

ACCOUNTS

For the First Quarter Ended
September 30, 2018
(Un-Audited)



**AHMAD HASSAN
TEXTILE MILLS LTD.**

Book Post
Printed Matter

UNDER POSTAL CERTIFICATE

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

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. Salma Javed - Director
6. Mr. Muhammad Jahanzeb - Director
7. Mr. Syed Raza Abbas Jafferri (Rep. NIT)
8. Mr. Nazæer Ahmad 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, 2018.

SUMMARIZED FINANCIAL RESULTS:

	Sept-2018 (Rupees)	Sept-2017 (Rupees)
Sales Net	1,755,496,350	1,106,224,589
Gross Profit	116,560,059	74,895,423
Profit After Taxation	15,161,553	2,967,629
G.P Ratio	6.64%	6.77%
Earnings Per Share	1.05	0.21

REVIEW OF OPERATIONS:

By the grace of Almighty Allah, start of this year is quite encouraging besides of continuous increase in cotton prices and dollar fluctuation. As a result, our profit after tax increases to 15.16 million from 2.97 million as compared to same period of the previous year. Due to increase in energy cost, our gross profit margin is decreased to 6.64% from 6.77% as compare to September 2017 quarter. Our cost of sales increases by 58.91%, Distribution cost decreases by 12.22%, Admin cost increases by 23.36% and finance cost increases by 5.77% as compare to the same period of the previous year.

FUTURE OUTLOOK

Company is striving to adopt best possible measures to reduce production cost and improve gross profit ratio. In current quarter, Company is in process to replace old looms with highly efficient cost saving looms. So management is quiet hopeful to improve profitability of the Company and shareholder's wealth after such BMR. We also appreciate government's continuous efforts to reduce energy cost, refunds of taxes & rebates and energetic steps to enhance export orders.

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: October 27, 2018

Chief Executive Director

ڈائریکٹرز کی جائزہ رپورٹ

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

محترم حصہ داران!

ہم ڈائریکٹران بخوشی آپ کے سامنے مورخہ 30 ستمبر 2018 تک مکمل ہونے والے تین ماہ کے ادارے کے غیر آڈٹ شدہ اکاؤنٹس پیش کر رہے ہیں۔

	ستمبر 2017	ستمبر 2018	کل رقم فروختگی
	1,106,224,589	1,755,496,350	
	74,895,423	116,560,059	کل منافع
	2,967,629	15,161,553	منافع بعد از ٹیکس
	6.77%	6.64%	شرح منافع
	0.21	1.05	فی حصص آمدنی

کاروباری امور کا جائزہ

روٹی کی قیمتوں میں اضافے اور ڈالر کی قیمت روپے کے مقابلے میں بڑھنے کے باوجود ہم اللہ کا شکر ادا کرتے ہیں کہ اس سال کا آغاز کافی حوصلہ افزا ہے۔ جس کے نتیجے میں ہمارا بعد از ٹیکس منافع پچھلے سال کے اسی عرصے کے مقابلے میں 2.97 ملین سے بڑھ کر 15.16 ملین تک پہنچ گیا ہے۔ تو انائی کی قیمتوں کے بڑھنے کی وجہ سے ہماری شرح منافع پچھلے سال اسی عرصے کے مقابلے میں 6.77 فیصد سے کم ہو کر 6.64 فیصد ہو گئی ہے۔ ہماری فروختگی قیمت میں 58.91 فیصد اضافہ ہوا ہے ترسیل و تقسیم کے خرچے 12.22 فیصد کم ہوئے ہیں۔ انتظامی امور کے خرچے 23.36 فیصد بڑھے ہیں اور مالیاتی خرچے پچھلے سال کے اسی عرصے کے مقابلے میں 5.77 فیصد بڑھے ہیں۔

مستقبل کا نقطہ نظر

ادارہ اپنی کاروباری لاگت کو کم کرنے اور شرح منافع کو بہتر بنانے کیلئے مسلسل جدوجہد میں مصروف ہے موجودہ تین ماہ کے دوران ادارہ اپنی پرانی لومز کو جدید کم پیداواری لاگت کی حامل لومز کے ساتھ تبدیل کرنے میں مصروف رہا ہے۔ ہم بہت پر امید ہیں کہ جدت پن کی وجہ سے ادارے کے شرح منافع اور حصہ داران کی دولت میں اضافہ ہوگا۔ اس کے ساتھ ساتھ ہم تو انائی کی قیمتوں میں کمی، ٹیکسوں اور چھوٹ کے رقم کی ادائیگی اور برآمدات میں اضافے کیلئے حکومتی کوششوں کو داد دیتے ہیں۔

اعتراف

آپ کے ڈائریکٹران تمام کارکنان اور عملہ کی جانب سے پر خلوص اور جانفشانی سے کئے گئے کام کو خراج تحسین پیش کرتے ہیں اور آپ کے ڈائریکٹران تمام حصہ داران اور مالیاتی اداروں کے تعاون اور مدد کے بھی شکر گزار ہیں۔

منجانب

چیف ایگزیکٹو ڈائریکٹر

تاریخ 27 اکتوبر 2018

ملتان

**STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2018**

	Un-audited Sept 30, 2018 Rupees	Audited June 30, 2018 Rupees
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	2,897,765,389	2,762,250,958
Investment property	43,311,500	43,311,500
Intangible assets	337,230	408,735
Long term deposits	12,857,377	12,337,177
	<u>2,954,271,496</u>	<u>2,818,308,370</u>
CURRENT ASSETS		
Stores, spare parts and loose tools	53,905,609	51,824,641
Stock-in-trade	982,267,172	869,769,472
Trade debts	433,826,794	393,907,106
Loans and advances	104,181,724	59,063,437
Due from Government	68,423,786	97,071,850
Other receivables	5,922,437	5,402,894
Short term investments	54,280	76,840
Cash and bank balances	3,556,084	19,477,569
	<u>1,652,137,886</u>	<u>1,496,593,809</u>
TOTAL ASSETS	<u>4,606,409,382</u>	<u>4,314,902,179</u>
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 reserves:		
Share premium	32,746,284	32,746,284
Surplus on revaluation of property, plant and equipment	765,492,534	773,129,285
Revenue reserve - unappropriated profit	890,831,874	868,033,570
	<u>1,833,153,180</u>	<u>1,817,991,627</u>
Subordinated loans	105,000,000	105,000,000
NON-CURRENT LIABILITIES		
Long term loans and financing	591,029,339	464,058,353
Liabilities against assets subject to finance lease	6,422,669	7,035,960
Deferred taxation	215,776,989	206,075,724
	<u>813,228,997</u>	<u>677,170,037</u>
CURRENT LIABILITIES		
Trade and other payables	460,455,541	404,611,545
Unclaimed dividend	3,019,542	3,019,542
Short term finances under markup arrangements and other credit facilities	1,124,717,171	1,054,662,438
Current portion of non-current liabilities	185,231,949	188,356,535
Accrued finance cost	30,138,128	32,252,064
Provision for taxation	51,464,874	31,838,391
	<u>1,855,027,205</u>	<u>1,714,740,515</u>
TOTAL LIABILITIES	<u>2,668,256,202</u>	<u>2,391,910,552</u>
TOTAL EQUITY AND LIABILITIES	<u>4,606,409,382</u>	<u>4,314,902,179</u>

Sd/-
Chief Executive Officer

**STATEMENT OF PROFIT OR LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)**

	September, 2018 Rupees	September, 2017 Rupees
Sales - net	1,755,496,350	1,106,224,589
Cost of sales	(1,638,936,291)	(1,031,329,166)
Gross profit	<u>116,560,059</u>	<u>74,895,423</u>
Other income	671,561	838,838
(Loss) on trading	-	(55,976)
Distribution cost	(14,731,407)	(16,781,861)
Administrative expenses	(15,862,139)	(12,858,676)
Other operating expenses	(48,762)	(11,560)
	<u>(29,970,747)</u>	<u>(28,869,235)</u>
Profit before finance cost	<u>86,589,312</u>	<u>46,026,188</u>
Finance cost	(32,752,066)	(30,964,212)
Profit before taxation	<u>53,837,246</u>	<u>15,061,976</u>
Taxation	(38,675,693)	(12,094,347)
Profit after taxation	<u>15,161,553</u>	<u>2,967,629</u>
Earnings per share - basic and diluted	<u>1.05</u>	<u>0.21</u>

**STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)**

	September 2018 Rupees	September 2017 Rupees
Profit after taxation for the period	15,161,553	2,967,629
Other comprehensive income for the period	-	-
Total comprehensive Income for the period	<u>15,161,553</u>	<u>2,967,629</u>

Sd/-
Director

STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	September 30, 2018 Rupees	September 30, 2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	53,837,246	15,061,976
Adjustments for:		
Depreciation on property, plant and equipment	34,838,949	33,454,395
Amortization on intangible asset	71,505	71,505
Gain on sale of property, plant and equipment	(262,342)	(219,394)
Unrealized (gain)/loss on re-measurement of investment	22,560	360
Finance cost	32,752,066	30,964,212
	67,422,738	64,271,078
Operating cash flows before movements in working capital	121,259,284	79,333,054
(Increase) / decrease in current assets		
Stores, spares and loose tools	(2,080,968)	4,833,298
Stock in trade	(112,497,700)	52,694,793
Trade debts	(39,919,688)	(9,418,811)
Loans and advances (excluding advance income tax)	(11,181,441)	(4,563,535)
Tax refunds due from government	28,648,064	8,955,124
Other receivables	(519,543)	403,017
Increase / (decrease) in current liabilities		
Trade and other payables	55,843,996	(7,876,395)
	(81,707,280)	45,027,491
Cash generated from operations	39,552,704	124,360,545
Income tax paid - net	(43,284,792)	(6,150,103)
Net cash (used in)/ generated from operating activities	(3,732,088)	118,210,442
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(170,589,038)	(46,845,807)
Proceeds from disposal of property, plant and equipment	498,000	335,000
Long term deposits	(520,200)	(60,140)
Net cash used in investing activities	(170,611,238)	(46,570,947)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	166,044,917	35,574,643
Repayment of long term finances	(42,198,517)	(29,815,956)
Repayment of finance lease	(613,291)	(161,125)
Short term finances - net	70,054,733	(46,469,606)
Finance cost paid	(34,866,001)	(33,085,223)
Net cash generated from / (used in) financing activities	158,421,841	(73,957,267)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(15,921,485)	(2,317,772)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	19,477,569	5,029,403
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	3,556,084	2,711,631

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	Reserves			Total	
	Share Capital Issued, subscribed and paid up capital	Capital			Revenue
		Share premium	Surplus on revaluation of property, plant and equipment		Unappropriated profit
Rupees					
Balance as at June 30, 2017 - restated	144,082,488	32,746,284	805,470,486	825,574,086	1,807,873,344
Total comprehensive income for the year	-	-	-	10,118,283	10,118,283
Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax)	-	-	(32,341,201)	32,341,201	-
Balance as at June 30, 2018	144,082,488	32,746,284	773,129,285	868,033,570	1,817,991,627
Total comprehensive income for the quarter	-	-	-	15,161,553	15,161,553
Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax)	-	-	(7,636,751)	7,636,751	-
Balance as at September 30, 2018	144,082,488	32,746,284	765,492,534	890,831,874	1,833,153,180

NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2018

- 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