

ACCOUNTS

For the First Quarter Ended
September 30, 2020
(Un-Audited)



**AHMAD HASSAN
TEXTILE MILLS LTD.**

BOARD OF DIRECTORS

CHAIRMAN	Mian Muhammad Javed	Non-Executive Director
CHIEF EXECUTIVE DIRECTORS	Mr. Muhammad Aurangzeb	Executive Director
	Mr. Muhammad Haris	Executive Director
	Mr. Muhammad Jahanzaib	Executive Director
	Mrs. Salma Javed	Non-Executive Director
	Mrs. Waheeda Parvaiz	Non-Executive Director
	Mr. Ali Kamal	Independent Director
	Mr. Nazir Ahmed Khan	Independent Director

Directors' Review

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

Dear Shareholders

Yours Directors are pleased to present before you un-audited accounts of your company for the quarter ended September 30, 2020.

SUMMARIZED FINANCIAL RESULTS

	Sep-2020 (Rupees)	Sep-2019 (Rupees)
Sales Net	1,737,267,519	1,926,687,575
Gross Profit	107,226,424	224,069,335
Profit After Taxation	19,021,706	80,516,634
G.P Ratio	6.17%	11.63%
Earnings Per Share	1.32	5.59

REVIEW OF OPERATION:

There is a decline in the financial performance of the Company for the first quarter ended Sep 30, 2020 as compare to previous period. The uncertainty of situation due to COVID-19 has a disastrous impact on economy. Our management, inspite of such crisis, is trying their best to allocate its resources optimistically by strict strategic planning.

As a result the period under consideration, our Gross Profit Ratio decreased to 6.17% from 11.63%, Profit after Tax decrease to 19.02 million from 80.52 million. But distribution cost decreased by 41.30%, Admin Cost decreased by 4.14% and financial cost decreased by 88.29% due to KIBOR as compare to the same period of the previous year.

FUTURE OUTLOOK:

After economic devastations by COVID-19, its strains have started to gradually neutralize across the globe during the quarter under review report. However, the management is confident in improving the results for the remaining period of this year.

ACKNOWLEDGEMENT

Your Directors place on record their deed appreciation for the efforts made by the workers and staff of the Company for their deed devotion to work.

Your Directors would also like to express their thanks to the shareholders and Financial Institutions for their support and assistant.

On behalf of the Board of Directors

Multan

Chief Executive

Director

Dated: October 28, 2020

ڈائریکٹرز کی جائزہ رپورٹ

شروع اللہ کے نام سے جو نہایت مہربان اور رحم کرنے والا ہے

محترم حصہ داران!

ہم ڈائریکٹرز بخوشی آپ کے سامنے مورخہ 30 ستمبر 2020 تک کے مکمل ہونے والے ادارے کے 3 ماہ کے غیر آڈٹ شدہ اکاؤنٹس پیش کر رہے ہیں۔

مالیاتی نتائج کا خلاصہ

ستمبر 2019 (روپوں میں)	ستمبر 2020 (روپوں میں)	
1,926,687,575	1,737,267,519	کل رقم فروختگی
22,069,335	107,226,424	کل منافع
80,516,634	19,021,706	منافع بعد از ٹیکس
11.63%	6.17%	شرح منافع
5.59	1.32	فی حصص آمدنی

کاروباری امور کا جائزہ

چھٹی مدت کے مقابلے میں 30 ستمبر 2020ء کو ختم ہونے والی پہلی سہ ماہی میں کمپنی کی مالی کارکردگی میں کمی ہے۔ COVID-19 کی وجہ سے غیر یقینی صورتحال کا معیشت پر تباہ کن اثر پڑا ہے۔ ہماری انتظامیہ اس طرح کے بحران کے باوجود سخت حکمت عملی کی منصوبہ بندی کے ذریعے امید کر کے اپنے وسائل مختص کرنے کی پوری کوشش کر رہی ہے۔

زیر غور مدت میں ہمارا مجموعی منافع 11.63 فیصد سے کم ہو کر 6.17 فیصد رہ گیا ہے، ٹیکس کے بعد منافع 80.52 ملین سے 19.02 ملین رہ گیا۔ لیکن تقسیم لاگت میں گزشتہ سال کے اسی عرصے کے مقابلے میں 41.30 فیصد ایڈمن لاگت میں 4.14 فیصد اور مالی لاگت میں 88.29 فیصد کمی واقع ہوئی ہے۔

مستقبل کا نقطہ نظر:

کوویڈ-19 کے معاشی تباہ کاریوں کے بعد سہ ماہی زیر جائزہ رپورٹ کے دوران اس کے تناؤ آہستہ آہستہ پوری دنیا میں غیر جانبدار ہونا شروع ہو گئے ہیں۔ تاہم انتظامیہ اس سال کے باقی مدت کے نتائج کو بہتر بنانے میں پُر اعتماد ہے۔

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

بورڈ آف ڈائریکٹرز کی جانب سے

ملتان

ڈائریکٹر

چیف ایگزیکٹو

28 اکتوبر 2020

**STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2020**

	Sep 30, 2020 Un-Audited Rupees	June 30, 2020 Audited Rupees
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	2,562,262,307	2,573,275,441
Investment property	1,311,500	43,311,500
Intangible assets	65,194	76,699
Long term deposits	12,617,377	12,617,377
Long term investment	-	-
	2,576,256,378	2,629,281,017
CURRENT ASSETS		
Stores, spare parts and loose tools	71,592,347	78,334,628
Stock-in-trade	1,018,388,755	1,098,590,926
Trade debts	517,377,473	609,448,392
Loans and advances	327,325,171	95,984,647
Due from Government	50,427,327	53,309,289
Other receivables	4,905,225	7,105,167
Short term investment	7,052,560	46,680
Cash and bank balances	64,264,788	12,342,710
	2,061,333,646	1,955,162,439
TOTAL ASSETS	4,637,590,024	4,584,443,456
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital	200,000,000	200,000,000
Issued, subscribed and paid up share capital	144,082,488	144,082,488
Capital reserve	32,746,284	32,746,284
Surplus on revaluation of property, plant and equipment	592,374,170	598,128,563
Revenue reserve - unappropriated profit	1,074,468,030	1,049,705,459
	1,843,670,972	1,824,662,794
Subordinated loans	105,000,000	105,000,000
NON-CURRENT LIABILITIES		
Long term loans and financing	503,160,140	509,856,710
Liabilities against assets subject to finance lease	1,550,226	2,108,206
Deferred income - government grant	-	1,608,850
Deferred taxation	187,465,164	187,465,164
	692,175,530	701,038,930
CURRENT LIABILITIES		
Trade and other payables	728,371,892	860,213,906
Unclaimed dividend	3,376,878	3,376,878
Finances under markup arrangements and other credit facilities	1,058,105,328	920,907,233
Current portion of non-current liabilities	66,929,267	42,137,973
Accrued finance cost	24,974,415	37,646,441
Provision for taxation	114,985,742	89,459,301
	1,996,743,522	1,953,741,732
TOTAL EQUITY AND LIABILITIES	4,637,590,024	4,584,443,456

Sd/-
Chief Executive

**STATEMENT OF PROFIT OR LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

	SEP-2020 Rupees	SEP-2019 Rupees
Sales - net	1,737,267,519	1,926,687,575
Cost of sales	(1,630,041,095)	(1,702,618,240)
Gross profit	107,226,424	224,069,335
Other income	10,880	669,773
Profit on trading	50,000	-
Distribution cost	(12,006,131)	(20,452,687)
Administrative expenses	(19,686,099)	(20,537,266)
Other operating expenses	(4,414,202)	(6,735,141)
	(36,045,552)	(47,055,321)
Profit before finance cost	71,180,872	177,014,014
Finance cost	(26,632,725)	(56,655,234)
Profit before taxation for the period	44,548,147	120,358,780
Taxation	(25,526,441)	(39,842,146)
Profit after taxation for the period	19,021,706	80,516,634
Earnings per share - basic and diluted	1.32	5.59

**STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

	Quarter ended	
	September 30, 2020	September 30, 2019
	Rupees	Rupees
Profit for the period	19,021,706	80,516,634
Other comprehensive Income / (Loss) for the period:		
Items that will not be subsequently reclassified to profit or loss:		
Impact of revaluation carried out during the period	-	-
Less: related deferred tax	-	-
Total comprehensive income for the period	19,021,706	80,516,634

Sd/-
Director

**STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Sep 30, 2020 Rupees	Sep 30, 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	44,548,147	120,358,780
Adjustments for:		
Depreciation on property, plant and equipment	32,239,390	35,790,117
Amortization on intangible asset	11,505	11,505
Other Income	(5,000)	6,080
Unrealized (gain)/loss on re-measurement of investment	(5,880)	
Finance cost	26,632,725	56,655,234
Operating cash flows before movements in working capital	103,420,887	212,821,716
(Increase) / decrease in current assets		
Stores, spares and loose tools	6,742,281	(2,016,858)
Stock in trade	80,202,171	(80,618,483)
Trade debts	92,070,918	(99,060,850)
Loans and advances (excluding advance income tax)	(231,354,049)	603,520
Tax refunds due from government	2,881,962	968,020
Other receivables	2,199,942	(38,399)
Increase / (decrease) in current liabilities		
Trade and other payables	(131,842,015)	6,146,159
	(179,098,790)	(174,016,891)
Cash generated from operations	(75,677,903)	38,804,825
Income tax paid - net	-	(24,830,274)
	-	(24,830,274)
Net cash generated (used in) /from operating activities	(75,677,903)	13,974,551
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(21,226,256)	(1,568,407)
Investment property	42,000,000	(2,361,754)
Short term investments	(7,000,000)	-
Dividend income	5,000	-
Net cash generated from/(used in) investing activities	13,778,744	(3,930,161)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	18,094,723	-
Repayment of long term finances	(1,608,850)	(40,138,496)
Repayment of finance lease	(557,980)	(865,103)
Dividend paid	-	(10,576)
Short term finances - net	137,198,095	84,980,818
Finance cost paid	(39,304,751)	(54,673,333)
Net cash generated / (used in) from financing activities	113,821,237	(10,706,690)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	51,922,078	(662,300)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	12,342,710	16,765,243
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	64,264,788	16,102,943

**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

Share Capital	Reserves			Total	
	Capital	Revenue			
Issued, subscribed and paid up capital	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit		
Rupees					
Balance as at June 30, 2019 (Audited)	144,082,488	32,746,284	742,422,219	921,685,893	1,840,936,884
Distribution to owners:					
Final cash dividend of Rs. 1.25 per share for the year ended June 30, 2019				(18,010,310)	(18,010,310)
Total comprehensive income for the period:					
Profit for the period	-	-	-	121,030,807	121,030,807
Other comprehensive loss for the period	-	-	(119,294,588)	-	(119,294,588)
	-	-	(119,294,588)	121,030,807	1,736,219
Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax)	-	-	(24,999,068)	24,999,068	-
Balance as at June 30, 2020 (Audited)	144,082,488	32,746,284	598,128,563	1,049,705,458	1,824,662,793
Distribution to owners:					
Final cash dividend of Rs. 1.50 per share for the year ended June 30, 2020				-	-
Total comprehensive income for the period:					
Profit for the period	-	-	-	19,021,706	19,021,706
Other comprehensive loss for the period	-	-	-	-	-
	-	-	-	19,021,706	19,021,706
Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax)	-	-	(5,754,393)	5,754,393	-
Balance as at September 30, 2020 (Un-Audited)	144,082,488	32,746,284	592,374,170	1,074,481,557	1,843,684,499

**NOTES TO THE FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

- 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".
- 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.
- Provisions for taxation has been calculated on turnover basis.

Sd/-
Chief Financial Officer