

BOARD OF DIRECTORS

1. Mian Muhammad Javed Anwar - Chairman
2. Mian Muhammad Parvez - Chief Executive
3. Mr. Muhammad Haris
4. Mr. Muhammad Aurangzeb
5. Mrs. Salma Javed
6. Mrs. Waheeda Parvez
7. Mr. Syed Raza Abbas Jaffery (Nominee NIT)

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 third quarter ended March 31, 2010.

OPERATING AND FINANCIAL RESULTS

By the Grace of Almighty Allah, during current nine months the operations of the Co. became positive. During this period the Co., earned a profit of Rs.2.1 (M) before tax which in corresponding period was at 42.1 (M) Loss. After incorporation of taxation and other comprehensive income the total comprehensive income is at Rs.25.3 (M).

Keeping in view the existing scenario the management of the Co., is of the view that by the end of this financial year there will be a normal profit InshaAllah. In these months the exports of the Co. remained at the level of 62% even though the quota has been announced by the Govt. During the existing period major set back was cost of electricity which has substantially increased the cost of production while the Co., has been able to save its financial cost by Rs.57 (M) by the Grace of Almighty Allah. However, distribution cost became double which directly proportion to its export sales.

FUTURE OUTLOOK

Presently the cotton prices have increased to alarming position and if the present situation continues in the up-coming year it will be a big set back again. So the Govt. must intervene in the matter or to formulate policy to export only surplus cotton, after meeting requirement of the Country. Further the Govt. should encourage the farmers so that maximum requirement of the cotton be covered through local crop. This will not only maintain the price of yarn in the local market but also helpful for small industry. Further consistent supply of electricity means No Load Management is very necessary for the smooth operations of the industry as well as for the company.

ACKNOWLEDGEMENT

Your Directors would also like to express their thanks to the financial institutions for their support and assistance and appreciate the efforts made by workers and staff of the Co., for their deep devotion to work.

Multan
Dated: 29.04.2010

On behalf of the Board
Mian Muhammad Javed Anwar
Chairman

AHMAD HASSAN TEXTILE MILLS LIMITED

Balance Sheet as at March 31,2010

	Un-Audited As at March 31 2010 Rupees	Audited As at June 30, 2009 Restated Rupees
SHARE CAPITAL & RESERVE		
Authorised capital 200,000,000 Ordinary shares of Rs. 10 each	200,000,000	200,000,000
Issued, subscribed & paid-up-capital 14,408,249 ordinary shares of Rs. 10/- each	144,082,488	144,082,488
Capital Reserve	32,746,284	32,746,284
Unappropriated Profit	5,126,822	(20,178,896)
	181,955,594	156,649,876
Surplus on Revaluation of property, plant and equipment	509,825,699	527,859,828
NON-CURRENT LIABILITIES		
Long term financing	523,050,305	602,343,543
Subordination loans from director's Liabilities against assets subject to finance lease	105,000,000	105,000,000
Deferred liabilities	23,920,858	34,099,671
	156,995,834	172,188,632
	808,966,997	913,631,846
CURRENT LIABILITIES		
Trade & other liabilities	224,359,981	180,775,918
Interest / markup accrued on loans	72,378,257	65,383,710
Short term borrowings	1,068,593,582	1,003,870,736
Current portion of non current liabilities	160,305,065	99,216,423
Provision for taxation	18,123,561	13,303,230
	1,543,760,446	1,362,550,017
CONTINGENCIES & COMMITMENTS	-	-
	3,044,508,736	2,960,691,567

CHAIRMAN

CHIEF EXECUTIVE

	Un-Audited As at March 31 2010 Rupees	Audited As at June 30, 2009 Restated Rupees
FIXED CAPITAL EXPENDITURE		
Property, plant and equipment	1,882,416,091	1,949,986,594
Long term investment	259,636	259,688
Long term security deposits	4,582,497	4,582,497
	1,887,258,224	1,954,828,779
CURRENT ASSETS		
Stores, spares and loose tools	55,400,136	53,704,769
Stock in trade	702,936,295	688,558,847
Trade debts	345,207,388	233,831,344
Loans and Advances	40,300,674	13,585,565
Tax refund due from government	8,771,303	9,900,838
Other receivables	4,323,273	4,500,618
Short term investment	52	104
Cash and bank balances	311,391	1,780,703
	1,157,250,512	1,005,862,788
	3,044,508,736	2,960,691,567

DIRECTOR

CHIEF FINANCIAL OFFICER

Ahmad hassan textile Mills Ltd
Cash Flow Statement
For the period of nine months ended March 31,2010
(Un- Audited)

	March 31, 2010 Rupees	March 31, 2009 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit for the period - before taxation	2,119,551	(42,132,731)
Adjustments for:		
Depreciation of property,plant and equipment	76,790,187	80,104,109
Staff retirement benefits - gratuity	4,050,000	17,632,699
Gain on sale of property,plant and equipment	-	(185,780)
Financial cost	176,233,854	233,496,389
Cash flow from operating activities before working capital changes	<u>259,193,592</u>	<u>288,914,686</u>
(Increase)/decrease in current assets		
Stores, spares and loose tools	(1,695,367)	(7,020,436)
Stock in trade	(14,377,448)	(302,284,856)
Trade debtors	(111,376,044)	(55,441,445)
Loans and advances	(26,715,109)	(5,594,873)
Trade deposits and short term prepayments		(5,497,322)
other receivables	177,397	1,624,082
other financial assets		1,624,082
(Decrease)/increase in trade other payables	46,576,010	14,274,598
	<u>(107,410,561)</u>	<u>(351,512,439)</u>
Cash generated from/ (used in) operations	151,783,031	(62,597,753)
Staff retirement benefits - gratuity paid	(7,041,947)	(6,155,092)
income taxes refunded / paid	(4,090,894)	(12,453,758)
Net cash generated from/ (used in) operating activities	<u>140,650,190</u>	<u>(62,597,753)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(9,219,684)	(20,504,729)
Sale proceeds of property,plant & equipment	-	4,189,670
Long term security deposits	52	
Net cash used in investing activities	<u>(9,219,632)</u>	<u>(16,315,059)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	-	2,891,000
Long term finances repaid	(18,204,596)	(38,908,580)
Lease rentals - net	(10,178,813)	(19,902,693)
Long term Morabaha	-	(18,072,970)
Short term borrowings	64,722,846	391,316,501
Financial cost paid	(169,239,307)	(217,781,273)
Net cash (used in) from financing activities	<u>(132,899,870)</u>	<u>99,541,985</u>
Net increase in cash and bank balances during the period	(1,469,312)	2,020,323
Cash and bank balances at the beginning of the period	1,780,703	1,036,840
Cash and bank balance at the end of the period	<u><u>311,391</u></u>	<u><u>3,057,163</u></u>

Ahmad Hassan Textile Mills Ltd.

Profit & Loss Account

For the period of Nine months ended March 31, 2010

	-----Nine Months-----		----- Three Months -----	
	July 01,2009 to Mar 31,2010 Rupees	July 01,2008 to Mar 31,2009 Rupees (Restated)	Jan 01,2010 to Mar 31,2010 Rupees	Jan 01,2009 to Mar 31,2009 Rupees (Restated)
Sales	2,568,544,606	2,053,072,561	905,721,813	651,252,533
Cost of Sales	(2,289,089,635)	(1,798,170,901)	(785,634,625)	(591,800,139)
Gross Profit/(Loss)	279,454,971	254,901,660	120,087,188	59,452,394
Other operating Income	4,287,816	4,404,453	1,220,274	2,624,005
Distribution cost	(88,237,953)	(49,966,901)	(31,343,968)	(18,188,262)
Administrative expenses	(17,103,029)	(17,479,068)	(5,996,613)	(5,596,123)
Other operating expenses	(48,400)	(496,486)	-	-
Finance cost	(176,233,854)	(233,496,389)	(57,851,333)	(67,504,778)
	(277,335,420)	(297,034,391)	(93,971,640)	(88,665,158)
(Loss)/ Profit before taxation	2,119,551	(42,132,731)	26,115,548	(29,212,764)
Provision for taxation	5,152,038	(8,510,500)	3,206,146	(2,935,018)
Profit/(Loss) after taxation	7,271,589	(50,643,231)	29,321,694	(32,147,782)
Other comprehensive income				
Incremental depreciation arising from revaluation of property, plant and equipment	21,602,934	7,580,140	7,200,978	7,580,140
Income tax relating to component of comprehensive income	(3,568,805)	(1,395,504)	(1,139,195)	(1,395,504)
Other comprehensive income - net off tax	18,034,129	6,184,636	6,061,783	6,184,636
Total comprehensive (loss)/income	25,305,718	(44,458,595)	35,383,477	(25,963,146)
EARNING PER SHARE	0.50	(3.51)	2.04	(2.23)

CHAIRMAN

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Notes to the Accounts.

1. These un-audited accounts are being presented to the shareholders as required under SECP Notification No. SR 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 prece
3. Figures from the previous year have been re-arranged for the purpose of comaprison wherever necessary.
4. Figures in these accounts have been rounded off to the nearest rupee.

Ahmad Hassan Textile Mills Ltd.
Statement of Change in Equity
For the Period of Nine months ended March 31, 2010

	Share capital	Capital reserve	Unappropriated (loss)/profit	Total
Balance as at July 01, 2008	144,082,488	32,746,284	106,063,245	282,892,017
Effect of prior period adjustment	-	-	(62,765,793)	(62,765,793)
Balance as at July 01, 2008 - restated	144,082,488	32,746,284	43,297,452	220,126,224
Total comprehensive (loss) for the period ended June 30, 2009 - restated	-	-	(63,476,348)	(63,476,348)
Balance as at June 30, 2009 - restated	144,082,488	32,746,284	(20,178,896)	156,649,876
Profit for the period ended March 31, 2010	-	-	25,305,718	25,305,718
Balance as at March 31, 2010	144,082,488	32,746,284	5,126,822	181,955,594