

# AHMAD HASSAN TEXTILE MILLS LIMITED

## Balance Sheet as at September 30, 2011 (Un - Audited)

	Un-Audited		Audited	
	September 30, 2011	June 30, 2011	September 30, 2011	June 30, 2011
	Rupees	Rupees	Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>				
<b>Share capital and reserves</b>				
Share capital	144,082,488	144,082,488	144,082,488	144,082,488
Share premium	32,746,284	32,746,284	32,746,284	32,746,284
Unappropriated profit	420,488,494	402,081,637	402,081,637	402,081,637
	597,317,266	578,910,409	578,910,409	578,910,409
<b>Surplus on revaluation of property, plant and equipment</b>	429,209,261	433,226,784	433,226,784	433,226,784
<b>Non-current liabilities</b>				
Long term financing	305,335,086	352,486,586	352,486,586	352,486,586
Subordinated loan	105,000,000	105,000,000	105,000,000	105,000,000
Liabilities against assets subject to finance lease	128,079,734	2,927,290	2,927,290	2,927,290
Deferred taxation	-	130,105,365	130,105,365	130,105,365
	538,414,820	600,519,241	600,519,241	600,519,241
<b>Current liabilities</b>				
Trade and other payables	238,750,637	252,297,912	252,297,912	252,297,912
Accrued markup	28,251,991	37,576,189	37,576,189	37,576,189
Short term borrowings	521,746,813	597,209,539	597,209,539	597,209,539
Current portion of non-current liabilities	189,629,613	160,668,374	160,668,374	160,668,374
Provision for taxation	45,088,162	38,196,732	38,196,732	38,196,732
	1,024,467,216	1,085,948,746	1,085,948,746	1,085,948,746
<b>Total equity and liabilities</b>	<u>2,589,408,563</u>	<u>2,698,605,180</u>	<u>2,589,408,563</u>	<u>2,698,605,180</u>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	1,563,723,969	1,600,881,140	1,600,881,140	1,600,881,140
Long term investment	259,428	259,480	259,480	259,480
Long term deposits	4,582,497	4,582,497	4,582,497	4,582,497
	1,568,566,894	1,805,723,117	1,805,723,117	1,805,723,117
<b>Current assets</b>				
Stores, spares and loose tools	34,885,917	37,956,824	37,956,824	37,956,824
Stock in trade	431,902,794	459,145,437	459,145,437	459,145,437
Trade debts	333,759,696	373,370,269	373,370,269	373,370,269
Loans and advances	202,693,570	172,277,077	172,277,077	172,277,077
Prepayments	4,134,353	4,134,353	4,134,353	4,134,353
Tax refunds due from government	3,536,687	2,270,199	2,270,199	2,270,199
Other receivables	2,947,600	2,392,532	2,392,532	2,392,532
Current portion of long term investment	104	104	104	104
Cash and bank balances	6,981,948	5,469,621	5,469,621	5,469,621
	1,020,842,689	1,092,882,063	1,092,882,063	1,092,882,063
<b>Total Assets</b>	<u>2,589,408,563</u>	<u>2,698,605,180</u>	<u>2,589,408,563</u>	<u>2,698,605,180</u>

sd/-  
Mian Muhammad Javed Anwar  
Chairman

sd/-  
Mian Muhammad Parvez  
Chief Executive

## Profit & Loss Account For the quarter ended September 30, 2011 (Un - Audited)

	Sep. 30, 2011		Sep. 30, 2010	
	Rupees	Rupees	Rupees	Rupees
Sales	789,143,030	931,715,467	789,143,030	931,715,467
Cost of goods sold	(703,970,171)	(835,906,271)	(703,970,171)	(835,906,271)
Gross profit	85,172,859	95,809,196	85,172,859	95,809,196
Other operating income	164,676	1,245,228	164,676	1,245,228
Operating income	85,337,535	97,054,424	85,337,535	97,054,424
Distribution cost	(24,900,248)	(11,091,547)	(24,900,248)	(11,091,547)
Administrative expenses	(7,213,477)	(5,125,086)	(7,213,477)	(5,125,086)
Other operating expenses	(19,200)	-	(19,200)	-
Finance cost	(32,949,477)	(49,184,499)	(32,949,477)	(49,184,499)
Profit before taxation	20,255,133	31,653,292	20,255,133	31,653,292
Provision for taxation	(5,865,799)	(9,232,755)	(5,865,799)	(9,232,755)
Profit after taxation	14,389,334	22,420,537	14,389,334	22,420,537
Other comprehensive income for the period - net of tax	-	-	-	-
Total comprehensive income for the period - net of tax	14,389,334	22,420,537	14,389,334	22,420,537
Earnings per share - basic and diluted	1.00	1.56	1.00	1.56

## Cash Flow Statement For the quarter ended September 30, 2011 (Un - Audited)

	Sep. 30, 2011		Sep. 30, 2010	
	Rupees	Rupees	Rupees	Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before taxation	20,255,133	31,653,292	20,255,133	31,653,292
Adjustments for:				
Depreciation of property, plant and equipment	18,560,000	17,790,000	18,560,000	17,790,000
Provision for staff retirement benefits - gratuity	1,103,000	500,000	1,103,000	500,000
(Gain)/loss on sale of property, plant and equipment	32,949,477	49,184,499	32,949,477	49,184,499
Financial cost	53,559,774	67,874,499	53,559,774	67,874,499
Operating cash flows before movements in working capital	73,850,307	99,827,791	73,850,307	99,827,791
(Increase)/decrease in current assets	3,070,607	(1,306,468)	3,070,607	(1,306,468)
Stores, spares and loose tools	67,242,648	53,594,046	67,242,648	53,594,046
Stock in trade	39,610,713	(11,944,804)	39,610,713	(11,944,804)
Trade debts	(4,602,751)	(4,134,353)	(4,602,751)	(4,134,353)
Loans and advances (excluding advance income tax)	(1,285,489)	(555,068)	(1,285,489)	(555,068)
Prepayments	(555,068)	-	(555,068)	-
Tax refunds due from government	(12,164,425)	(2,045,418)	(12,164,425)	(2,045,418)
Other receivables	87,201,035	2,507,211	87,201,035	2,507,211
Trade and other payable	161,051,542	102,035,002	161,051,542	102,035,002
Cash generated from operations	(7,764,594)	(979,806)	(7,764,594)	(979,806)
Income taxes paid	(2,392,850)	-	(2,392,850)	-
Staff retirement benefits - gratuity paid	150,704,528	101,356,196	150,704,528	101,356,196
Net cash from operating activities	(538,301)	-	(538,301)	-
Addition to property, plant and equipment	200,000	-	200,000	-
Proceeds on disposal of property, plant and equipment	52	-	52	-
Redemption of long term investment	(338,249)	-	(338,249)	-
Net cash used in investing activities	(676,597)	-	(676,597)	-
<b>B. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayment of long term financing	(27,373,414)	(29,782,146)	(27,373,414)	(29,782,146)
Repayment of principal portion of finance lease	(3,744,137)	(19,174,169)	(3,744,137)	(19,174,169)
Short term borrowings - net	(75,462,726)	(52,030,932)	(75,462,726)	(52,030,932)
Finance cost paid	(42,273,675)	-	(42,273,675)	-
Net cash used in financing activities	(148,853,952)	(100,987,247)	(148,853,952)	(100,987,247)
Net increase in cash and bank balances during the period (A+B-C)	1,512,327	387,949	1,512,327	387,949
Cash and bank balances at the beginning of the period	5,469,621	1,080,356	5,469,621	1,080,356
Cash and bank balances at the end of the period	6,981,948	1,468,305	6,981,948	1,468,305

sd/-  
Dr. Rashid Nawaz Khan  
Chief Financial Officer

### Notes to the Accounts

- These un-audited accounts are being presented to the shareholders as required under SECP Notification No. 794(1)/2001 dated 05.11.2001 and in accordance with the requirements of International Accounting Standard-34 "Interim Financial Reporting".
- Accounting policies adopted for the preparation of these quarterly accounts are the same as adopted in the preceding annual accounts.
- Figures from previous year have been re-arranged for the purpose of comparison wherever necessary.
- Figures in these accounts have been rounded off to the nearest rupee.
- Provision for taxation has been calculated on turn over basis.

sd/-  
Dr. Muhammad Harris  
Director

Statement of Changes in Equity  
For the quarter ended September 30, 2011  
(Un - Audited)

	Issued subscriptions and paid up Capital Rupees	Capital reserve Rupees	Unappropriated profit Rupees	Total Rupees
Balance as at July 01, 2010	144,082,488	22,746,284	118,976,678	285,805,450
Profit for the year	---	---	172,217,295	172,217,295
Other comprehensive income for the year	---	---	---	---
Total comprehensive income for the year	---	---	172,217,295	172,217,295
Income for the year ended June 30, 2011 - net of deferred tax - net of depreciation - net of surplus on revaluation of property, plant and equipment	---	---	172,217,295	172,217,295
Revaluation surplus - net of deferred tax - net of depreciation - net of surplus on revaluation of property, plant and equipment	---	---	17,869,717	17,869,717
Revaluation surplus classified as held for sale	---	---	---	---
Balance as at June 30, 2011	144,082,488	22,746,284	402,084,637	578,910,409
Profit for the quarter ended September 30, 2011	---	---	14,388,334	14,388,334
Other comprehensive income for the quarter ended September 30, 2011	---	---	---	---
Income for the quarter ended September 30, 2011 - net of depreciation - net of surplus on revaluation of property, plant and equipment - net of deferred tax	---	---	14,388,334	14,388,334
Balance at September 30, 2011	144,082,488	22,746,284	420,486,494	597,315,266

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**AHMAD HASSAN TEXTILE MILLS LTD.**  
46 - Hassan Parwana Colony,  
MULTAN.

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UNDER POSTAL CERTIFICATE

**ACCOUNTS**

For the First Quarter Ended  
September 30, 2011  
(Un-Audited)



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**AHMAD HASSAN  
TEXTILE MILLS LTD.**

**BOARD OF DIRECTORS**

1. Mian Muhammad Javed Anwar - Chairman
2. Mian Muhammad Parvez - Chief Executive
3. Mrs. Salma Javed
4. Mrs. Wahneeda Parvez
5. Mr. Muhammad Haris
6. Mr. Muhammad Aurangzeb
7. Mr. Syed Raza Abbas Jafferri (Nominee M/T)

**DIRECTORS' REVIEW**

In the name of Allah the Most Beneficent the Most Merciful.

Dear Shareholders

Your directors are pleased to present before you the un-audited accounts of the company for the first quarter ended September 30, 2011.

**OPERATING RESULTS**

By the grace of Almighty Allah the financial performance of your company remained satisfactory during the first quarter as well. The company has earned a profit of Rs. 20,256,133 before tax. The cotton has been purchased at market rate and looks stable in future.

**FUTURE OUTLOOK**

Continuing increase of electricity tariff is badly affecting the industry and have adverse impact on over all economy of the Country. The Government should consider separate preferential electricity tariff to Textiles. To combat the energy problem we had applied for gas connection much progress has been achieved in this respect, hopefully in near future our gas connection will start supply to gas GenSets to produce electricity.

**ACKNOWLEDGMENT**

Your directors place on record their appreciation for the effort made by the workers and staff of the company for their devotion to work.

Your Directors would also like to express their thanks to the financial institutions for their support and assistance.

Multan On behalf of the Board  
Dated: 28.10.2011 Mian Muhammad Javed Anwar  
Chairman