

MAQBOOL TEXTILE MILLS LIMITED.

Third Quarter and Nine Months Unaudited Financial Statements
for the Period Ended 31st March, 2023

MAQBOOL TEXTILE MILLS LIMITED

DIRECTORS' REVIEW

Dear Shareholders,

On behalf of the Board of Directors of the Company, it is my privilege to present before you the Un-Audited Financial Statements of your Company for the third quarter and nine months period ended March 31, 2023.

During the period under report, the sufferings of Pakistan the textile industry continued on multiple grounds (i) insufficient availability of raw materials i.e. Cotton, Polyester Staple Fiber and Viscose Staple Fiber (ii) increase in finance cost due to unprecedented increase in markup rates consequent to hike in policy rates (iii) continuous devaluation of Pakistani rupee (iv) scarce availability of foreign exchange for import of raw materials, spare parts and machinery (v) withdrawal of energy prices subsidy (vi) inconsistent policies of government (vii) general recession and slow down of economy and resultant decline in utilization of the production capacity of Company which was operated at lesser capacity. Due to the above factors, Lesser production, lesser sales with higher cost of production caused decline in Gross Profit and resultant Net Loss during the period.

The total sales during the period for the third quarter ending on March 31, 2023 declined to Rs.2,412,676,325/- as compared to Rs.3,094,431,911/-for the same period last year and the total sales for the nine months period ending on March 31, 2023 were Rs.7,079,911,944/-as compared to Rs.8,025,395,398/- for the same period last year. The gross profit for the third quarter ending on March 31, 2023 was Rs.194,587,094/-as compared to gross profit Rs.384,436,332/- last year and the gross profit for nine months period ending on March 31, 2023 was Rs.531,693,611/- as compared to gross profit Rs.867,882,408/- for the same period last year. The Pre-Tax loss was Rs.24,946,564/- for the third Quarter ending on March 31, 2023 which after providing for the tax liability amounted to Rs.54,775,025/-. The Pre-Tax loss for the Nine Months period ending on March 31, 2023 was Rs.125,800,995/- which after providing for the tax liability amounted to Rs.247,689,324/-.

The market conditions are however gradually improving and your Directors are endeavoring hard to make best out of the situation and hope to successfully transform the Company operations through the present difficult times to profitability.

Chairperson

Place: Multan
Dated: 29-04-2023

مقبول ٹیکسٹائل ملز لمیٹڈ

ڈائریکٹرز نظر ثانی

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے، یہ میرا اعزاز ہے کہ میں آپ کے سامنے 31 مارچ 2023 کو ختم ہونے والی تیسری سہ ماہی اور نو ماہ کی مدت کے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کروں۔

رپورٹ میں اس مدت کے دوران، ٹیکسٹائل بیکٹری کی مشکلات متعدد دہائیوں پر جاری رہی (i) خام مال کی ناقص دستیابی یعنی بہتر کپاس، پولیسٹر سٹیپل فائبر، وکوز سٹیپل فائبر (ii) پالیسی ریٹ میں اضافے کی وجہ سے مارک اپ کی شرح میں اضافہ ہوا جس کی وجہ سے مالیاتی لاگت میں اضافہ ہوا۔ (iii) پاکستانی روپے کی قدر میں مسلسل کمی (iv) خام مال، اسپتیر پارٹس اور مشینری کی درآمد کے لئے زرمبادلہ کی کمی (v) توانائی کی قیمتوں میں سسڈی سے دستبرداری (vi) حکومت کی متضاد پالیسیاں (vii) عام کساد بازاری اور معیشت کی سست روی۔ جس کے نتیجے میں کمپنی کی پیداواری صلاحیت کے استعمال میں کمی جو کہ کم صلاحیت پر چل رہی تھی۔ مندرجہ بالا عوامل کی وجہ سے کم پیداوار، پیداواری زیادہ لاگت کے ساتھ کم فروخت اس مدت کے دوران مجموعی منافع میں کمی اور خالص نقصان کی وجہ بنی۔

31 مارچ 2023 کو ختم ہونے والی تیسری سہ ماہی کے دوران کل فروخت -/2,412,676,325 روپے تھی جو پچھلے سال کی اسی مدت کیلئے -/3,094,431,911 روپے تھی، اور 31 مارچ کو ختم ہونے والے نو مہینوں کی کل فروخت -/7,079,911,944 روپے تھی اور جس کے مقابلے میں پچھلے سال کی اسی مدت کے دوران کل فروخت -/8,025,395,398 روپے تھی۔ 31 مارچ 2023 کو ختم ہونے والی تیسری سہ ماہی کا مجموعی منافع -/194,587,094 روپے تھا جس کے مقابلے میں پچھلے سال مجموعی منافع -/384,436,332 روپے تھا۔ 31 مارچ 2023 کو ختم ہونے والی نو ماہ کی مدت کا مجموعی منافع -/531,693,611 روپے تھا جس کے مقابلے میں پچھلے سال اسی مدت کیلئے مجموعی منافع -/867,882,408 روپے تھا۔ 31 مارچ 2023 کو ختم ہونے والی تیسری سہ ماہی کے لئے قبل از ٹیکس خسارہ -/24,946,564 روپے تھا جو ٹیکس واجبات کی فراہمی کے بعد -/54,775,025 روپے ہو گیا۔ 31 مارچ 2023 کو ختم ہونے والی نو ماہ کی مدت کے لئے قبل از ٹیکس نقصان -/125,800,995 روپے تھا جو ٹیکس واجبات کی فراہمی کے بعد -/247,689,324 روپے ہو گیا۔

مارکیٹ کے حالات بتدریج بہتر ہو رہے ہیں اور آپ کے ڈائریکٹرز پوری کوشش کر رہے ہیں کہ وہ اس صورت حال سے بہترین فائدہ اٹھائیں اور امید کرتے ہیں کہ موجودہ مشکل وقت میں کمپنی کے کاموں کو کامیابی کے ساتھ منافع میں تبدیل کر دیں گے۔

چیئر پرسن

جگد: ماتان

تاریخ: 29-04-2023

STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED MARCH 31, 2023
(Un-Audited)

	<i>Nine months period ended</i>		<i>Quarter ended</i>	
	<i>March 31,2023</i>	<i>March 31,2022</i>	<i>March 31,2023</i>	<i>March 31,2022</i>
-----Rupees-----				
Revenue from contracts - net	7,079,911,944	8,025,395,398	2,412,676,325	3,094,431,911
Cost of goods sold	(6,548,218,333)	(7,157,512,990)	(2,218,089,231)	(2,709,995,579)
Gross Profit	531,693,611	867,882,408	194,587,094	384,436,332
Other operating income	7,471,584	14,498,532	2,916,512	287,996
	539,165,195	882,380,940	197,503,606	384,724,328
Distribution cost	(50,772,344)	(59,765,504)	(16,196,687)	(26,268,129)
Administrative expenses	(205,528,244)	(184,439,425)	(65,163,586)	(70,178,264)
Other operating expenses	-	(29,078,694)	-	(12,923,045)
	(256,300,588)	(273,283,623)	(81,360,273)	(109,369,438)
Finance cost	(408,665,602)	(216,745,659)	(141,089,897)	(100,987,429)
(Loss)/Profit before taxation	(125,800,995)	392,351,658	(24,946,564)	174,367,461
Provision for Taxation	(121,888,329)	(110,587,542)	(29,828,462)	(44,893,349)
(Loss)/Profit for the period	(247,689,324)	281,764,116	(54,775,025)	129,474,112
Other comprehensive profit/(loss) for the period - net of tax				
Transfer from deferred tax due to change rate on opening revaluation surplus	-	-	-	-
	(247,689,324)	281,764,116	(54,775,025)	129,474,112
Earnings per share	(13.44)	15.29	(2.97)	7.03

NOTES TO THE ACCOUNTS

- 1- These un-audited financial statements are being presented to the shareholders as required under SECP Notification No. SRO 746(1)2001 dated 05-11-2001 and in accordance with the requirements of International Accounting Standard-34 "Interim Financial Reporting".
- 2- Accounting policies adopted for the preparation of these quarterly accounts are the same as adopted in the preceding periodic financial statements.
- 3- Figures in these accounts have been rounded off to the nearest rupee.

Chief Executive Officer

Director

Acting.Chief Financial Officer

STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023
(Un-Audited)

	<i>UN-AUDITED</i>	<i>AUDITED</i>
	31-Mar-23 <i>Rupees</i>	30-Jun-22 <i>Rupees</i>
ASSETS		
Non-current assets		
Property, plant and equipment	4,355,943,803	4,394,408,320
Long term deposits	11,926,564	11,926,564
	4,367,870,367	4,406,334,884
Current assets		
Stores and spares	218,087,575	154,376,454
Stock in trade	2,023,948,016	1,464,491,019
Trade debts	1,251,412,342	1,209,849,176
Loans and advances and prepayments	231,231,819	271,687,511
Due from Government	320,264,627	347,078,051
Advance tax	76,283,362	126,984,260
Other financial assets	10,000,000	-
Cash and bank balances	88,810,104	29,520,661
	4,220,037,845	3,603,987,132
Total assets	8,587,908,212	8,010,322,016
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	184,320,000	184,320,000
Share premium	65,280,000	65,280,000
Surplus on revaluation of property, plant and equipment - net of deferred tax	1,601,805,480	1,637,396,190
General reserve	168,000,000	168,000,000
Unappropriated profits	597,752,802	828,283,416
	2,617,158,282	2,883,279,606
Non-current liabilities		
Long term financing	612,189,001	693,496,712
Lease against right of use assets	24,841,988	23,174,149
Deferred taxation	666,301,614	630,437,197
Staff retirement benefits - gratuity	56,489,807	52,558,664
	1,359,822,410	1,399,666,722
Current liabilities		
Trade and other payables	1,295,295,753	772,924,546
Accrued mark up	139,049,914	76,470,912
Short term borrowings	2,928,170,000	2,555,577,395
Unclaimed dividend	3,050,565	3,050,565
Unpaid dividend	4,011,497	3,790,584
Current portion of long term financing	103,922,228	139,253,864
Current portion of deferred grant	-	2,891,532
Current portion of liabilities against right of use assets	11,740,781	6,733,552
Provision for taxation	125,686,782	166,682,738
	4,610,927,520	3,727,375,688
Contingencies and commitments	-	-
Total equity and liabilities	8,587,908,212	8,010,322,016

Chief Executive Officer

Director

Acting. Chief Financial Officer

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED MARCH 31, 2023
(Un-Audited)

CASH FLOWS FROM OPERATING ACTIVITIES

	31-Mar-23 Rupees	30-Jun-22 Rupees
<i>Profit/(Loss) before taxation</i>	(125,800,995)	504,652,866
<i>Adjustments for:</i>		
Depreciation	156,792,340	159,037,593
Provision for gratuity	34,323,894	33,948,565
Finance cost	408,665,602	292,372,997
	<u>599,781,836</u>	<u>485,359,155</u>
Operating cash flows before working capital changes	473,980,841	990,012,021
(Increase)/decrease in current assets		
Stores and spares	(63,711,121)	(61,354,565)
Stock-in-trade	(559,456,997)	(836,571,792)
Trade debts	(41,563,166)	(357,839,223)
Loans and advances and prepayments	40,455,692	(160,588,468)
Sales tax refundable	26,813,424	(203,313,354)
Export rebate refundable	-	46,140,920
	<u>(597,462,168)</u>	<u>(1,573,526,482)</u>
(Decrease)/increase in current liabilities		
Trade and other payables	522,371,206	352,176,377
Cash generated from / (used in) operations	<u>398,889,879</u>	<u>(231,338,084)</u>
Income tax paid	(76,318,970)	(96,491,950)
Gratuity paid	(30,392,751)	(32,598,203)
Finance cost paid	(346,086,600)	(252,343,856)
	<u>(452,798,321)</u>	<u>(381,434,009)</u>
Net cash (used in) operating activities	<u>(53,908,442)</u>	<u>(612,772,093)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(118,327,822)	(186,288,679)
Addition in capital work in progress	-	(167,176,212)
Other financial assets	(10,000,000)	-
Long-term deposits	-	(1,660,050)
Net cash (used in) investing activities	<u>(128,327,822)</u>	<u>(355,124,941)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquired/(Repayment) of Long-term finances	(119,530,879)	(135,449,668)
Short-term borrowings - net	372,592,605	1,164,882,816
Acquired/(Repayment) of Lease liabilities	6,675,068	(6,107,543)
Dividend paid	(18,211,087)	(32,051,645)
Net cash generated from financing activities	<u>241,525,707</u>	<u>991,273,960</u>
Net increase/(decrease) in cash and cash equivalents	<u>59,289,443</u>	<u>23,376,926</u>
Cash and cash equivalents at the beginning of the year	29,520,661	6,143,735
Cash and cash equivalents at the end of the period	<u><u>88,810,104</u></u>	<u><u>29,520,661</u></u>

Chief Executive Officer

Director

Acting. Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2023
(Un-Audited)**

	Share capital	Capital Reserve		Revenue reserves		Total
	Issued, subscribed and paid-up	Share premium	Surplus on revaluation of Property, Plant and Equipment	General reserve	Unappropriated profit	
	----- Rupees -----					
Balance as at July 01, 2021	184,320,000	65,280,000	1,086,594,358	168,000,000	606,821,489	2,111,015,847
Profit for the nine months ended March 31, 2022	-	-	-	-	281,764,116	281,764,116
Other comprehensive income / (loss) for period	-	-	-	-	-	-
	-	-	-	-	281,764,116	281,764,116
Dividend for the year ended June 30, 2021 @ Rs. 1.75 per share					(32,256,000)	(32,256,000)
Transfer to unappropriated profit on account of incremental depreciation on surplus of revaluation of property, plant & machinery	-		(34,661,229)		34,661,229	-
Balance as at March 31, 2022	184,320,000	65,280,000	1,051,933,129	168,000,000	890,990,834	2,360,523,963
Balance as at July 01, 2022	184,320,000	65,280,000	1,637,396,190	168,000,000	828,283,416	2,883,279,606
Loss for the nine months ended March 31, 2023	-	-	-	-	(247,689,324)	(247,689,324)
Other comprehensive income / (loss) for period	-	-	-	-	-	-
	-	-	-	-	(247,689,324)	(247,689,324)
Dividend for the year ended June 30, 2022 @ Rs. 1.00 per share					(18,432,000)	(18,432,000)
Transfer to unappropriated profit on account of incremental depreciation on surplus of revaluation of property, plant & machinery	-		(35,590,710)	-	35,590,710	-
Balance as at March 31, 2023	184,320,000	65,280,000	1,601,805,480	168,000,000	597,752,802	2,617,158,282

Chief Executive Officer

Director

Acting. Chief Financial Officer