

AHMAD HASSAN T

CONDENSED INTERIM BALANCE SHEET AS MARCH 31, 2015 (UN-AUDITED)

| | Un-Audited March 31, 2015 | Audited June 30, 2014 Re-stated | Audited June 30, 2013 Re-stated | | Un-Audited March 31, 2015 | Audited June 30, 2014 Re-stated | Audited June 30, 2013 Re-stated |
|--|---------------------------------|--|--|---|---------------------------------|--|--|
| | Rupees | Rupees | Rupees | | Rupees | Rupees | Rupees |
| EQUITY AND LIABILITIES | | | | ASSETS | | | |
| <i>Share capital and reserves</i> | | | | <i>Non-current assets</i> | | | |
| Share capital | 144,082,488 | 144,082,488 | 144,082,488 | Property, plant and equipment | 2,500,057,803 | 2,494,300,059 | 2,336,860,177 |
| Share premium | 32,746,284 | 32,746,284 | 32,746,284 | Long term investments | - | - | 259,272 |
| Unappropriated profit | 790,545,201 | 758,945,476 | 643,411,497 | Long term deposits | 39,284,610 | 39,180,010 | 39,180,010 |
| | <u>967,373,973</u> | <u>935,774,248</u> | <u>820,240,269</u> | | <u>2,539,342,413</u> | <u>2,533,480,069</u> | <u>2,376,299,459</u> |
| <i>Surplus on revaluation of property, plant and equipment</i> | | | | <i>Current assets</i> | | | |
| | 905,530,493 | 934,406,675 | 975,456,905 | Stores, spares and loose tools | 37,929,187 | 45,458,241 | 42,421,206 |
| <i>Non-current liabilities</i> | | | | Stock in trade | 845,231,321 | 586,406,095 | 492,998,541 |
| Long term financing | 353,463,998 | 302,706,378 | 226,086,668 | Trade debts | 193,701,186 | 337,488,604 | 227,255,138 |
| Subordinated loan | 105,000,000 | 105,000,000 | 105,000,000 | Loans and advances | 153,816,989 | 70,820,838 | 94,885,564 |
| Deferred taxation | 220,267,441 | 225,661,124 | 255,546,447 | Tax refunds due from government | 75,163,497 | 44,915,515 | 22,590,804 |
| | <u>678,731,439</u> | <u>663,367,502</u> | <u>586,633,115</u> | Other receivables | 7,368,800 | 9,971,019 | 7,669,591 |
| <i>Current liabilities</i> | | | | Current portion of long term investments | - | 259,272 | 104 |
| Trade and other payables | 184,095,136 | 163,857,122 | 229,315,518 | Cash and bank balances | 2,212,510 | 5,474,903 | 17,936,655 |
| Accrued markup | 29,142,681 | 29,398,747 | 20,516,985 | | <u>1,315,423,490</u> | <u>1,100,794,487</u> | <u>905,757,603</u> |
| Short term borrowings | 951,382,091 | 763,803,893 | 492,155,903 | | | | |
| Current portion of non-current liabilities | 126,480,662 | 141,139,181 | 119,296,349 | | | | |
| Provision for taxation | 12,029,428 | 2,527,188 | 38,442,018 | | | | |
| | <u>1,303,129,998</u> | <u>1,100,726,131</u> | <u>899,726,773</u> | | | | |
| Total Equity & Liabilities | <u><u>3,854,765,903</u></u> | <u><u>3,634,274,556</u></u> | <u><u>3,282,057,062</u></u> | Total Assets | <u><u>3,854,765,903</u></u> | <u><u>3,634,274,556</u></u> | <u><u>3,282,057,062</u></u> |

Sd/-

Mian Muhammad Parvez
Chief Executive

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE QUARTER & NINE MONTHS ENDED MARCH 31, 2015
(UN-AUDITED)**

| | -----Nine Months----- | | -----Three Months----- | |
|---------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | March 31, 2015 Rupees | March 31, 2014 Rupees | March 31, 2015 Rupees | March 31, 2014 Rupees |
| Sales - net | 2,466,728,424 | 3,101,332,946 | 808,843,059 | 1,037,230,087 |
| Cost of goods sold | (2,276,650,419) | (2,759,311,025) | (734,476,347) | (941,925,044) |
| Gross profit | 190,078,005 | 342,021,921 | 74,366,712 | 95,305,043 |
| Profit / (loss) on trading | (77,770) | 71,435 | (155,540) | 11,435 |
| Other operating income | 3,252,374 | 2,785,175 | 1,591,628 | (1,146,950) |
| | 193,252,609 | 344,878,531 | 75,802,800 | 94,169,528 |
| Distribution cost | (85,280,105) | (111,662,909) | (29,706,144) | (35,799,088) |
| Administrative expenses | (37,695,308) | (35,614,556) | (12,487,202) | (11,240,181) |
| Other operating expenses | (151,955) | (9,389,241) | 114,420 | (2,217,125) |
| Finance cost | (89,257,163) | (84,917,128) | (33,899,130) | (36,124,820) |
| Profit / (loss) before taxation | (19,131,922) | 103,294,697 | (175,256) | 8,788,314 |
| Provision for taxation | 21,855,466 | (11,568,851) | (10,627,536) | 3,989,140 |
| Profit / (loss) after taxation | 2,723,544 | 91,725,846 | (10,802,792) | 12,777,454 |
| Earnings / (loss) per share | 0.19 | 6.37 | (0.75) | 0.89 |

**CONDENSED INTERIM STATEMENT OF
OTHER COMPREHENSIVE INCOME
FOR THE QUARTER & NINE MONTHS ENDED MARCH 31, 2015
(UN-AUDITED)**

| | -----Nine Months----- | | -----Three Months----- | |
|---|-----------------------------|--|-----------------------------|--|
| | March 31, 2015 Rupees | March 31, 2014 Re-stated Rupees | March 31, 2015 Rupees | March 31, 2014 Re-stated Rupees |
| Profit / (loss) after taxation | 2,723,544 | 91,725,846 | (10,647,253) | 12,777,454 |
| Other comprehensive income for the period- net of tax (Incremental depreciation arising on revaluation surplus on fixed assets) | 28,876,181 | 30,506,753 | 9,319,849 | 7,717,909 |
| Total comprehensive income (loss) for the period | 31,599,725 | 122,232,599 | (1,327,404,) | 20,495,363 |

Sd/-

Dr. Muhammad Haris
Director

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD OF NINE MONTHS ENDED MARCH 31, 2015
(UN-AUDITED)

| | ----- Nine Months ----- | |
|--|-------------------------|----------------------|
| | March 31, 2015 | March 31, 2014 |
| | Rupees | Rupees |
| A. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit / (loss) before taxation | (19,131,922) | 103,294,697 |
| Adjustments for: | | |
| Depreciation on property, plant and equipment | 97,486,819 | 94,675,943 |
| Provision for staff retirement benefits- gratuity | 6,781,389 | 3,627,000 |
| Gain on sale of property, plant and equipment | (772,704) | (283,102) |
| Finance cost | 89,257,163 | 84,917,128 |
| | <u>192,752,667</u> | <u>182,936,969</u> |
| Operating cash flows before movements in working capital | 173,620,745 | 286,231,666 |
| (Increase) / decrease in current assets | | |
| Stores, spares and loose tools | 7,529,054 | (3,604,765) |
| Stock in trade | (258,825,226) | (426,144,388) |
| Trade debts | 143,787,418 | (59,002,051) |
| Loans and advances (excluding advance income tax) | (76,679,033) | 37,697,610 |
| Tax refunds due from government | (30,247,982) | (33,985,871) |
| Other receivables | 2,602,219 | 4,078,984 |
| Increase / (decrease) in current liabilities | | |
| Trade and other payables | 19,396,228 | (508,876) |
| | <u>(192,437,322)</u> | <u>(481,469,357)</u> |
| Cash used in operations | (18,816,577) | (195,237,691) |
| Income taxes paid | (10,353,095) | (21,754,433) |
| Staff retirement benefits- gratuity paid | (4,891,848) | (7,058,272) |
| Net cash used in operating activities | (34,061,520) | (224,050,396) |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Addition to property, plant and equipment | (104,621,859) | (243,682,731) |
| Proceeds on disposal of property, plant and equipment | 2,150,000 | 400,000 |
| Long term security deposits | (104,600) | - |
| Redemption of long term investment | 259,272 | 104 |
| Net cash used in investing activities | (102,317,187) | (243,282,627) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long term loan obtained | 132,497,864 | 161,149,578 |
| Repayment of long term financing | (96,398,764) | (90,791,114) |
| Short term borrowings - net | 187,578,198 | 461,286,561 |
| Dividend paid | (1,047,755) | (11,015,275) |
| Finance cost paid | (89,513,229) | (70,563,818) |
| Net cash generated from financing activities | <u>133,116,314</u> | <u>450,065,932</u> |
| Decrease in cash and bank balances during the period | (3,262,393) | (17,267,091) |
| Cash and bank balances at the beginning of the period | 5,474,903 | 17,936,655 |
| Cash and bank balances at the end of the period | <u>2,212,510</u> | <u>669,564</u> |

Sd/-
Mr. Abdul Sattar
Chief Financial Officer

ACCOUNTS

For the Quarter &
Nine Months Ended
March 31, 2015
(Un-Audited)



AHMAD HASSAN
TEXTILE MILLS LTD.

BOARD OF DIRECTORS

1. Mian Muhammad Javed Anwar - Chairman
2. Main Muhammad Parvez - Chief Executive Officer
3. Mr. Muhammad Haris - Director
4. Mr. Muhammad Aurangzeb - Director
5. Mrs. Salmia Javed - Director
6. Mr. Muhammad Jahanzeb - Director
7. Mr. Syed Raza Abbas Jafferi (Rep. NIT)

DIRECTORS' REVIEW

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

Dear Shareholders, Your Directors are pleased to present before you un-audited accounts of your Company for the quarter and nine months ended March 31, 2015.

SUMMARIZED FINANCIAL RESULTS:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-----------------------|-----------------------------|-----------------------------|
| Sales - net | 2,466,728,424 | 3,101,332,946 |
| Gross profit | 190,078,005 | 342,021,921 |
| Profit after taxation | 2,723,544 | 91,725,846 |
| G.P Ratio | 7.71% | 11.03% |

REVIEW OF OPERATIONS:

Era of depression for textile industry in Pakistan which started in January 2014 still continues, as in international market, the competitors having business advantage in the cost of production area are selling their product at lesser prices. Though our Govt. is trying to reduce the power tariffs after significant reduction in petroleum products in international market, our costs of production decreased but this reduction is not enough to match the cost of international producers of yarn and fabric. Market conditions resulted in decrease in sales by Rs. 634 millions (20.5%) and costs reduced by 482 million (17.5%), the difference in reduction in cost and sales prices directly affects G.P ratio which is reduced by almost same ratio. The company's management continues to make its operation efficient and effective. Factory operating expenses remained almost same as compared to corresponding period of last year despite of enhanced capacity, production and increment in workers' salaries. Distribution expenses remained Rs. 85 million (2014:Rs. 111.6 million), decreased mainly due to decrease in sales. Administration expenses are also in control and reached Rs. 37.7 million (2014: Rs. 35.6 million). Finance cost is increased by Rs. 4 million to reach 89 million (2014: Rs.85 million) despite of Rs. 132 millions of long term loan was further obtained for enhancement of production capacity.

FUTURE OUTLOOK

The depressed prices situation continues and nothing can be predicted. But your company has been successful to control the cost and implemented very effective controls in place to make the operations of production and administration very much efficient and effective. We hope the betterment of prices in local and international market will take place soon and keeping in view the company's current efficient and effective operations your company will be in a position to perform very much better as compared to its competitors.

We hope all these arrangements will contribute towards the reduction in company's fixed cost as well as variable cost (energy cost) and management expects better performance in upcoming three months of ongoing financial year.

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

Multan
Dated: 28.04.2015

Mian Muhammad Javed Anwer
Chairman

If undelivered please return to
AHMAD HASSAN TEXTILE MILLS LTD.
46 - Hassan Parwana Colony,
MULTAN.

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD OF NINE MONTHS ENDED
MARCH 31, 2015 (UN-AUDITED)**

| | Share Capital | Reserves | | Total |
|--|---|-------------------|---|--------------------|
| | | Capital | Revenue | |
| | Issued, subscribed and paid up capital | Share premium | Unappropri- ated profit (Re-stated) | |
| | Rupees | Rupees | Rupees | Rupees |
| Balance at June 30, 2013 | 144,082,488 | 32,746,284 | 643,073,455 | 819,902,227 |
| Profit for the nine months ended March 31, 2014 | - | - | 91,725,846 | 91,725,846 |
| Other comprehensive income for the nine months ended March 31, 2014 | - | - | 30,506,753 | 30,506,753 |
| Total comprehensive income for the nine months ended March 31, 2014 | - | - | 122,232,599 | 122,232,599 |
| Final dividend for the year ended June 30, 2014 | | | (21,612,372) | (21,612,372) |
| Balance at March 31, 2014 | 144,082,488 | 32,746,284 | 743,693,682 | 920,522,454 |
| Balance at June 30, 2014 | 144,082,488 | 32,746,284 | 758,945,476 | 935,774,248 |
| Profit for the nine months ended March 31, 2015 | - | - | 2,723,544 | 2,723,544 |
| Other comprehensive income for the nine months ended March 31, 2015 | - | - | 28,876,181 | 28,876,181 |
| Total comprehensive income for the nine months ended March 31, 2015 | - | - | 31,599,725 | 31,599,725 |
| Balance at March 31, 2015 | 144,082,488 | 32,746,284 | 790,545,201 | 967,373,973 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD OF NINE MONTHS ENDED AT MARCH 31, 2015 (UN-AUDITED)

1. These un-audited accounts are being presented to the shareholders as required under SECP notification No.764(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 annual accounts.
3. Figures from previous year have been re-arranged for the purpose of comparison wherever necessary.
4. Figures in these accounts have been rounded off to the nearest rupee.
5. Provisions for taxation has been calculated on turnover basis.