



## Half Yearly Report

For the half year ended December 31, 2024

(Reviewed)

**Ahmad Hassan**  
**Textile Mills Ltd.**



## **COMPANY PROFILE**

### **BOARD OF DIRECTORS**

<i>Chairperson</i>	Mrs. Salma Javed	Non-Executive Director
<i>Directors</i>	Mian Muhammad Javed	Executive Director
	Mr. Muhammad Haris	Executive Director
	Mrs. Bushra Ali	Non-Executive Director
	Mr. Haseeb Haris Mughal	Non-Executive Director
	Mr. Ali Kamal	Independent Director
	Mr Nazir Ahmad Khan	Independent Director

### **AUDIT COMMITTEE**

<i>Chairman</i>	Mr. Nazir Ahmad Khan	Independent Director
<i>Members</i>	Mr. Haseeb Haris Mughal	Non-Executive Director
	Mrs. Salma Javed	Non-Executive Director

### **HR & R COMMITTEE**

<i>Chairman</i>	Mr. Nazir Ahmad Khan	Independent Director
<i>Members</i>	Mr. Muhammad Haris	Executive Director
	Mrs. Salma Javed	Non-Executive Director

**CHIEF FINANCIAL OFFICER** Jamal Ahmed

**HEAD OF INTERNAL AUDIT** Rao Saqib Ali

**COMPANY SECRETARY** Muhammad Nafees Ahmad Rahi

**AUDITORS** M/s Yousuf Adil (Chartered Accountants)

**BANKERS** Bank Al-Habib Limited  
Allied Bank Limited  
Bank Al-Falah Limited  
Soneri Bank Limited  
National Bank of Pakistan  
Dubai Islamic Bank Pakistan Limited

**REGISTERED OFFICE** 46 - Hassan Parwana Colony, Multan.

**MILLS** M.M. Road, Chowk Sarwar Shaheed,  
Distt. Muzaffargarh.

**SHARES REGISTRAR** M/s Vision Consulting Limited  
5-C, LDA Flats, Lawarnce Road, Lahore.



## DIRECTORS' REVIEW

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

Dear Shareholders,

We feel immense pleasure for presenting the Condensed Interim Financial Statements of your Company for the six months ended December 31, 2024.

### SUMMARIZED FINANCIAL RESULTS:

Summary of Profit and Loss	Dec. 2024 (Rupees)	Dec. 2023 (Rupees)
Sales-Net	<b>3,047,965,105</b>	2,497,761,628
Gross Profit	<b>215,426,806</b>	165,215,442
Distribution Cost	<b>14,809,701</b>	21,479,995
Administrative Expenses	<b>41,088,519</b>	36,500,422
Finance Cost	<b>95,414,352</b>	54,266,077
Profit Before Taxation	<b>65,249,476</b>	78,873,328
Profit After Taxation	<b>30,176,378</b>	35,319,247
G. P. Ratio	<b>7.07%</b>	6.61%
Profit before Tax Ratio	<b>2.14%</b>	3.16%
Profit after Tax Ratio	<b>0.99%</b>	1.41%
EPS	<b>3.56</b>	4.17

### REVIEW OF OPERATING RESULT

In the current FY25 textile exports of the country recorded to USD 9.09 billion which shows a 3% decline in the exports as compared to FY22. In FY22, total exports of textile sector for the first six months recorded to USD 9.38 billion which amounted to USD 8.72 billion in FY23.

During the period under review, sales revenue of the Company increased by 22% along with increase of gross profit ratio from 6.61% to 7.07% which is mainly attributable to import of yarn at competitive rates & minimization of electricity cost due to use of solar system. Profit before & after tax ratio recorded to 2.14% & 0.99% respectively as compared to 3.16% & 1.41% recorded in preceding period respectively. Despite increase of gross profit ratio, profit before & after tax ratio recorded comparatively on lower side due to increase of finance cost by Rs. 41 million which in terms of percentage stands to 76%. Increase in finance cost observed due to increase of credit period of customers in the market coupled with reduction of credit period of suppliers resulting to more utilization of credit facilities. Distribution cost decreased mainly due to low volume of export and Admin cost increased by 12.57% mainly due to inflation.

### FUTURE OUTLOOK

Amid declining inflation, the SBP has reduced policy rate by 10% since July 2024, bringing it down to 12%, offering some relief to the business community. Business



community in Pakistan has faced a challenging period when policy rate sustained to a record-high level of 22% for 12 consecutive months (June 2023–July 2024). This pressure was further escalated by the 2024 budget, which changed taxation regime of exports from final tax to normal tax, resulting in a tax burden of 29% on income from exports.

In order to ensure a better year for textile industry, key actions are needed including continuing gas supplies to captive power plants, reversing the withdrawal of zero-rating on local supplies, reducing industrial power tariffs, boosting domestic cotton production to safeguard net exports and issuance of income tax & sales tax refund promptly by FBR. Delays in income tax and sales tax refunds is causing additional requirement working capital which in turn is causing to decrease profitability due to high level of borrowings. Prioritizing compliance with international standards is equally important. Nevertheless, due to volatility of economic policies in the country the future still remains uncertain.

In order to stay competitive in the market, management of your company has been acting proactively to reduce controllable costs. Your Company is focusing on cheaper source of electricity generation available in market with minimal financial cost. In pursuance thereto, your Company has already commissioned solar project having rated capacity of 1,881.7 Kw in the last two years. Another project for installation of solar system having rated capacity of 839 Kw is under progress.

Besides increasing trend of raw material & other input costs, your directors are determined to improve sales, reduce costs of doing business and maintain high profitability.

We hope all of your directors' sincerely efforts towards the reduction in business cost; will result in increase in shareholder's wealth and stakeholder's interest in your Company.

## **ACKNOWLEDGMENT**

Your Directors place on record their deep appreciation for the efforts made by the workers and staff of the Company for their deep devotion to work.

Your Directors would also like to express their thanks to the Shareholders and Financial Institutions for their support and assistance.

**On behalf of the Board of Directors**

**Chief Executive**

**Director**

**Multan**

**Dated; February 27, 2025**

## ڈائریکٹرز کی جائزہ رپورٹ

عزیز شیئر ہولڈرز!

ہمیں 31 دسمبر 2024 کو ختم ہونے والے چھ ماہ کے لئے آپ کی کمپنی کے غیر آڈٹ شدہ اکاؤنٹس پیش کرنے میں خوشی ہے۔

خلاصہ کردہ مالی نتائج:

دسمبر 2023	دسمبر 2024	نیم سیکٹر
2,497,761,628	3,047,965,105	گراس پرافٹ
165,215,442	215,426,806	تعمیر کی لاگت
21,479,995	14,809,701	انتظامی اخراجات
36,500,422	41,088,519	مالیاتی لاگت
54,266,077	95,414,352	کمیشن سے قبل پرافٹ
78,873,328	65,249,476	کمیشن کے بعد پرافٹ
35,319,247	30,176,378	جی پی تناسب
6.61%	7.07%	پرافٹ قبل از ٹیکس تناسب
3.16%	2.14%	پرافٹ بعد از ٹیکس تناسب
1.41%	0.99%	منافع فی شیئر
4.17	3.56	

## کاروباری امور کا جائزہ

زیر جائزہ مدت کے دوران، کمپنی کے سیکٹر ریونیو میں 22% اضافہ ہوا جس کے ساتھ مجموعی منافع کا تناسب 6.61% سے بڑھ کر 7.07% ہو گیا جو بنیادی طور پر مسابقتی نرخوں پر یارن کی درآمد اور شیشی نظام کے استعمال کی وجہ سے بجلی کی لاگت میں کمی سے منسوب ہے۔ ٹیکس سے پہلے اور بعد میں منافع بالترتیب 2.14% اور 0.99% ریکارڈ کیا گیا جب کہ گزشتہ مدت میں بالترتیب 3.16% اور 1.41% ریکارڈ کیا گیا تھا۔ مجموعی منافع کے تناسب میں اضافے کے باوجود، مالیاتی لاگت میں روپے کے اضافے کی وجہ سے ٹیکس سے پہلے اور بعد میں منافع نسبتاً چلی طرف ریکارڈ کیا گیا۔ 41 ملین جو کہ فیصد کے لحاظ سے 76 فیصد بنتا ہے۔ مالیاتی لاگت میں اضافہ مارکیٹ میں صارفین کے کریڈٹ کی مدت میں اضافے کے ساتھ ساتھ سپلائرز کے کریڈٹ کی مدت میں کمی کی وجہ سے دیکھا گیا جس کے نتیجے میں کریڈٹ سہولیات کا زیادہ استعمال ہوا۔ ڈسٹری بیوٹن لاگت میں کمی بنیادی طور پر ایکسپورٹ کے کم حجم کی وجہ سے ہوئی اور ایڈمن لاگت میں 12.57 فیصد اضافہ بنیادی طور پر اخراجات کی وجہ سے ہوا۔

## مستقبل کا نقطہ نظر

موجودہ مالی سال 25 میں ملک کی ٹیکسٹائل کی برآمدات 9.09 ملین امریکی ڈالر تک ریکارڈ کی گئیں جو کہ مالی سال 22 کے مقابلے میں برآمدات میں 3 فیصد کمی کو ظاہر کرتی ہے، ۶۔ مالی سال 22 میں ٹیکسٹائل ٹیکس کی پہلے چھ ماہ میں مجموعی برآمدات 9.38 ملین امریکی ڈالر ریکارڈ کی گئیں جو مالی سال 23 میں 8.72 ملین امریکی ڈالر تھیں۔

گرتی ہوئی افراط زر کے درمیان، SBP نے جولائی 2024 سے پالیسی ریٹ میں 10% کمی کی ہے، اسے 12% تک لایا ہے، جس سے کاروباری برادری کو کچھ ریلیف ملا ہے۔ پاکستان میں کاروباری برادری کو ایک مشکل دور کا سامنا ہے جب پالیسی کی شرح مسلسل 12 مہینوں (جون 2023 تا جولائی 2024) تک 22 فیصد کی بلند ترین سطح پر برقرار رہی۔ یہ دباؤ 2024 کے بجٹ سے مزید بڑھ گیا، جس نے برآمدات پر ٹیکس لگانے کے نظام کو جتنی ٹیکس سے نارل ٹیکس میں تبدیل کر دیا، جس کے نتیجے میں برآمدات سے ہونے والی آمدنی پر 29 فیصد ٹیکس کا بوجھ پڑا۔

ٹیکسٹائل انڈسٹری کے لیے بہتر سال کو یقینی بنانے کے لیے اہم اقدامات کی ضرورت ہے جن میں کمپنی پاور پلانٹس کو گیس کی سپلائی جاری رکھنا، مقامی سپلائی پر زیرو ریٹنگ واپس لینا، صنعتی بجلی کے نرخوں میں کمی، خالص برآمدات کے تحفظ کے لیے کمپاس کی ملکی پیداوار کو بڑھانا اور ایف بی آر کی جانب سے فوری طور پر انکم ٹیکس اور سیلز ٹیکس کی واپسی کا اجراء شامل ہیں۔ انکم ٹیکس اور سیلز ٹیکس کے ریفرنڈم میں تاخیر اضافی ضرورت کے درنگ سرمائے کا باعث بن رہی ہے جس کے نتیجے میں قرضوں کی بلند سطح کی وجہ سے منافع میں کمی واقع ہو رہی ہے۔ بین الاقوامی معیارات کی تعمیل کو ترجیح دینا بھی اتنا ہی اہم ہے۔ اس کے باوجود ملک میں معاشی پالیسیوں کے اتار چڑھاؤ کی وجہ سے مستقبل اب بھی غیر یقینی ہے۔

مارکیٹ میں مسابقتی رہنے کے لیے، آپ کی کمپنی کی انتظامیہ قابل کنٹرول اخراجات کو کم کرنے کے لیے فعال طور پر کام کر رہی ہے۔ آپ کی کمپنی کم سے کم مالی لاگت کے ساتھ مارکیٹ میں دستیاب بجلی پیدا کرنے کے سستے ذرائع پر توجہ مرکوز کر رہی ہے۔ اس کی تعمیل میں، آپ کی کمپنی نے پچھلے دو سالوں میں **KW 1,881.7** کی درجہ بندی کی صلاحیت کے ساتھ شمسی پروجیکٹ پہلے ہی شروع کر دیا ہے۔ **839** کلو واٹ کی ریٹیل صلاحیت والے سولر سسٹم کی تنصیب کا ایک اور منصوبہ جاری ہے۔

خام مال اور دیگر ان پٹ لاگت کے بڑھتے ہوئے رجحان کے علاوہ، آپ کے ڈائریکٹرز سب کو بہتر بنانے، کاروبار کرنے کی لاگت کو کم کرنے اور زیادہ منافع کو برقرار رکھنے کے لیے پرعزم ہیں۔

ہم امید کرتے ہیں کہ کاروباری لاگت میں کمی کے لیے آپ کے تمام ڈائریکٹرز کی مخلصانہ کوششیں؛ اس کے نتیجے میں شیئر ہولڈرز کی دولت اور آپ کی کمپنی میں اسٹیک ہولڈرز کی دلچسپی میں اضافہ ہوگا۔

## اعتراف

ہم امید کرتے ہیں کہ کاروباری لاگت میں کمی کے لیے آپ کے تمام ڈائریکٹرز کی مخلصانہ کوششیں؛ اس کے نتیجے میں شیئر ہولڈرز کی دولت اور آپ کی کمپنی میں اسٹیک ہولڈرز کی دلچسپی میں اضافہ ہوگا۔

بورڈ آف ڈائریکٹرز کی طرف سے

چیف ایگزیکٹو ڈائریکٹر

ملتان:

27 فروری 2025



## **INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the members of Ahmad Hassan Textile Mills Limited**

**Report on review of interim Financial Statements**

### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Ahmad Hassan Textile Mills Limited** (the Company) as at December 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Basis for Qualified Conclusion**

The Company has not set up any retirement benefit scheme (gratuity or provident fund) as required under clause 12(6) of the Schedule to the Industrial and Commercial Employment (Standing Orders) Ordinance, 1968. The relevant clause requires the Company to provide gratuity or provident fund to those employees who retire, resign or terminated by the employer. The Company has a practice of paying one salary as gratuity to the employees annually and no amount is paid to employees of Company at end of his/her employment as a retirement benefit. Accordingly, the company has not recorded any provision of gratuity by using projected unit credit method as per IAS 19 'Employee Benefits'. Had we been able to complete our review of gratuity, matters might have come to our attention indicating that adjustments might be necessary to the interim financial information.



**Qualified Conclusion**

Based on our review, except for the adjustments to the interim financial information that we might have become aware of had it not been for the situation described above, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other Matter**

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income and the related notes for the three-month period ended December 31, 2024 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended December 31, 2024.

The engagement partner on the review resulting in this independent auditor's review report is Rana M. Usman Khan.

**Chartered Accountants**

Place: Multan

Date: **February 28, 2025**

UDIN: RR202410088eahzyEYZo





## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

### AS AT DECEMBER 31, 2024

(Unaudited)  
December 31,  
2024

(Audited)  
June 30,  
2024

ASSETS	Note	Rupees	Rupees
<b>Non-current assets</b>			
Property, plant and equipment	3	1,657,880,336	1,705,004,326
Long term deposits		13,739,322	13,739,322
		1,671,619,658	1,718,743,648
<b>Current assets</b>			
Stores and spares		59,548,164	64,432,671
Stock in trade	4	1,291,053,007	1,257,467,390
Trade debts		560,040,687	367,450,616
Loans and advances		28,840,230	6,250,383
Advance tax		26,978,369	74,339,412
Due from government		348,092,921	374,633,658
Short term Investment		18,094,404	28,232,957
Other receivables		4,986,031	3,297,797
Cash and bank balances		41,293,019	8,570,843
		2,378,926,832	2,184,675,727
<b>Total assets</b>		<b>4,050,546,490</b>	<b>3,903,419,375</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital		84,715,354	84,715,354
Share premium		32,746,284	32,746,284
Surplus on revaluation of property plant and equipment - net of deferred tax		500,339,638	508,050,844
Unappropriated profit		1,246,472,715	1,208,585,131
		1,864,273,991	1,834,097,613
Subordinated loans		62,500,000	62,500,000
<b>Non-current liabilities</b>			
Long term financing	5	185,161,108	194,602,173
Lease liabilities		16,589,984	21,032,552
Deferred taxation		81,514,080	83,802,504
		283,265,172	299,437,229
<b>Current liabilities</b>			
Trade and other payables		989,448,998	747,279,775
Short term borrowings	6	597,126,037	699,131,943
Current portion of non-current liabilities		183,497,175	161,857,896
Accrued mark up		28,213,166	32,172,464
Unclaimed dividend		4,110,591	4,110,591
Provision for taxation		38,111,360	62,831,864
		1,840,507,327	1,707,384,533
<b>Contingencies and commitments</b>	7		
<b>Total equity and liabilities</b>		<b>4,050,546,490</b>	<b>3,903,419,375</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

Sd/-  
CHIEF EXECUTIVE

Sd/-  
DIRECTOR

Sd/-  
CHIEF FINANCIAL OFFICER



## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2024

		.....Six month period ended .....	..... Three month period ended .....	
		December 31, 2024	December 31, 2023	December 31, 2024
				December 31, 2023
		----- Rupees -----		
	<b>Note</b>			
Revenue from contracts				
with customers - net	<b>8</b>	<b>3,047,965,105</b>	2,497,761,628	<b>1,503,837,224</b>
Cost of goods sold	<b>9</b>	<b>(2,832,538,299)</b>	(2,332,546,186)	<b>(1,389,557,333)</b>
Gross profit		<b>215,426,806</b>	165,215,442	<b>114,279,891</b>
				81,984,470
Profit on trading		<b>81,414</b>	8,820	<b>81,414</b>
Other income		<b>5,802,050</b>	31,598,959	<b>4,315,062</b>
		<b>221,310,270</b>	196,823,221	<b>118,676,367</b>
				103,707,092
Selling and distribution expense		<b>(14,809,701)</b>	(21,479,995)	<b>(8,211,567)</b>
Administrative expenses		<b>(41,088,519)</b>	(36,500,422)	<b>(23,677,332)</b>
Other operating expenses		<b>(4,748,222)</b>	(5,703,399)	<b>(3,565,817)</b>
		<b>(60,646,442)</b>	(63,683,816)	<b>(35,454,716)</b>
				(28,047,349)
Finance cost		<b>(95,414,352)</b>	(54,266,077)	<b>(45,749,651)</b>
Profit before levies and income tax		<b>65,249,476</b>	78,873,328	<b>37,472,000</b>
Levies:				
Final tax		-	(8,708,280)	-
Minimum tax		<b>(13,688,193)</b>	(11,747,486)	<b>(9,866,698)</b>
Profit before income tax		<b>51,561,283</b>	58,417,562	<b>27,605,302</b>
Income tax		<b>(21,384,905)</b>	(23,098,315)	<b>(5,964,903)</b>
Profit after taxation		<b>30,176,378</b>	35,319,247	<b>21,640,399</b>
				18,162,229
Earnings per share -				
basic and diluted		<b>3.56</b>	<b>4.17</b>	<b>2.55</b>
				<b>2.14</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements



**CONDENSED INTERIM STATEMENT OF  
OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2024**

	...Six month period ended ...		...Three month period ended ...	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- Rupees -----			
Profit for the period	30,176,378	35,319,247	21,640,399	18,162,229
Other comprehensive income:	-	-	-	-
Total comprehensive income for the period	<u>30,176,378</u>	<u>35,319,247</u>	<u>21,640,399</u>	<u>18,162,229</u>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements



## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2024

	Share capital	Share premium	Capital Reserve		Unappropriated profit	Subordinated loans	Total
			Surplus on revaluation of property, plant and equipment				
Rupees							
Balance as at July 01, 2023	84,715,354	32,746,284	527,309,623	1,155,019,175	62,500,000	1,862,290,436	
Profit for the six months period ended December 31, 2023	-	-	-	35,319,247	-	35,319,247	
Other comprehensive income for the period	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	35,319,247	-	35,319,247	
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	(9,628,941)	9,628,941	-	-	
Transactions with shareholders:							
Dividend for the year ended June 30, 2023 @ Rs. 0.75 per share	-	-	-	(6,353,652)	-	(6,353,652)	
Balance as at December 31, 2023	84,715,354	32,746,284	517,680,682	1,193,613,711	62,500,000	1,891,256,031	
Balance as at July 01, 2024	84,715,354	32,746,284	508,050,844	1,208,585,131	62,500,000	1,896,597,613	
Profit for the six months period ended December 31, 2024	-	-	-	30,176,378	-	30,176,378	
Other comprehensive income for the period	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	30,176,378	-	30,176,378	
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	(7,711,206)	7,711,206	-	-	
Balance as at December 31, 2024	84,715,354	32,746,284	500,339,638	1,246,472,715	62,500,000	1,926,773,991	

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

Sd/-  
CHIEF EXECUTIVE

Sd/-  
DIRECTOR

Sd/-  
CHIEF FINANCIAL OFFICER



## CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2024

	.....Six month period ended.....	
	December 31, 2024	December 31, 2023
	Rupees	Rupees
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	51,561,283	58,417,562
Adjustments for :		
Depreciation on property, plant and equipment	44,168,870	42,110,885
Finance cost - net	94,120,583	54,266,077
Provision for workers' profit participation fund	4,662,499	4,092,121
Provision for workers' welfare fund	1,347,492	1,579,278
Provision for gratuity	8,904,860	8,970,054
Exchange rate fluctuation gain	(3,906,483)	(28,552,246)
Gain on disposal of short term investment	(75,042)	(1,338,441)
Unrealized gain on remeasurement of short term investments	(1,295,546)	(1,214,073)
Gain on disposal of property, plant and equipment	(281,850)	(494,192)
Final tax	-	8,708,280
Minimum tax	13,688,193	11,747,486
	161,333,576	99,875,229
Operating cash flows before working capital changes	212,894,859	158,292,791
<b>(Increase) / decrease in current assets</b>		
Stores and spares	4,884,507	5,729,304
Stock in trade	(33,585,617)	1,148,977
Trade debts	(188,683,588)	(3,273,916)
Loans and advances	(22,589,847)	(12,510,069)
Due from government	38,941,771	(92,924,578)
Other receivables	(1,688,234)	95,251
	(202,721,008)	(101,735,031)
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	236,159,232	53,773,518
Cash generated from operations	246,333,083	110,331,278
Income tax paid - net	(27,122,017)	(24,791,957)
Finance cost paid - net	(98,079,881)	(49,050,713)
Gratuity paid	(8,904,860)	(8,970,054)
Paid to workers' profit participation fund	-	(12,775,872)
	(134,106,758)	(95,588,596)
Net cash generated from operating activities	112,226,325	14,742,682
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(1,413,030)	(783,895)
Additions to capital work in progress	-	(110,022,488)
Purchase of short term investments	(5,542,472)	(9,535,720)
Proceeds from sale of short term investments	17,051,613	1,191,249
Proceeds from disposal of property, plant and equipment	4,650,000	550,000
Net cash generated /(used in) from investing activities	14,746,111	(118,600,854)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long term finance	(98,389,681)	(34,103,741)
Long term finance obtained	109,262,500	95,555,040
Short term finances - net	(130,919,312)	(140,053,336)
Repayment of principal portion of lease liabilities	(3,117,173)	(2,706,520)
Dividend paid	-	(2,314,128)
Net cash used in financing activities	(123,163,666)	(83,622,685)
Net decrease in cash and cash equivalents (A+B+C)	3,808,770	(187,480,856)
Cash and cash equivalents at beginning of the period	(349,008,818)	(88,554,006)
Cash and cash equivalents at end of the period	(345,200,048)	(276,034,862)
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	41,293,019	13,678,645
Running finance	(386,493,067)	(289,713,507)
	(345,200,048)	(276,034,862)

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

Sd/-	Sd/-	Sd/-
CHIEF EXECUTIVE	DIRECTOR	CHIEF FINANCIAL OFFICER



## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2024

### 1. LEGAL STATUS

- 1.1 Ahmad Hassan Textile Mills Limited (the Company) was incorporated in Pakistan on December 03, 1989 as a Public Limited Company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange Limited. The Company is principally engaged in the manufacturing and sale of fabric. Registered / Head office of the Company is situated at 46-Hassan Parwana Colony, Multan, while the mill of the Company is located at M.M. Road, Chowk Sarwar Shaheed, District Muzaffargarh having area of 83 Kanals and 04 Marlas.
- 1.2 These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

#### 2.1 Statement of compliance

These condensed interim financial statements of the Company 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. These interim financial statements are unaudited but subject to limited scope review by auditors and is being submitted to the shareholders as required under Section 237 of the Act.

- 2.2 These condensed interim financial statements do not include all information required for full annual financial statements and should be read in conjunction with annual audited financial statements for the year ended June 30, 2024. Comparative condensed interim statement of financial position has been extracted from annual audited financial statements for the year ended June 30, 2024 whereas comparative condensed interim statement of profit or loss and condensed interim statement of comprehensive income, comparative condensed interim statement of changes in equity and comparative condensed interim statement of cash flows have been extracted from un-audited condensed interim financial statements for the six months period ended December 31, 2023.

#### 2.3 Accounting policies and methods of computation

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2024. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2024, which do not have any impact on the Company's financial reporting and therefore, have not been detailed in this condensed interim financial information.

		(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
<b>3. PROPERTY, PLANT AND EQUIPMENT</b>	<b>Note</b>		
Operating assets	3.1	1,657,880,336	1,705,004,326
Capital work-in-progress	3.2	-	-
		<b>1,657,880,336</b>	<b>1,705,004,326</b>
<b>3.1 Operating assets</b>			
Opening carrying value- operating assets		1,680,862,501	1,574,422,955
Opening carrying value- right of use assets		24,141,825	31,658,133
Carry forward		<b>1,705,004,326</b>	<b>1,606,081,088</b>

		(Unaudited) December 31, 2024	(Audited) June 30, 2024
	Note	Rupees	Rupees
<i>brought forward</i>		1,705,004,326	1,606,081,088
<b>Additions during the period / year</b>			
Plant and machinery		1,413,030	136,248,036
Land - freehold		-	29,514,550
Electric installations		-	-
Office equipment		-	442,395
Computer equipment		-	833,500
Furniture & fixtures		-	-
Vehicles- owned		-	21,235,227
Vehicles- right of use asset		-	-
		1,413,030	188,273,708
Disposal for the period/year		(4,368,150)	(1,381,537)
Depreciation charge for the period/year		(41,754,688)	(81,785,392)
Depreciation charge for the period/year- right of use assets		(2,414,182)	(6,183,541)
Closing carrying value		1,657,880,336	1,705,004,326
Closing carrying value -operating fixed assets		1,660,294,518	1,680,862,501
Closing carrying value- right of use assets		(2,414,182)	24,141,825
		1,657,880,336	1,705,004,326
<b>3.2 Capital Work in progress</b>			
Opening carrying value		-	30,384,316
Additions during the period/ year		-	-
Transfer to operating fixed assets		-	(29,824,316)
Transfer to Advance income tax		-	(560,000)
Closing carrying value		-	-
<b>4. STOCK IN TRADE</b>			
Raw materials		384,798,356	415,056,191
Stock in transit		71,647,342	-
Work in process		93,218,107	82,193,400
Finished goods - fabrics		741,389,202	760,217,799
		1,291,053,007	1,257,467,390
<b>5. LONG TERM FINANCING</b>			
<b>From banking companies - secured</b>			
<b>Allied Bank Limited</b>			
- LTFF II		12,377,060	24,754,113
- LTFF IV		42,249,023	47,882,223
- Term Finance		83,333,334	38,888,895
- Term Finance	5.1	9,262,500	-
		147,221,917	111,525,231
<b>National Bank of Pakistan</b>			
- Demand Finance		95,555,035	95,555,035
- LTFF II, DF-II		62,266,847	76,103,923
<i>Carry forward</i>		157,821,882	171,658,958



	(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
<i>brought forward</i>	157,821,882	171,658,958
<b>Soneri Bank Limited</b>		
- Term Finance	-	1,912,190
	-	1,912,190
<b>Bank Al Habib Limited</b>		
- Term Finance	10,140,000	11,310,000
	10,140,000	11,310,000
<b>Bank Al Falah Limited</b>		
- Term Finance	19,761,501	27,666,102
	19,761,501	27,666,102
Current portion of long term loans	(149,784,192)	(129,470,308)
	185,161,108	194,602,173

## 5.1 Allied Bank Limited - Term Finance

This finance has been obtained from Allied Bank Limited (ABL) for procurement of Solar system. The loan is repayable in 24 equal quarterly installments commenced from March 19, 2026. It carries mark up at rate of 3MK + 1% and secured against joint pari passu charge on present and future fixed assets of the

		(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
<b>6. SHORT TERM BORROWINGS</b>	<b>Note</b>		
<b>From banking companies</b>			
<b>Secured - under markup arrangements</b>			
Cash finance	6.1	198,752,970	312,552,282
Running finance	6.2	386,493,067	357,579,661
Finance against packing credit	6.3	11,880,000	29,000,000
		597,126,037	699,131,943

- 6.1** These cash finance facilities have been obtained from various commercial banks for working capital requirements, and are secured against personal guarantee of directors and pledge of stock of the company of the Company. Cash finance facilities carry mark up at the rates ranging from 15.93% to 21.24% per annum (2024: 22.74% to 23.91% per annum).
- 6.2** These facilities have been obtained from various banks for working capital requirements, and are secured against joint pari passu charge over all present and future current assets of the company. Running finance facilities carry mark up at the rates ranging from 5% to 21.7% per annum (2024: 21.74% to 23.91% per annum).
- 6.3** This facility has been obtained to finance export order of the company, and is secured against lien on export contract L/C and joint pari passu charge on all present and future current asset of the company and carry mark up at the rates ranging from 15.93% to 21.82% per annum (2024: 21.19% to 23.91% per annum).

## 7. CONTINGENCIES AND COMMITMENTS

- 7.1** There is no significant change in status of contingent liabilities since the annual financial statements as at June 30, 2024.
- 7.2** The Company's commitments against capital expenditure against letters of credits outstanding as at December 31, 2024 amount to Rs.18,381,690 (June 30, 2024: Nil). The Company's commitments other than capital expenditure; against letters of credits outstanding as at December 31, 2024 amount to Rs. 38,491,642 (June 30, 2024: Nil).



----- (Unaudited) -----				
...Six month period ended ...		...Three month period ended ...		
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	Rupees	Rupees	Rupees	Rupees
<b>8. REVENUE FROM CONTRACT WITH CUSTOMER - NET</b>				
Local	2,752,681,611	1,635,600,732	1,379,113,218	750,049,776
Export	295,283,494	862,160,896	124,724,006	451,915,825
	<b>3,047,965,105</b>	<b>2,497,761,628</b>	<b>1,503,837,224</b>	<b>1,201,965,601</b>
<b>9. COST OF GOODS SOLD</b>				
Raw materials consumed	2,298,332,524	1,868,632,333	1,194,891,328	915,634,212
Salaries, wages and benefits	143,576,633	110,553,862	78,720,238	58,566,140
Stores consumed	38,561,716	33,490,286	17,546,133	16,682,549
Chemical consumed	37,235,398	30,344,186	19,463,271	16,596,726
Packing materials consumed	8,258,179	6,473,963	4,264,914	3,369,382
Power and fuel	256,449,590	189,032,698	125,577,726	107,019,396
Repair and maintenance	1,594,712	1,267,261	1,379,520	560,426
Insurance	3,179,336	4,153,007	1,607,256	1,881,430
Rent, rates and taxes	232,969	331,010	94,197	-
Depreciation	37,313,352	35,623,619	18,378,406	17,819,560
	<b>2,824,734,409</b>	<b>2,279,902,225</b>	<b>1,461,922,989</b>	<b>1,138,129,821</b>
Work-in-process				
Opening stock	82,193,400	71,121,407	82,497,182	59,659,996
Closing stock	(93,218,107)	(76,716,324)	(93,218,107)	(76,716,324)
	<b>(11,024,707)</b>	<b>(5,594,917)</b>	<b>(10,720,925)</b>	<b>(17,056,328)</b>
Cost of goods manufactured	<b>2,813,709,702</b>	<b>2,274,307,308</b>	<b>1,451,202,064</b>	<b>1,121,073,493</b>
Finished goods				
Opening stock	760,217,799	781,844,629	679,744,471	722,513,389
Closing stock	(741,389,202)	(723,605,751)	(741,389,202)	(723,605,751)
	<b>18,828,597</b>	<b>58,238,878</b>	<b>(61,644,731)</b>	<b>(1,092,362)</b>
	<b>2,832,538,299</b>	<b>2,332,546,186</b>	<b>1,389,557,333</b>	<b>1,119,981,131</b>

**10. RELATED PARTY TRANSACTIONS**

The related parties comprise associated undertakings and key management personnel. The company in the normal course of business carries out transactions with related parties. Significant transactions with related parties are as follows:

----- (Unaudited) -----				
Six month period ended		Three month period ended		
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	Rupees	Rupees	Rupees	Rupees
<b>Relationship and nature of transaction</b>				
Chief executive:				
- Managerial remuneration	2,400,000	2,605,680	1,125,000	1,302,840
- Dividend	-	1,929,390	-	1,929,390
Directors :				
Managerial remuneration	2,400,000	2,250,000	1,125,000	1,125,000
- Meeting fee	46,000	42,000	46,000	14,500
- Dividend	-	1,431,163	-	1,431,163
-Shareholders - dividend	-	2,993,099	-	2,993,099
Executives / key management personnel :				
-Advances (received back) / given - net	-	-	-	-
- Remuneration and benefits	2,502,500	2,496,000	1,202,500	1,248,000

**10.1** All transactions with related parties have been carried out on agreed terms and conditions.

**11. FAIR VALUE MEASUREMENTS**

IFRS 13 requires fair value measurement disclosures using following three level fair value hierarchy that reflects the significance of the inputs used in measuring fair value of financial instruments.

Information about fair value hierarchy and asset classified under the hierarchy are as follows:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derive from prices).
- Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

**11.1 Fair value of property, plant and equipment**

The Company follows the revaluation model for its free hold land, building on free hold land, plant and machinery. The fair value measurement as at March 17, 2022 was performed by K Associates (Private) Limited, independent valuer not related to the Company. K.G Traders (Private) Limited is on panel of Pakistan Banks Association as 'Any Amount' asset valuator. It is also on the panel of State Bank of Pakistan and possesses appropriate qualification and recent experience in the fair value measurements in the relevant locations. The fair value of these assets was determined using the comparable price method after performing detailed enquiries and verification from various estate agents, brokers and builders keeping in view the location of the property/project, condition, size, utilization, and other relevant factors. In estimating the fair value of free hold land, building on free hold land, plant and machinery the highest and best use of these assets is their current use.

	------(Unaudited)-----		
	<b>December 31, 2024</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	-----Rupees-----		
<b>Property, plant and equipment</b>			
Freehold lands	-	104,394,550	-
Buildings on freehold lands			
- Factory	-	214,335,588	-
- Residential	-	59,272,032	-
- Plant and machinery	-	1,180,598,092	-
Short term investment	-	18,094,404	-
	-	1,576,694,666	-
	------(Audited)-----		
	<b>June 30, 2024</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	-----Rupees-----		
<b>Property, plant and equipment</b>			
Freehold lands	-	104,394,550	-
Buildings on freehold lands			
- Factory	-	219,831,372	-
- Residential	-	60,791,828	-
- Plant and machinery	-	1,209,432,654	-
Short term investment	-	28,232,957	-
	-	1,622,683,361	-

Other than this the fair value of all financial assets and financial liabilities are approximate to their carrying value. There were no transfers between levels during the period.

**12. FINANCIAL RISK MANAGEMENT**

The Company's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the annual audited financial statements of the Company as at and for the year ended June 30, 2024.



**13. CORRESPONDING FIGURES**

Corresponding information have been rearranged, reclassified or additionally incorporated in these condensed interim financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period.

**14. DATE OF AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS**

The condensed interim financial statements were authorized for issue on \_\_\_\_\_ by the Board of Directors of the Company.

**15. FIGURES**

Figures have been rounded-off to the nearest rupee except stated otherwise.

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