	44,778	472,058	534,086	(94,383)	896,303
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	(10,448)	(10,448)	10,448	-
Loss for the period	-	-	-	-	-	-	(82,369)	(82,369)
Other comprehensive income for the period	-	-	-	-	4,716	4,716	-	4,716
Total comprehensive income for the period	-	-	-	-	-	-	(77,653)	(77,653)
Balance as at 30 June 2024 - (Audited)	96,600	360,000	17,250	44,778	461,610	523,638	(161,588)	818,650
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(9,405)	(9,405)	9,405	-
Loss for the period	-	-	-	-	-	-	(64,500)	(64,500)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	-	(64,500)	(64,500)
Balance as at 30 September 2024 - (Un-audited)	96,600	360,000	17,250	44,778	452,205	514,233	(216,683)	754,150

The annexed notes form an integral part of this condensed interim financial information.



Aizad Amer
Chief Executive Officer



Khawaja Amer Khurshid
Director



Muhammad Saqib Ehsan
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

	NOTE	Quarter ended	
		30 September 2024	30 September 2023
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	9	(13,688)	(18,100)
Finance cost paid		(10,279)	(16,576)
Income tax paid		(18,062)	(5,939)
Staff retirement gratuity paid		(4,695)	(3,384)
Net decrease in long term loans		36	-
Net increase in long term deposits and prepayments		(1,509)	(378)
NET CASH USED IN OPERATING ACTIVITIES		(48,197)	(44,377)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant & equipment		(7,359)	(6,244)
Net cash used in investing activities		(7,359)	(6,244)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liability		-	(122)
Short term borrowings - net		52,104	34,300
NET CASH FROM FINANCING ACTIVITIES		52,104	34,178
NET DECREASE IN CASH AND CASH EQUIVALENTS		(3,452)	(16,443)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		26,868	29,659
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		23,416	13,216

The annexed notes form an integral part of this condensed interim financial information.



Aizad Amer
Chief Executive Officer



Khawaja Amer Khurshid
Director



Muhammad Saqib Ehsan
Chief Financial Officer

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024****1. THE COMPANY AND ITS OPERATIONS**

AN Textile Mills Limited (the Company) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and its share are quoted on Pakistan Stock Exchange Limited. Its registered office and mills premises are situated at 35 Kilometers Sheikhupura Road, Faisalabad. The principal activity of the Company is manufacturing, sale and trading of yarn and cloth.

2. BASIS OF PREPARATION

This condensed interim financial information is unaudited and is being submitted to shareholders as required by the Companies Act, 2017. This condensed interim financial information of the Company for the 1st quarter ended 30 September 2024 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017 as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information should be read in conjunction with the audited annual published financial statements for the year ended 30 June 2024.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

5. CONTINGENCIES AND COMMITMENTS**a) Contingencies**

There was no significant change in the status of contingencies as reported in the annual financial

b) Commitments

i) Letters of credit for capital expenditure are of Rupees Nil as at 30 September 2024 (2024: Rupees 13,382 million).

ii) Letters of credit for other than capital expenditure are of Rupees 5,242 million (2024: Rupees 94,067 million).

Un-Audited	Audited
30 September 2024	30 June 2024

Rupees in thousand

6. PROPERTY, PLANT AND EQUIPMENT

Opening book value	1,236,906	1,266,356
Add:		
Cost of additions during the period / year (Note 6.1)	7,359	25,361
Transferred from right-of-use asset	-	1,944
	<u>1,244,265</u>	<u>1,293,661</u>
Less: Book value of vehicles disposed off during the period / year	-	183
	<u>1,244,265</u>	<u>1,293,478</u>
Less: Depreciation charged for the period / year	27,220	56,572
	<u>1,217,045</u>	<u>1,236,906</u>

6.1 Cost of additions during the period / year

Plant and machinery	525	21,937
Electric installations	6,834	678
Vehicles	-	2,746
	<u>7,359</u>	<u>25,361</u>

(Un-Audited)	
Quarter ended	
30 September 2024	30 September 2023

8. COST OF SALES

Raw material consumed (Note 8.1)	624,405	495,049
Loading and unloading	54	54
Salaries, wages and other benefits	61,534	37,341
Staff retirement benefits	4,127	4,609
Stores, spares and loose tools consumed	23,837	19,215
Packing material consumed	9,190	8,323
Repairs and maintenance	178	116
Fuel and power	350,520	165,842
Insurance	858	845
Other factory overheads	776	405
Depreciation	25,274	13,030
	<u>1,100,753</u>	<u>744,829</u>

Work in process

Opening stock	53,826	31,721
Closing stock	(60,034)	(63,195)
	(6,208)	(31,474)

Cost of goods manufactured	1,094,545	713,355
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Finished goods

Opening stock	26,864	81,939
Closing stock	(64,974)	(137,281)
	(38,110)	(55,342)

	1,056,435	658,013
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8.1 Raw material consumed

Opening Stock	116,875	199,819
Add: Purchases during the period	695,487	416,307
	812,362	616,126
Less: Closing Stock	(187,957)	(121,077)
	624,405	495,049

9. CASH GENERATED FROM OPERATIONS

Loss before taxation	(44,428)	(43,332)
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Adjustments for non-cash charges and other items:

Depreciation	27,220	14,122
Provision for gratuity	4,486	5,009
Finance cost	11,377	6,206
Working capital changes (Note 9.1)	(12,343)	(105)
	(13,688)	(18,100)

9.1 Working capital changes**Decrease / (Increase) in current assets:**

Stores, spare parts and loose tools	(17,995)	7,307
Stock in trade	(115,400)	(8,074)
Trade debts	28,831	(22,890)
Loans and advances	(4,177)	(190)
Short term deposits and prepayments	(3,076)	(4,119)
Other receivables	(16,857)	(5,583)
	(128,674)	(33,549)

Decrease in trade and other payables	116,331	33,444
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	(12,343)	(105)
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10. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

Un-Audited	Audited
30 September 2024	30 June 2024

Rupees in thousand

i) Transactions

Particulars	Basis of relationship	Nature of transaction		
Other related parties				
Short term borrowings	Directors of the Company	Loans obtained / (repaid)	14,500	(152,517)

11. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual financial statements of the Company for the year ended 30 June 2023.

12. DATE OF AUTHORIZATION

This condensed interim financial information was approved by the Board of Directors of the Company and authorised for issue on 30 October 2024.

13. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim profit or loss and other comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

14. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



Aizad Amer
Chief Executive Officer



Khawaja Amer Khurshid
Director



Muhammad Saqib Ehsan
Chief Financial Officer

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