# AHMAD HASSAN TEXTILE MILLS LIMITED

## **CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)** AS AT MARCH 31, 2022

	March 31, 2022	June 30, 2021
	Un-Audited	Audited
ASSETS	Rupees	Rupees
NON-CURRENT ASSETS		
Property, plant and equipment	1,668,776,234	1,377,374,549
Long term deposits	11,712,377	12,387,177
	1,680,488,611	1,389,761,726
CURRENT ASSETS		
Stores, spare parts and loose tools	33,614,825	38,909,619
Stock-in-trade	1,238,687,077	838,600,546
Trade debts	494,464,284	403,727,475
Loans and advances	137,027,546	53,857,631
Due from Government	39,899,556	11,813,005
Other receivables	3,163,771	3,161,869
Short term investment	19,336,527	32,801,776
Cash and bank balances	1,200,788	4,442,391
	1,967,394,374	1,387,314,312
TOTAL ASSETS	3,647,882,985	2,777,076,038
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital	200,000,000	200,000,000
Issued, subscribed and paid up share capital	84,715,358	84,715,354
Capital reserve	32,746,284	32,746,284
Surplus on revaluation of		
property, plant and equipment	552,412,811	343,783,721
Revenue reserve - unappropriated profit	1,030,429,670	860,441,793
	1,700,304,123	1,321,687,152
Subordinated loans	62,500,000	62,500,000
NON-CURRENT LIABILITIES		
Long term loans and financing	247,969,338	242,004,726
Liabilities against assets subject to finance lease	1,105,634	1,594,705
Deferred income - government grant	-	102,493
Long term payable	17,352,179	25,796,469
Deferred taxation	128,766,683	104,052,348
	395,193,834	373,550,741
CURRENT LIABILITIES		
Trade and other payables	757,468,066	654,492,326
Unclaimed dividend	12,055,130	3,474,561
Finances under markup arrangements and other credit	557,948,749	204,752,056
facilities Current portion of non-current liabilities	103,287,246	103,909,505
Accrued finance cost	11,729,177	4,690,465
Provision for taxation	47,396,660	48,019,232
CONTINGENCIES AND COMMITMENTS	1,489,885,028	1,019,338,145
TOTAL EQUITY AND LIABILITIES	3,647,882,985	2,777,076,038

Sd/-

### CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2022

	Nine months period ended		Quarter ended	
	Mar 31, 2022	Mar 31, 2021	Mar 31, 2022	Mar 31, 2021
	Rupees	Rupees	Rupees	Rupees
Sales - net	4,247,657,875	2,904,748,729	1,512,794,475	1,035,068,674
Cost of sales	(3,914,530,907)	(2,681,063,700)	(1,428,953,416)	(978,523,906)
Gross profit	333,126,968	223,685,029	83,841,059	56,544,768
Other income/ (loss)	2,369,026	(634,878)	(591,609)	(900,638)
Profit on trading	9,751,755	1,856,786	571,755	1,741,786
Distribution cost	(27,915,202)	(23,396,885)	(4,267,337)	(9,577,727)
Administrative expenses	(42,483,107)	(30,459,415)	(14,359,513)	(10,708,877)
Other operating expenses	(18,437,104)	(12,675,488)	(3,496,127)	(1,042,600)
	(76,714,632)	(65,309,880)	(22,142,831)	(20,488,056)
Profit before finance cost	256,412,336	158,375,149	61,698,228	36,056,712
Finance cost	(34,119,639)	(20,880,170)	(14,201,785)	(6,248,106)
Profit before taxation	222,292,697	137,494,979	47,496,443	29,808,606
Taxation	(45,531,123)	(19,094,788)	(16,071,308)	12,334,755
Profit after taxation	176,761,574	118,400,191	31,425,135	42,143,361
Earnings per share - basic and diluted				
una unacca	20.87	13.98	3.71	4.97

### **NOTES TO THE FINANCIAL STATEMENTS** (UN-AUDITED) FOR THE PERIOD OF NINE MONTHS ENDED AT MARCH 31, 2022

- 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.

Sd/-

Director

- 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

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE PERIOD OF NINE MONTHS ENDED

MARCH 31, 2022	TOTAL CARE	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
W/MC/1 31, 2022	March 31, 2022	March 31,2021
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	222,292,697	140,494,979
Adjustments for:	222,232,037	110,131,373
Depreciation on property, plant and equipment	54,653,305	52,919,752
Provision for Workers' Profit Participation Fund	11,981,161	52,513,732
Provision for Workers' Welfare Fund	4,552,841	
Duty Drawback of taxes on export sales	(108,173)	
Gain on disposal of Fixed assets	(1,007,490)	
Dividend Income	(8,000)	
Unrealized (gain) / loss on remeasurement of short term investments	580,811	651,101
Exchange rate fluctuation loss / (gain) - net	(120,917)	051,101
Amortization of deferred government grant	(772,010)	1
Finance cost - net	34,119,639	20,880,170
Tillatice cost - flet	103,871,167	74,451,023
Operating cash flows before movements in working capital	326,163,864	214,946,002
(Increase) / decrease in current assets	320,103,004	214,940,002
Stores, spares and loose tools	5,294,794	7,808,839
Stock in trade	(400,086,531)	(105,469,317)
Trade debts	(90,615,892)	154,712,085
Loans and advances (excluding advance income tax)	(77,621,634)	(24,841,239)
Tax refunds due from government	(28,086,551)	(41,778,049)
Other receivables	(1,902)	(208,851)
Increase / (decrease) in current liabilities		
Trade and other payables	97,367,854	5,442,201
	(493,749,862)	(4,334,331)
Cash generated from operations	(167,585,998)	210,611,671
Income tax paid - net	(54,217,976)	(33,254,644)
Finance cost paid - net	(26,308,917)	(24,842,444)
Duty drawback of taxes on export sales received	108,173	
Paid to Workers' Profit Participation Fund	(10,926,109)	
	(91,344,829)	(58,097,088)
Net cash generated (used in) /from operating activities	(258,930,827)	152,514,583
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(119,067,924)	(26,238,467)
Decrease in Capital Work in Progress	15,131,098	_
Proceeds from disposal of fixed assets	5,341,700	[
Investment property	3,341,700	43,311,500
Long term deposits	674,800	(492,500)
Short term investments	12,884,438	(32,272,981)
Dividend income	8,000	(32,272,301)
		(45.500.4:5)
Net cash generated from/(used in) investing activities	(85,027,888)	(15,692,448)

	-	43,311,500	
	674,800	(492,500)	
	12,884,438	(32,272,981)	
	8,000	-	
_	(85,027,888)	(15,692,448)	
_			
	5,712,025	-	
	-	19,827,691	
	(1,590,359)	953,352	
	(7,815,168)	-	
	(8,786,079)	(8,352,306)	
	353,196,693	(146,310,475)	
	340,717,112	(133,881,738)	
_	(3,241,603)	2,940,397	
	4,442,391	863,378	
	1,200,788	3,803,775	
_			•

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE PERIOD OF NINE MONTHS ENDED MARCH 31, 2022

		Reserves			
		Capital		Revenue	
	Issued, subscribed and paid up share capital	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	Total
	,		Rupees		
Balance as at June 30, 2020 - restated  Distribution to owners:	84,715,358	32,746,284	357,887,596	690,086,172	1,165,435,410
Final cash dividend of Rs. 1.5 per share for the year ended June 30, 2020	-		-	(11,535,239)	(11,535,239)
Total comprehensive income for the year:					
Profit after taxation for the year	-	-	-	167,786,985	167,786,985
Other comprehensive loss for the year		-	-	167,786,985	167,786,985
Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax) - note 17.2.	-		(13,673,626)	13,673,626	-
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment (net of deferred tax) - note 17.2					
	-	-	(430,249)	430,249	-
Balance as at June 30, 2021 (Audited)	84,715,358	32,746,284	343,783,721	860,441,793	1,321,687,156
Distribution to owners:					
Final cash dividend of Rs. 205 per share for the year ended June 30, 2021				(17,366,648)	(17,366,648)
Total comprehensive income for the period:					
Profit for the period	-	-		176,761,574	395,983,615
Other comprehensive income for the period			219,222,041	176.761.574	395,983,615
Incremental depreciation arising due to surplus on revaluation of property, plant and equipment (net of deferred tax)	-	-	(10,592,951)	10,592,951	-
Balance as at March 31, 20222 (Un-Audited)	84,715,358	32,746,284	552,412,811	1,030,429,670	1,700,304,123

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2022

Nine months period ended		Quarter ended	
March 31,	March 31,	March 31,	March 31,
2022	2021	2022	2021
Rupees	Rupees	Rupees	Rupees
176,761,574	118,400,191	31,425,135	42,143,361
246,452,376	-	-	-
(27,230,335)	-	-	-
219,222,041	- "	- '	-
395,983,615	118,400,191	31,425,135	42,143,361
	March 31, 2022 Rupees 176,761,574 246,452,376 (27,230,335) 219,222,041	March 31, 2021 Rupees Rupees  176,761,574 118,400,191  246,452,376 - (27,230,335) - 219,222,041 -	March 31, 2021 2021 2022  Rupees Rupees Rupees  176,761,574 118,400,191 31,425,135  246,452,376

We hope all of your directors' sincerely efforts towards the reduction in business cost; will result in increase in shareholder's wealth and stakeholder's interest in your Company.

### **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: April 29, 2022

Chief Executive Director

## Chief Executive

Chief Financial Officer

CASH AND CASH EQUIVALENTS AT END OF THE PERIOD

Net cash generated / (used in) from financing activities NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS

CASH FLOWS FROM FINANCING ACTIVITIES

Long term payable

Dividend paid

Long term finances obtained

Short term finances - net

Repayment of long term finances Repayment of finance lease

ڑ اسر مکسر رکی جا سر ہ رہورے شروع اللہ کے نام سے جونہایت مہریان اور رخم کرنے والا ہے محتر م حصد داران! ہمیں 31 مارچ 2022 کوختم ہونے والے نو ماہ کے لئے آپ کی کمپنی کے غیر آڈٹ شدہ اکاؤنٹس بیش کرنے میں

یاتی نتائج کاخلاصه	مارچ 2022ء	مارچ 2021 ء
•	(رويوں ميں)	(رويوں ميں)
كل رقم فروختگی	4,247,657,875	2,904,748,729
كل منافع	333,126,968	223,685.029
بعدادا ئيگى قيكس منافع	176,761,574	118,400,191
می پی تناسب	7.84%	7.70%
فی شیئر آمدنی	20.87	13.98
تقتیم کے اخراجات	27,915,202	23,396.885
ایڈمن کے اخراجات	42,483,107	30,459,415
مالياتى لا گت	34,119,639	20,880,170
روباری امور کا جائزه		

۔ ملینی کی مالی کارکردگی گزشتہ مدت کے مقابلے موجودہ مدت کے دوران کافی تسلی بخش رہی۔ منافع میں اضافے کی بنیادی وجہ سیلز ربونیو میں 1,343 ملین ۔ روبے کا اضافہ ہے۔ جو فیصد کے لحاظ سے 46 فیصد تک رجٹر ڈ ہے۔ خام ، مال اور توانائی کی لاگت میں اضافے کے باوجود مجموعی منافع ہے فروخت کے فیصد میں قدرے 0.14 فیصد اضافہ ہوا۔ منافع بعد از نیکس تناسب 4.16 فصد رہا جو تقریباً وہی ہے جو گزشتہ مدت میں ریکارڈ کیا گیا تھا۔ اخراجات سے فروخت کے تناسب کی بنیاد پر تقتیم کے اخراجات میں قدرے کی واقع ہوئی ہے جبکہ ایڈمن کے اخراجات تقریباً ای سطح یر رہے جو گزشتہ مدت میں رجٹر ڈیتھے۔ کیبور کی شرح میں اضافے اور سابقہ مدت کے مقابلے کریڈٹ کی حدوں کے زیادہ استعال کی وجہ سے مالی اخراجات میں اضافہ کا رجحان دکھایا گیا ہے۔

۔ روس اور پوکرین کے درمیان جنگ نے عالمی عدم استحام کوجنم دیا ہے۔ نیتجاً بین الاقوامی مارکیٹ میں ٹیکشائل اور متعلقہ مصنوعات کی مانگ کم سطح پر دیکھی گئی ہے۔ L9-COVID کی دچہ سے شیمنٹ چینل میں خلل برآمد کی فروخت میں ا ک اور رکاوٹ ہے۔ اس کے علاوہ، ہندوستان اور بنگلہ دلیش نے کووڈ –19 کے بعد کے منظر نامے میں بین الاقوامی منڈ بوں میں اپنی سیلائی بحال کر دی ہے۔ دونوں ممالک کو ان بٹ لاگت کم ہونے کی وجہ سے فیرک کی کم شرح کے کحاظ سے ہمارے ملک پر مسابقتی برتری حاصل ہے۔ برآ مدی فروخت میں کمی کی وجہ سے مینوفیکچررز مقامی مارکیٹ میں کیڑا بھینک رہے ہیں۔ مقامی مارکیٹ سلائی میں اضافے کو جذب کرنے سے قاصر ہے جواس وقت ملک میں ساس عدم اشحکام کی وجہ ہے مزید بڑھ گئی ہے۔ ایک طرف مقامی مارکیٹ میں طلب سے زیادہ سلائی کے باعث فیمرک کے نرخوں میں نمایاں کی ہوئی ہے تو دوسری طرف ملک میں ٹیکٹائل مصنوعات کا ذخیرہ انبار لگا ہوا ہے۔ یہ تصور کیا جاتا ہے کہ موجودہ مالی سال کا بقیہ حصہ ٹیکسٹائل انڈسٹری کے لیے کافی مشکل ہوگا۔ ہم دعا کرتے ہیں کہ کمیوں پرجلد قابو یا

بہ اعلان کرتے ہوئے انتہائی خوثی کی بات ہے کہ آپ کی ممپنی نے 27 جنوری 2022 کو KWP 988.9 کی ورحہ بندی کی صلاحیت کے ساتھ سوارسٹم کو کا میابی کے ساتھ شروع کر دیا ہے۔ بیہ منصوبہ تو انائی کی لاگت کو نمایاں طور بر کم کرنے اور کلین گرین پاکتان کی حکومتی پالیسی میں ایک قابل قدر شراکت کے لیے ڈیزائن کیا گیا ہے۔کسی بھی خطرناک مادے کے اخراج نہ ہونے کی دجہ ہے۔ خام مال کی قیمتوں اور توانائی کی لاگت کے بڑھتے ہوئے ربحان کے علاوہ، آپ کے ڈائز یکٹرز زبادہ منافع کے مارجن کو برقرار رکھنے اور کاروبار کرنے کی لاگت کو کم کرنے کے لیے برعزم ہیں۔ہمیں امید ہے کہ کاروباری لاگت میں کی کے لیے آپ کے تمام ڈائر یکٹرز کی مخلصانہ کوششیں؛ اس کے نتیجے میں شیئر ہولڈر کی دولت اور آپ کی تمپنی میں اسٹیک ہولڈر کی دلچیبی میں اضافہ ہوگا۔

آپ کے ڈائز مکٹرز کام کے لئے گہری عقیدت کے لیے کمپنی کے کارکنوں اور عملے کی کوششوں کے لیے اپٹی گہری ب کوریکارڈ پر رکھتے ہیں۔ آپ کے ڈائز مکٹر شیئئر مولڈرز اور مالی اداروں کی معاونت اور مدد پران کا تھی شکرید اداکرنا جا ہیں گے۔

بورڈ آف ڈائر یکٹر کی جانب سے

2022 ايريل 2022

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

# **ACCOUNTS**

For the Third Quarter & **Nine Months Period Ended** March 31, 2022 (Un-Audited)



AHMAD HASSAN TEXTILE MILLS LTD.

### **BOARDS OF DIRECTORS**

CHAIRMAN Mrs. Salma Javed Non-Executive Director CHIEF EXECUTIVE Mr. Muhammad Haris **Executive Director** Mian Muhammad Javed **Executive Director** Mr. Haseeb Haris Mughal Non-Executive Director Mr. Bushra Ali Non-Executive Director Mr. Muhammad Umer Faroog Janjua 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,

We have pleasure in presenting the un-audited accounts of your Company for the nine months ended March 31, 2022...

#### SUMMARIZED FINANCIAL RESULTS:

	March 2022	March 2021
	(Rupees)	(Rupees)
Sales Net	4,247,657,875	2,904,748,729
Gross Profit	333,126,968	223,685,029
Profit After Taxation	176,761,574	118,400,191
G.P Ratio	7.84%	7.70%
Earnings Per Share	20.87	13.98
Distribution Expenses	27,915,202	23,396,885
Admin Expenses	42,483,107	30,459,415
Finance Cost	34,119,639	20,880,170

Alhamdulillah Financial performance of the Company remained quite satisfactory during the current period in comparison to preceding period. Primary reason for increase in profitability resulted due to increase in sales revenue by Rs. 1,343 million which in terms of percentage registered to 46%. Gross profit to sales percentage slightly increased by 0.14% despite increase in raw material and energy costs. Profit after tax ratio stood to 4.16% which is almost same as recorded in preceding period. Based on expense to sales ratio, distribution expenses slightly decreased whereas admin expenses almost stood at same level as registered in the preceding period. Financial expenses shown increasing trend due to increase of Kibor rate and more utilization of credit limits as compared to preceding period.

#### **FUTURE OUTLOOK**

War between Russia & Ukraine has caused global instability. Resultantly demand of textile and related products has been observed on lower level in international market. Disturbance of shipment channel owing to COVID-19 is another hurdle in export sales. In addition therewith, India & Bangladesh has restored their supplies to international markets in post COVID-19 scenario. Both countries have competitive advantage over our country in terms of lower rate of fabric due to their lower input cost. Due to decline of export sales, manufacturers are dumping fabric in the local market. Local market is unable to absorb increase of supplies which has been further aggravated by the political instability currently prevailing in the country. On one hand rate of fabric has been decreased significantly in the local market due to excess supply over demand and on other hand stocks of the textile products have been piling up in the country. It is envisaged that remainder of current financial year will be quite tough for textile industry we pray that all shortcomings would be overcome soon.

It is a matter of great pleasure to announce that your Company has successfully commissioned solar system having rated capacity of 988.9 KWP on January 27, 2022. The project is designed to reduce energy cost significantly and also a valuable contribution towards government policy of Clean Green Pakistan due to non-emission of any hazard

Besides of increasing trend of raw material prices & energy cost, your directors are determined to maintain high profit margin and reducing the cost of doing business.

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