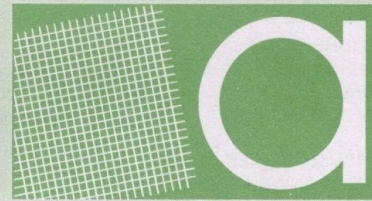


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**1st. Quarter Report
September 30, 2023
(Unaudited)**

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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

NON-EXECUTIVE DIRECTORS
MRS. SHAZIA AMJAD
MRS. NAZIA IRFAN

INDEPENDENT NON-EXECUTIVE DIRECTORS
MR. MUHAMMAD AQEEL IDREES
MR. Abdul Wahid
Syed Abuzar Hussain

COMPANY SECRETARY
MR. NISAR AHMAD

CHIEF FINANCIAL OFFICER (CFO)
MR. MUHAMMAD 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
SYED ABUZAR HUSSAIN (CHAIRMAN)
MR. NISAR AHMAD (SECRETARY)
MRS. SHAZIA AMJAD (MEMBER)
MR. MOHAMMAD AQEEL IDREES (MEMBER)

**HUMAN RESOURCES AND
REMUNERATION COMMITTEE**

MR. MOHAMMAD AQEEL IDREES (CHAIRMAN)
MRS. NAZIA IRFAN (MEMBER)
MR. ABDUL WAHID (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,

Directors of your company are pleased to present 1st Quarter's financial report for the period ended 30th September 2023.

Review of the Results.

Sales during the period were recorded at Rs.94.871 Million in comparison to Rs. 111.135 Million in the same period last year.

During the period the Operating expenses (Administrative & others) were 10.35% to sales in comparison to Rs.1094% in the same period last year. Gross profit for the period is -21.21% to sales in comparison to 11.52% during the same period last year. Finance cost to sales were recorded as 0.00% to sales in comparison to 0.00% in the same period last year. Cost of goods sold were recorded at -121.21% in comparison to 88.48% in the same period last year.

In the coming days:

The slow down in the textile market continues not just internationally but also domestically. Extraordinary increase in interest rates, prices of electricity, oil and gas would takes its toll, which would further increase the overall inflation, thus, making our cost of doing business go up even more. The turmoil in the political situation is also contributing in uncertainty in the country which would negatively affect a normal flow of economic activities.

This increase in cost of doing business is affecting almost all sectors of textiles may it be in cotton ginning, spinning, weaving or processing.

We are grateful to our customers, vendors and bankers for their trust in us which is helping us to achieve these positive results.

---SD---
On behalf of the Board
(ASHFAQ AHMAD)
Chief Executives Officer

ڈائریکٹر ز رپورٹ برائے حصہ داران اشفاق ٹیکسٹائل ملز لمیٹڈ

محترم حصہ داران، ممبران

کمپنی کے ڈائریکٹر ان کی طرف سے پہلی سہ ماہی رپورٹ 30 ستمبر، 2023ء حاضر خدمت ہے:

مالیاتی نتائج مندرجہ ذیل ہیں۔

اس دورانیہ میں 94.871 ملین کی فروخت ہوئی۔ پچھلے سال اسی دورانیہ میں 111.135 ملین کی فروخت ہوئی تھی۔

اس دوران آپریٹنگ (ایڈمنسٹریشن و دیگر اخراجات) فروخت کا 10.35% فیصدی خرچ آیا۔ پچھلے سال اسی دوران 10.94% فیصدی خرچ آیا تھا۔ مجموعی نقصان (بغیر منہائی اخراجات) 21.21% فیصدی ہوا ہے۔ پچھلے سال کا اسی دوران میں 11.52% فیصدی منافع ہوا تھا۔ فنانس اخراجات، سیل پر 0.00% فیصدی آئے۔ جبکہ سابقہ سال کے اسی دوران میں 0.00% فیصدی اخراجات آئے تھے۔ اس دوران فروخت شدہ اشیاء پر لاگت فروخت کا 121.21% فیصدی آیا۔ جبکہ پچھلے سال اسی دوران 88.48% فیصدی تھا۔

آئیو اے وقت کے متعلق:-

ٹیکسٹائل مارکیٹ میں سٹروی نہ صرف مقامی طور پر ہے بلکہ بین الاقوامی طور پر جاری ہے شرع سود میں غیر معمولی اضافہ بجلی، گیس اور تیل کی قیمتوں کو نقصان پہنچائے گی جس سے مجموعی افراط زر میں مزید اضافہ ہو گا۔ اس طرح کاروبار کرنے کی لاگت اور بھی بڑھ جائے گی۔ سیاسی صورت حال میں ہنگامہ آرائی بھی ملک میں غیر یقینی کی صورت حال میں حصہ ڈال رہی ہے۔ جو کہ اقتصادی سرگرمیوں کے معمول کے بہاؤ کو منفی طور پر متاثر کرے گی۔

کاروبار کرنے کی لاگت میں یہ اضافہ ٹیکسٹائل جیسا کہ کاشن، جنٹنگ، سپننگ، ویونگ یا پروسسنگ کے تمام شعبوں کو متاثر کر رہا ہے۔

ہم اپنے خریداروں، سپلائرز اور مالیاتی اداروں کی مسلسل حوصلہ افزائی اور اپنے سٹاف ممبران کی انتھک محنت کے شکر گزار ہیں اور اللہ تعالیٰ سے دعا گو ہیں کہ وہ ہمیشہ اپنی رحمت کا سایہ ہمارے ملک پر رکھے۔

---SD---

بورڈ آف ڈائریکٹر ان کی طرف سے

اشفاق احمد

چیف ایگزیکٹو آفیسر

**ASHFAQ TEXTILE MILLS LIMITED.
BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2023.**

<u>CAPITAL & LIABILITIES:</u>	SEPTEMBER 2023 RUPEES	JUNE 2023 RUPEES
SHARE CAPITAL AND RESERVES:		
AUTHORISED CAPITAL:		
100,000,000 Ordinary Shares of Rs.10/= each	1,000,000,000	1,000,000,000
Issued Subscribed and paid up capital	465,650,350	465,650,350
Capital reserve	328,203,010	331,558,667
Revaluation surplus on property, plant and equipment	105,578,681	131,305,076
Revenue reserves	899,432,041	928,514,093
Unappropriated profit		
NON CURRENT LIABILITIES:		
Deferred liabilities		
Staff retirement gratuity	101,145,213	95,560,353
Deferred Taxation	76,988,888	76,988,888
	-	-
	178,134,101	172,549,241
CURRENT LIABILITIES:		
Trade and Other Payables	53,554,381	46,169,608
Short term bank borrowings	-	-
Provision for Taxation - income tax	5,927,238	5,927,238
	59,481,619	52,096,846
	1,137,047,761	1,153,160,180
PROPERTIES & ASSETS:		
FIXED CAPITAL EXPENDITURE:		
Property, plant and equipment	890,538,705	899,680,090
Long Term Deposits	4,509,782	4,509,782
	895,048,487	904,189,872
CURRENT ASSETS:		
Store, Spares & loose tools.	50,206,137	32,062,988
Contract costs	9,412,393	4,658,401
Trade Debts	59,105,993	49,554,138
Loans, advances	34,536,429	30,444,824
Prepayments	5,100,194	652,742
Other receivables.	155,000	43,360
Tax refunds due from Government	41,448,450	35,095,724
Short term investment	6,573,263	60,719,566
Cash and bank balances.	35,461,415	35,738,565
	241,999,274	248,970,308
	1,137,047,761	1,153,160,180

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

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023.

	NOTE	SEPTEMBER 2023 RUPEES	SEPTEMBER 2022 RUPEES
SALES		94,871,150	111,135,112
COST OF GOODS SOLD	6	114,996,726	98,328,457
GROSS PROFIT		(20,125,576)	12,806,655
Other Income		2,411,514	3,488,301
		(17,714,062)	16,294,956
Selling Cost		797,049	579,555
Administrative expenses		9,022,083	11,579,872
Finance cost		1,241	2,923
		9,820,373	12,162,350
PROFIT / (LOSS) BEFORE TAXATION.		(27,534,435)	4,132,606
Provision for taxation		1,547,616	1,389,189
PROFIT / (LOSS) FOR THE PERIOD		(29,082,051)	2,743,417
Earning per share - Basic		-0.06	0.01

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

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	<u>SEPTEMBER 2023 RUPEES</u>	<u>SEPTEMBER 2022 RUPEES</u>
Profit / (Loss) for the period	(29,082,051)	2,743,417
Other comprehensive income for the period		
Incremental depreciation on revalued assets	3,355,657	3,633,172
Total comprehensive income for the period	<u>(25,726,394)</u>	<u>6,376,589</u>

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

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

Description	Issued, subscribed and Paid-up Capital Rupees	Capital Reserves	Revenue Reserves	Total Rupees
		Revaluation Surplus on Property, Plant and equipment Rupees	Unappropriated Profits Rupees	
Balance as at June 30, 2022	423,318,500	345,360,789	238,966,146	1,007,645,435
Total comprehensive income for the period				
Profit for the year	-	-	(79,878,073)	(79,878,073)
Other comprehensive income				
Surplus on revaluation of property, plant and equipment arisen during the year.	-	-	-	-
Remeasurement of staff retirement gratuity	-	-	1,051,734	1,051,734
Deferred tax relating to	-	-	-	-
Remeasurement of staff retirement gratuity	-	-	(305,003)	(305,003)
	-	-	(79,131,342)	(79,131,342)
Incremental depreciation on revalued assets for the year	-	(13,802,122)	13,802,122	-
Transferred to deferred tax	42,331,850	-	(42,331,850)	-
Balance as at June 30, 2023	465,650,350	331,558,667	131,305,076	928,514,093
Total comprehensive income for the period				
Profit for the period	-	-	(29,082,051)	(29,082,051)
Incremental depreciation on revalued assets for the period	-	(3,355,657)	3,355,657	-
	-	(3,355,657)	(25,726,395)	(29,082,051)
Balance as at September 30, 2023	465,650,350	328,203,010	105,578,681	899,432,041

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

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	SEPTEMBER 2023 RUPEES	SEPTEMBER 2022 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation.	(27,534,435)	4,132,606
Adjustments for:		
Depreciation	9,744,511	10,220,328
Provision for staff retirement gratuity	6,230,000	6,000,000
Finance Cost	1,241	2,923
Operating cash flows before working capital changes	(11,558,683)	20,355,857
Changes in working capital		
(Increase) / decrease in current Assets:		
Store, spare & loose tools.	(18,143,149)	(17,025,665)
Contract costs	(4,753,992)	(11,621,800)
Trade debts	(9,551,855)	(2,937,275)
Loans, advances,	(4,091,605)	(3,343,851)
Prepayments	(4,447,452)	(4,176,093)
Other receivables	(111,640)	(15,158)
Tax refunds due from Government.	(6,352,726)	664,700
Short term investment	54,146,303	(1,870,268)
Increase / (decrease) in current liabilities.		
Trade and other payables	7,384,773	(3,500,112)
Net cash flow from changes in working capital	14,078,657	(43,825,522)
Cash generated from / (used in) operations.		
Finance cost paid	(1,241)	(2,923)
Taxes paid	(1,547,616)	(1,389,189)
Staff retirement gratuity paid	(645,140)	(939,030)
Net cash generated from operating activities	(2,193,997)	(2,331,142)
Cash flows from investing activities		
Additions property, plant and equipment	(603,127)	(836,848)
Long term deposits	-	-
Net cash (used in) investing activities	(603,127)	(836,848)
Cash flows from financing activities		
Net (decrease) increase in short term bank borrowings	-	-
Net cash (used in) financing activities	-	-
Net (decrease) increase in cash and cash equivalents	(277,150)	(26,637,655)
Cash and cash equivalent at the beginning of the year	35,738,565	63,025,482
Cash and cash equivalents at the end of the year	35,461,415	36,387,827

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER

ASHFAQ TEXTILE MILLS LIMITED.
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

- 1 The Principal activity of the Company is manufacturing and sale of textile goods.
- 2 These accounts have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting".
- 3 The accounting policies adopted for preparation of these quarterly accounts is the same as adopted in the preceding annual published accounts of the company.
- 4 The quarterly accounts are unaudited and being submitted to the shareholders as required u/s 245 of the Companies Ordinance 1984.
- 5 Amount set aside for workers profit participation fund and deferred tax liability is provisional, final liability will be determined on the basis of annual results.

	SEPTEMBER 2023 RUPEES	SEPTEMBER 2022 RUPEES
6 COST OF SALES:		
Raw material consumed	-	-
Stores & spares consumed	13,345,772	9,925,831
wages salaries and amenities	39,030,444	49,374,791
Sizing expenses	17,961,630	24,322,782
Repair & Maintenance	600,724	570,059
Fuel & Power	43,364,844	15,842,127
Depreciation	8,567,785	8,927,284
Insurance	1,537,660	986,018
Other overhead	260	1,365
	124,409,119	109,950,257
 Contract Cost	 (9,412,393)	 (11,621,800)
	114,996,726	98,328,457

- 7 The Financial statements were authorised for issue on **27-10-2023** by the Board of Directors of the Company

- 8 **Figures have been rounded off to the nearest rupee.**

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

---Sd---
CHIEF FINANCIAL OFFICER