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**2nd. Quarter Report  
December 31, 2021  
(Unaudited)**

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**ASHFAQ TEXTILE MILLS  
LIMITED**

**Mailing Address:**

8.A, Officers Colony No.1, Susan Road, Faisalabad- Pakistan  
Tel:+92-41-2435101-4 Fax: +92-41-2435105

**Ashfaq Textile Mills Ltd.**

## COMPANY INFORMATION

### CHIEF EXECUTIVE

MR. ASHFAQ AHMED

### EXECUTIVE DIRECTORS

MR. ASHFAQ AHMED  
MR. NADEEM ASHFAQ  
MR. WASEEM ASHFAQ

### INDEPENDENT, NON-EXECUTIVE DIRECTORS

MR. SAAD ZUBAIR  
MR. MUHAMMAD AQEEL IDREES

### NON-EXECUTIVE DIRECTORS

MRS. SHAZIA AMJAD  
MRS. NAZIA IRFAN  
MUHAMMAD IDREES

### COMPANY SECRETARY

MR. NISAR AHMAD

### CHIEF FINANCIAL OFFICER (CFO)

MR. MOHAMMAD ANWAR JAVED

### AUDITORS

RSM AVAIS HYDER LIAQAT NAUMAN,  
CHARTERED ACCOUNTANTS

### SHARE REGISTRAR

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

### BANKERS

UNITED BANK LIMITED.

### AUDIT COMMITTEE

MR. SAAD ZUBAIR (CHAIRMAN)  
MR. NISAR AHMAD (SECRETARY)  
MRS. SHAZIA AMJAD (MEMBER)  
MR. MUHAMMAD AQEEL IDREES (MEMBER)

### HUMAN RESOURCES AND

### REMUNERATION COMMITTEE

MR. SAAD ZUBAIR (CHAIRMAN)  
MRS. NAZIA IRFAN (MEMBER)  
MR. MUHAMMAD AQEEL IDREES (MEMBER)

### MAILING ADDRESS:

8/A-1, OFFICERS COLONY, SUSAN ROAD,  
FAISALABAD.

### REGISTERED OFFICE / MILLS

17TH K.M. MAIN FAISALABAD, JARANWALA  
ROAD, FAISALABAD.

### CONTACTS:

PHONES : 041-2435101-4  
FAX : 041-2435105  
E-mail : info@ashfaqtextile.com  
WEB : www.ashfaqtextile.com

## DIRECTOR'S REPORT TO THE SHARE HOLDERS

Dear Share Holders,

The Directors of your Company are pleased to present 2nd Quarter's report for the period ended 31st December, 2021.

### Review of the Results.

Sales during the period were recorded Rs.253.006 Million in comparison to last years same period Rs.195.809 Million.

During this period the Operating (Distribution, Administrative & Other) expenses were 10.23% to sales, in comparison to Rs.11.57% in the same period last year. Gross profit for this period is 14.62% in comparison to 15.08%. Financial charges to sales were recorded as 0.03% in comparison to 0.03% in the same period in last year. Cost of goods sold are 85.38% in comparison to 84.92% in the same period last year.

### In the coming days:

We are seeing an unprecedented increase in inflation in the country which is making the prices of Oil, gas and electricity going sharply up thus pulling our cost of doing business up. We hope the Government realizes the fact that these sharp increases would make Pakistani products uncompetitive which would definitely result in lack of interest from our international buyers thus less export.

We would like to thank our staff members for their hard work, our valued customers for their trust in us and our suppliers and bankers for their cooperation.

---SD---

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



RSM Awaiz Hyder Liaquat Nauman  
Chartered Accountants

478-D, Peoples Colony No. 1  
Faisalabad - Pakistan

T: +92 (41) 854 1165, 854 1965  
F: +92 (41) 854 2765

[www.rsm-pakistan.pk](http://www.rsm-pakistan.pk)

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ashfaq Textile Mills Limited

Report on review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Ashfaq Textile Mills Limited (“the Company”) as at December 31, 2021 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and 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 “interim financial statements”). Management is responsible for the preparation and presentation of these 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.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months ended December 31, 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2021.

### 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.

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Quetta : 92 (81) 282 9809  
Peshawar : 92 (91) 527 8310-527 7205  
Kabul : 93 (799) 058155

RSM Awaiz Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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.

The engagement partner on the review resulting in this independent auditor's review report is Hamid Masood.

---SD---

**RSM AVAIS HYDER LIAQUAT NAUMAN  
CHARTERED ACCOUNTANTS**

**PLACE: FAISALABAD  
DATED: 28/02/2022**

**UDIN: AR202110194O5eKkcZaG**

**ASHFAQ TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**AS AT DECEMBER 31, 2021**

		Un-audited December 31, 2021	Audited June 30, 2021			Un-audited December 31, 2021	Audited June 30, 2021
Note	Rupees	Rupees	Rupees	Note	Rupees	Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>				<b>ASSETS</b>			
<b>SHARE CAPITAL AND RESERVE</b>				<b>NON CURRENT ASSETS</b>			
Authorised capital 100,000,000 ordinary shares of Rs.10/- each		1,000,000,000	1,000,000,000	Property, plant and equipment	6	945,881,999	963,503,969
				Long term security deposits		4,509,782	4,509,782
						950,391,781	968,013,751
Issued, subscribed and paid up capital	3	423,318,500	384,835,000				
Revaluation surplus on property, plant and equipment		352,623,135	359,885,481				
Revenue reserve		224,551,642	244,649,359				
Unappropriated profit		1,000,493,277	989,369,840				
<b>NON CURRENT LIABILITY</b>				<b>CURRENT ASSETS</b>			
Deferred liability				Stores, spares and loose tools		36,413,329	27,226,164
Staff retirement gratuity		89,076,674	81,205,825	Stock in trade		2,822,770	2,285,447
Deferred taxation	4	117,980,675	121,813,081	Contract costs		83,746,286	2,830,840
Gas infrastructure development cess payable	5	-	-	Trade debts		27,133,700	83,885,562
		207,057,349	203,018,906	Loans and advances		2,097,448	28,531,169
				Prepayments		801,350	531,520
				Other receivables		35,710,865	5,767,659
				Tax refunds due from Government		103,495,419	35,217,188
				Cash and bank balances		291,231,875	258,036,809
						281,231,875	258,036,809
						1,241,623,356	1,226,020,500
		<u>1,241,623,356</u>	<u>1,226,020,500</u>			<u>1,241,623,356</u>	<u>1,226,020,500</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

---SD---  
**CHIEF EXECUTIVE OFFICER**

---SD---  
**DIRECTOR**

---SD---  
**CHIEF FINANCIAL OFFICER**

**ASHFAQ TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

	Note	Quarter Oct-Dec		Half Year July-Dec	
		2021 Rupees	2020 Rupees	2021 Rupees	2020 Rupees
Sales	7	128,605,878	124,960,136	253,005,974	195,809,724
Cost of sales	8	108,012,071	108,717,481	216,022,783	166,287,763
Gross profit		20,593,807	16,242,655	36,983,191	29,521,961
Other income / (loss)	9	1,026,375	(12,522)	1,026,375	(12,522)
		21,620,182	16,230,133	38,009,566	29,509,439
Distribution cost		506,126	686,329	998,142	1,038,567
Administrative expenses		12,900,084	11,297,765	23,987,082	21,109,413
Other Operating Expenses		905,120	506,810	905,120	506,810
Finance cost		57,110	55,944	68,657	67,562
		14,368,440	12,546,848	25,959,001	22,722,352
Profit for the period before taxation		7,251,742	3,683,285	12,050,565	6,787,087
Provision for taxation	10	(938,873)	5,342,383	927,128	6,405,127
Profit / (Loss) for the period		8,190,615	(1,659,098)	11,123,437	381,960
Earnings / (loss) per share-Basic and diluted (Rupees)		0.188	(0.036)	0.255	0.008

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

---SD---  
**CHIEF EXECUTIVE OFFICER**

---SD---  
**DIRECTOR**

---SD---  
**CHIEF FINANCIAL OFFICER**

**ASHFAQ TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

	Quarter		Half Year	
	Oct-Dec		July-Dec	
	2021	2020	2021	2020
	Rupees	Rupees	Rupees	Rupees
Profit / (Loss) for the period	8,190,615	(1,659,098)	11,123,437	381,960
Other comprehensive income	-	-	-	-
Total comprehensive Income / (loss) for the period	<u>8,190,615</u>	<u>(1,659,098)</u>	<u>11,123,437</u>	<u>381,960</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

---SD---  
**CHIEF EXECUTIVE OFFICER**

---SD---  
**DIRECTOR**

---SD---  
**CHIEF FINANCIAL OFFICER**

**ASHFAQ TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

	Half Year July-Dec	
	2021 Rupees	2020 Rupees
<b>a) CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period before taxation	12,050,565	6,787,087
Adjustments for:		
Depreciation of property, plant and equipment	21,245,954	21,268,689
Provision for staff retirement gratuity	10,500,000	8,100,000
Loss on disposal of operating assets	-	12,522
Finance cost	68,657	67,562
Operating cash flows before working capital changes	<u>43,865,176</u>	<u>36,235,860</u>
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(11,187,165)	(11,017,059)
Stock in trade	2,289,447	-
Contract costs	8,070	(4,095,314)
Trade debts	3,137,276	(4,014,580)
Loans and advances	(1,240,186)	(5,725,229)
Prepayments	(1,565,928)	(1,341,018)
Other receivables	4,965,701	611,094
Tax refunds due from Government	657,229	5,539,620
Increase / (decrease) in current liabilities		
Trade and other payables	3,050,153	(3,403,678)
	<u>114,597</u>	<u>(23,446,164)</u>
Cash generated from operating activities	43,979,773	12,789,696
Finance cost paid	(68,657)	(67,562)
Income tax paid	(5,721,332)	(1,984,840)
Staff retirement gratuity paid	(2,629,151)	(3,951,730)
Net cash generated from operating activities	<u>35,560,633</u>	<u>6,785,564</u>
<b>b) CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions in property, plant and equipment	(3,623,984)	(21,887,418)
Proceeds from disposal of operating assets	-	1,500,000
Net cash (used in) investing activities	<u>(3,623,984)</u>	<u>(20,387,418)</u>



Half Year	
July-Dec	
2021	2020
Rupees	Rupees

c) **CASH FLOWS FROM FINANCING ACTIVITIES**

Gas infrastructure development cess paid	(168,490)	(165,682)
Net cash (used in) financing activities	<u>(168,490)</u>	<u>(165,682)</u>
Net Increase / (decrease) in cash and cash equivalents (a+b+c)	31,768,159	(13,767,536)
Cash and cash equivalents at the beginning of the period	71,727,260	43,843,633
Cash and cash equivalents at the end of the period	<u>103,495,419</u>	<u>30,076,097</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

---SD---  
CHIEF EXECUTIVE OFFICER

---SD---  
DIRECTOR

---SD---  
CHIEF FINANCIAL OFFICER

**ASHFAQ TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

	Issued, subscribed and paid up capital	Capital Reserve	Revenue Reserve	Total
		Revaluation surplus on property, plant and equipment	Unappropriated profit	
Rupees				
Balance as at July 01, 2020 (Audited)	349,850,000	375,170,445	253,584,657	978,605,102
Total comprehensive income for the period				
Profit for the period	-	-	381,960	381,960
Other comprehensive income	-	-	-	-
			381,960	381,960
Incremental depreciation on revalued assets for the period net of deferred tax		(7,776,144)	7,776,144	-
Transaction with owners				
Issue of Bonus shares	34,985,000		(34,985,000)	
Balance as at December 31, 2020 (Un-audited) (Re-stated)	384,835,000	367,394,301	226,757,761	978,987,062
Total comprehensive Income for the period				
Profit for the year	-	-	10,755,382	10,755,382
Other comprehensive income				
Items that will not be subsequently reclassified to profit or loss				
Remeasurement of staff retirement gratuity	-	-	(372,604)	(372,604)
			10,382,778	10,382,778
Incremental depreciation on revalued assets for the period net of deferred tax		(7,508,820)	7,508,820	-
Balance as at June 30, 2021 (Audited)	384,835,000	359,885,481	244,649,350	989,369,840
Transaction with owners				
Issue of Bonus shares	38,483,500		(38,483,500)	
Total comprehensive Income for the period				
Profit for the period	-	-	11,123,437	11,123,437
Other comprehensive income	-	-	-	-
			11,123,437	11,123,437
Incremental depreciation on revalued assets for the period-net of deferred tax		(7,262,346)	7,262,346	-
Balance as at December 31, 2021 (Un-audited)	423,318,500	352,623,135	224,551,642	1,000,493,277

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

---SD---  
**CHIEF EXECUTIVE OFFICER**

---SD---  
**DIRECTOR**

---SD---  
**CHIEF FINANCIAL OFFICER**

**ASHFAQ TEXTILE MILLS LIMITED  
SELECTED EXPLANATORY NOTES TO THE  
CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

**1. STATUS AND ACTIVITIES**

- 1.1 Ashfaq Textile Mills Limited (the Company) was incorporated in Pakistan on January 14, 1988 as a private limited company under the Repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and subsequently converted into a public limited company. The Company is currently listed on Pakistan Stock Exchange Limited. The business of the Company is manufacturing and sale of textiles and rendering of sizing and conversion services. The registered office and mills of the Company are located at 17 K.M. Jaranwala Road, Faisalabad in the Province of Punjab.
- 1.2 These condensed interim financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

**2. SIGNIFICANT ACCOUNTING**

**2.1 Statement of compliance**

- 2.1.1 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.
- 2.1.2 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.
- 2.1.3 These condensed interim financial statements are un-audited but subject to limited scope review by the auditors, as required under section 237 of Companies Act, 2017 and should be read in conjunction with audited annual financial statements of the Company for the year ended June 30, 2021.
- 2.1.4 These condensed interim financial statements do not include all the information required for complete set of financial statements, and should be read in conjunction with the Company's published audited financial statements for the year ended June 30, 2021.

**2.2 Application of new and revised International Financial Reporting Standards**

**2.2.1 Standards, amendments to standards and interpretations becoming effective in current period**

There are certain new standards, interpretations and amendments to approved accounting standards which are mandatory for the Company's accounting periods beginning on or after July 1, 2021 but are considered not to be relevant or have any significant effect on the Company's financial reporting.

## 2.2.2 Standards, amendments to standards and interpretations becoming effective in future periods

There are other new standards, amendments and IFRIC interpretations that are mandatory for accounting periods of the Company beginning on or after July 01, 2022 but are considered not to be relevant or not to have any significant effect on the Company's operations. The new standards, amendments and IFRIC interpretations that are relevant to the operations of the Company are disclosed in the published audited financial statements for the year ended June 30, 2021.

## 2.3 Basis of preparation

These condensed interim financial statements have been prepared under the historical cost convention except:

- certain property, plant and equipment stated at valuation.
- staff retirement benefits carried at present value.

## 2.4 Accounting policies and methods of computation

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the published audited financial statements for the year ended June 30, 2021.

## 2.5 Estimates, judgments and risk management policies

- 2.5.1 The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on amounts recognized in this condensed interim financial statements are the same as those disclosed in the published audited financial statements for the year ended June 30, 2021.

- 2.5.2 Risk management policies and procedures are consistent with those disclosed in the published audited financial statements for the year ended June 30, 2021.

## 3. Issued, subscribed and paid up capital

Audited June 30, 2021	Un-audited December 31, 2021		Un-audited December 31, 2021 Rupees	Audited June 30, 2021 Rupees
		Number of shares		
20,991,000	20,991,000	Ordinary shares of Rs.10/- each fully paid in cash.	209,910,000	209,910,000
17,492,500	17,492,500	Ordinary shares of Rs. 10/- each fully paid bonus shares.	174,925,000	174,925,000
-	3,848,350	Ordinary shares of Rs. 10/- each fully paid bonus shares issued during the period.	38,483,500	-
<u>38,483,500</u>	<u>42,331,850</u>		<u>423,318,500</u>	<u>384,835,000</u>

	Note	Un-audited December 31, 2021 Rupees	Audited June 30, 2021 Rupees
<b>4. Deferred taxation</b>	<b>4.1</b>	<b><u>117,980,675</u></b>	<b><u>121,813,081</u></b>
Opening balance		121,813,081	122,904,023
(Reversal) of deferred tax related to:			
Incremental depreciation on revalued assets		(2,966,310)	(6,243,154)
Remeasurement of staff retirement gratuity		-	(152,190)
(Reversed)/provided during the period/year		<u>(866,096)</u>	<u>5,304,402</u>
		<u><u>117,980,675</u></u>	<u><u>121,813,081</u></u>
<b>4.1 It represents the following:</b>			
Deferred tax liability:			
Difference between accounting and tax bases of assets		143,812,910	145,362,770
Deferred tax asset			
Due to gratuity		<u>(25,832,235)</u>	<u>(23,549,689)</u>
		<u><u>117,980,675</u></u>	<u><u>121,813,081</u></u>
<b>5. Gas infrastructure development cess payable</b>			
Opening Balance		396,884	750,457
Less : Paid during the period		<u>(168,490)</u>	<u>(353,573)</u>
		228,394	396,884
Less : Current portion Payable within one year		<u>228,394</u>	<u>396,884</u>
		<u><u>-</u></u>	<u><u>-</u></u>
<b>6. Property, plant and equipment</b>			
Operating assets	<b>6.1</b>	<b><u>945,881,999</u></b>	<b><u>963,503,969</u></b>
<b>6.1 Operating assets</b>			
Book value at beginning of the period / year		963,503,969	954,603,226
Transferred from work in progress		-	13,630,886
Additions	<b>6.1.1</b>	3,623,984	45,025,738
Disposals during the period / year		-	(6,590,435)
Depreciation charged during the period / year		<u>(21,245,954)</u>	<u>(43,165,446)</u>
		<u><u>945,881,999</u></u>	<u><u>963,503,969</u></u>
<b>6.1.1 Additions to operating assets during the period / year</b>			
Building on free hold land		-	32,135,142
Plant and Machinery		3,451,034	4,468,532
Factory Equipment		172,950	142,450
Office Equipment		-	721,215
Furniture and Fixtures		-	4,600
Vehicles		-	21,184,685
		<u>3,623,984</u>	<u>58,656,624</u>

	Note	Quarter Oct - Dec		Half Year July - Dec	
		2021 Rupees	2020 Rupees	2021 Rupees	2020 Rupees
<b>7. Sales</b>					
Fabric sale		1,803,329	-	1,803,329	-
Sizing and conversion income		153,143,512	146,203,369	303,023,146	229,097,394
Sales tax		(26,340,963)	(21,243,233)	(51,820,501)	(33,287,670)
		<u>128,605,878</u>	<u>124,960,136</u>	<u>253,005,974</u>	<u>195,809,724</u>

#### 8. Cost of sales

Cost of goods manufactured	8.1	105,722,624	108,717,481	213,733,336	166,287,763
Finished goods					
Opening stock		2,289,447	3,864,987	2,289,447	3,864,987
Closing stock		-	(3,864,987)	-	(3,864,987)
		<u>2,289,447</u>	<u>-</u>	<u>2,289,447</u>	<u>-</u>
		<u>108,012,071</u>	<u>108,717,481</u>	<u>216,022,783</u>	<u>166,287,763</u>

#### 8.1 Cost of goods manufactured

Sizing cost		22,096,635	21,448,275	46,697,115	26,775,502
Packing material		1,785,530	1,304,592	3,599,997	2,698,622
Salaries, wages and benefits		36,337,369	41,895,887	71,871,215	62,153,478
Staff retirement benefits		3,465,000	3,351,279	8,715,000	6,701,656
Fuel and power		24,145,892	27,608,355	47,713,174	41,387,945
Stores, spares and loose tools		9,192,613	9,471,520	15,232,264	12,675,018
Repairs and maintenance		2,014,591	333,141	3,151,198	567,808
Insurance		296,146	377,219	1,175,770	1,131,657
Depreciation		9,208,905	9,483,564	18,394,790	18,746,922
Others		2,713	12,394	5,583	17,900
		<u>108,545,394</u>	<u>115,286,226</u>	<u>216,556,106</u>	<u>172,856,508</u>
Contract cost	8.1.1	(2,822,770)	(6,568,745)	(2,822,770)	(6,568,745)
		<u>105,722,624</u>	<u>108,717,481</u>	<u>213,733,336</u>	<u>166,287,763</u>

8.1.1 It represents costs accumulated on conversion of cloth in process for outside parties.

	Note	Quarter Oct - Dec		Half Year July - Dec	
		2021 Rupees	2020 Rupees	2021 Rupees	2020 Rupees
<b>9. Other income / (loss)</b>					
Loss on disposal of operating assets		-	(12,522)	-	(12,522)
Insurance claim		1,026,375	-	1,026,375	-
		<u>1,026,375</u>	<u>(12,522)</u>	<u>1,026,375</u>	<u>(12,522)</u>

	Note	Quarter Oct - Dec		Half Year July - Dec	
		2021 Rupees	2020 Rupees	2021 Rupees	2020 Rupees
<b>10. Provision for taxation</b>					
Current					
For the period		2,493,533	1,874,402	4,359,534	2,937,146
For the prior period		400,000	-	400,000	-
Deferred	10.1	(3,832,406)	3,467,981	(3,832,406)	3,467,981
		<u>(938,873)</u>	<u>5,342,383</u>	<u>927,128</u>	<u>6,405,127</u>

10.1 Reconciliation between accounting profit and tax expense	Half Year July - Dec 2021 Rupees	Half Year July - Dec 2020 Rupees
	Profit before taxation	12,050,565
Tax on accounting profit at the applicable tax rate of 29%	3,494,664	-
Tax on Inadmissible Expenses	9,322,327	-
Tax on Admissible Expenses	(8,309,371)	-
	4,507,620	-
Adjustments of prior years	400,000	-
Tax credit on donation	(148,086)	-
Deferred tax	(3,832,406)	-
	<u>927,128</u>	<u>-</u>

#### 11. TRANSACTIONS WITH RELATED PARTIES

The Company in the normal course of business carries out transactions with various related parties which comprise of associated undertakings, directors and key management personnel. The Company has not carried out any transaction with related parties during the period except payment of remuneration to Chief Executive Officer, Directors and Executives the details are as follows:

2021			2020		
Chief Executive Officer	Directors	Executives	Chief Executive Officer	Directors	Executives
1,980,000	3,300,000	1,602,240	1,980,000	3,300,000	1,602,240

Number of persons      1                      2                      3                      1                      2                      2

#### 12. DATE OF AUTHORISATION FOR ISSUE

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

#### 13. GENERAL

13.1 There is no unusual item included in these condensed interim financial statements which are affecting equity, liabilities, assets, profit, comprehensive income or cash flows of the Company.

13.2 Figures have been rounded off to the nearest Rupee.

13.3 Provisions for taxation and workers' profit participation fund made in these condensed interim financial statements are subject to adjustment in annual financial statements.

---SD---  
CHIEF EXECUTIVE OFFICER

---SD---  
DIRECTOR

---SD---  
CHIEF FINANCIAL OFFICER

## ڈائریکٹرز رپورٹ برائے حصہ داران اشفاق ٹیکسٹائل ملز لمیٹڈ

محترم حصہ داران، ممبران

کمپنی کے ڈائریکٹران کی طرف سے دوسری سہ ماہی کی رپورٹ 31 دسمبر، 2021ء کاظر خدمت ہے:

مالیاتی نتائج مندرجہ ذیل ہیں۔

اس دورانیہ میں 253.006 ملین کی فروخت ہوئی۔ پچھلے سال اسی دورانیہ میں 195.809 ملین کی فروخت ہوئی تھی۔

اس دوران آپریٹنگ (ڈسٹری بیوشن، ایڈمنسٹریشن و دیگر اخراجات) فروخت کا 10.23% فیصدی خرچ آیا۔ پچھلے سال اسی دوران 11.57% فیصدی خرچ آیا تھا۔ مجموعی نفع (بغیر منہائی اخراجات) 14.62% فیصدی ہوا ہے۔ پچھلے سال کا اسی دوران میں 15.08% فیصدی منافع ہوا تھا۔ فنانشل اخراجات، سیل پر 0.03% فیصدی آئے۔ جبکہ سابقہ سال کے اسی دوران میں 0.03% فیصدی اخراجات آئے تھے۔ اس دوران فروخت شدہ اشیاء پر لاگت فروخت کا 85.38% فیصد آیا۔ جبکہ پچھلے سال اسی دوران 84.92% فیصد تھا۔

### آنیوالے وقت کے متعلق:-

ہم ملک میں مہنگائی میں بے مثال اضافہ دیکھ رہے ہیں جو آئل، گیس اور بجلی کی قیمت کو تیزی سے بڑھا رہا ہے جس وجہ سے کاروباری لاگت بڑھ رہی ہے ہمیں اُمید ہے کہ گورنمنٹ اس مسئلے پر غور کرے گی کیونکہ اس بڑھتی ہوئی قیمتوں کی وجہ سے پاکستانی اشیا جات دوسروں سے مقابلہ نہیں کر سکتی اور جسکی وجہ سے بین الاقوامی گاہک ہماری طرف متوجہ نہیں ہو رہے جس کی وجہ سے برآمدات کم ہوئی ہیں

ہم اپنے تمام سٹاف کی سخت لگاتار محنت کی وجہ سے بہت پزیرائی کرتے ہیں اور اپنے تمام گاہکوں کا اور ہمارے تمام سپلائرز اور تمام بینکلرز کا ہم پر اعتماد اور تعاون کرنے پر بہت پزیرائی کرتے ہیں۔ اور اللہ تعالیٰ کی رحمتوں پر اُس کے شکر گزار ہیں۔

---SD---

بورڈ آف ڈائریکٹرز کی طرف سے

اشفاق احمد