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**ASHFAQ TEXTILE MILLS  
LIMITED**

**Mailing Address:**

8.A, Officers Colony No.1, Susan Road, Faisalabad- Pakistan  
Tel:+92-41-2435101-4 Fax: +92-41-2435105



**2nd. Quarter Report  
December 31, 2019  
(Unaudited)**

**Ashfaq Textile Mills Ltd.**



## COMPANY INFORMATION

**CHIEF EXECUTIVE**  
MR. ASHFAQ AHMED

**EXECUTIVE DIRECTORS**  
MR. ASHFAQ AHMED  
MR. NADEEM ASHFAQ  
MR. WASEEM ASHFAQ

**NON-EXECUTIVE DIRECTORS**  
MR. AMJAD ASLAM  
MRS. SHAZIA AMJAD  
MRS. NAZIA IRFAN  
MR. SAAD ZUBAIR  
MIRZA MUHAMMAD IDREES

**COMPANY SECRETARY**  
MR. WASEEM ASHFAQ

**CHIEF FINANCIAL OFFICER (CFO)**  
MR. MOHAMMAD ANWAR JAWED

**AUDITORS**  
RSM AVAIS HYDER LIAQAT NAUMAN,  
CHARTERED ACCOUNTANTS

**SHARE REGISTRAR**  
M/S FD REGISTRAR SERVICES (SMC-PVT) LTD.  
1705, 17TH FLOOR, SAIMA TRADE TOWER A,  
I.I. CHUNDRIGAR ROAD, KARACHI.

**BANKERS**  
UNITED BANK LIMITED.

**AUDIT COMMITTEE**  
KH. MUHAMMAD ILYAS (CHAIRMAN)  
MRS. SHAZIA AMJAD (MEMBER)  
MR. MOHAMMAD IDREES (MEMBER)

**HUMAN RESOURCES AND  
REMUNERATION COMMITTEE**  
MR. AMJAD ASLAM (CHAIRMAN)  
MRS. NAZIA IRFAN (MEMBER)  
KH. MUHAMMAD ILYAS (MEMBER)

**MAILING ADDRESS:**  
8/A-1, OFFICERS COLONY, SUSAN ROAD,  
FAISALABAD.

**REGISTERED OFFICE / MILLS**  
17TH K.M. MAIN FAISALABAD, JARANWALA  
ROAD, FAISALABAD.

**CONTACTS:**  
PHONES : 041-2435101-4  
FAX : 041-2435105  
E-mail : info@ashfaqtextile.com  
WEB : www.ashfaqtextile.com

## DIRECTOR'S REPORT TO THE SHARE HOLDERS

Dear Share Holders,

The Directors of your Company are pleased to present 2nd Quarter's report for the period ended 31st December, 2019.

### Review of the Results.

Sales during the period were recorded Rs.181.397 Million in comparison to last years same period Rs.142.569 Million.

During this period the Operating (Distribution, Administrative & Other) expenses were 13.54% to sales, in comparison to Rs.11.39% in the same period last year. Gross profit for this period is 16.48% in comparison to 6.48% during the same period last year. Financial charges to sales were recorded as 0.21% in comparison to 0.51% in the same period in last year. Cost of goods sold are 83.52% in comparison to 93.52% in the same period last year.

### In the coming days:

There is a consistency in the positivity in the financials of the company which is due to the increase in demand of fabrics thus resulting in better pricing. We are hopeful that this momentum would continue and the Government soon makes positive decisions to reduce the utility prices to make our cost of doing business lower so that we remain competitive in the market.

We would like to appreciate the efforts of our staff members for their continuous hard work, our valued customers for their trust in us and cooperation of our suppliers and bankers and of course thankful to Allah almighty for His blessings.

---SD---

On behalf of the Board  
( ASHFAQ AHMAD )  
Chief Executive Officer

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the members of Ashfaq Textile Mills Limited**

**Report on review of Interim Financial Statements**

### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Ashfaq Textile Mills Limited ("the Company") as at December 31, 2019 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the three months ended December 31, 2019 and 2018 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2019.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Hamid Masood.

---Sd---

**RSM AVAIS HYDER LIAQUAT NAUMAN**  
**CHARTERED ACCOUNTANTS**

**PLACE: FAISALABAD**  
**DATED:28-02-2020.**

**ASHFAQ TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**AS AT DECEMBER 31, 2019**

	Un-audited December 31, 2019 Rupees	Audited June 30, 2019 Rupees		Un-audited December 31, 2019 Rupees	Audited June 30, 2019 Rupees
Note			Note		
<b>EQUITY AND LIABILITIES</b>			<b>ASSETS</b>		
<b>SHARE CAPITAL AND RESERVE</b>			<b>NON CURRENT ASSETS</b>		
Authorised capital 100,000,000 ordinary shares of Rs.10/- each	1,000,000,000	1,000,000,000	Property, plant and equipment	972,259,747	974,361,422
			Long term security deposits	4,509,782	4,509,782
				976,769,529	978,871,204
Issued, subscribed and paid up capital	349,850,000	349,850,000			
Revaluation surplus on property, plant and equipment	506,021,047	517,348,940			
Revenue reserve	238,319,083	221,279,700			
Unappropriated profit	1,094,190,130	1,088,478,640			
<b>NON CURRENT LIABILITY</b>			<b>CURRENT ASSETS</b>		
Deferred liability Staff retirement gratuity	62,323,179	56,523,081	Stores, spares and loose tools	34,675,476	28,684,175
			Stock in trade	3,864,987	3,864,987
			Contract costs	2,285,306	1,009,789
			Trade debts	38,566,743	59,275,733
			Loans and advances	37,244,331	41,686,141
			Prepayments	2,029,232	506,095
			Other receivables	588,235	1,451,447
			Tax refunds due from Government	50,828,617	55,649,157
			Cash and bank balances	45,101,925	4,754,610
				215,184,852	196,882,134
<b>CURRENT LIABILITIES</b>					
Trade and other payables	23,643,385	19,539,442			
Interest / mark up payable on short term bank borrowings	21,713	272,400			
Short term bank borrowings	9,055,021	7,939,474			
Provision for taxation-income tax	2,720,953	3,000,301			
	35,441,072	30,751,617			
<b>CONTINGENCY AND COMMITMENT</b>					
	<u>1,191,954,381</u>	<u>1,175,753,338</u>		<u>1,191,954,381</u>	<u>1,175,753,338</u>

The annexed notes form an integral part of these condensed interim financial statements.

---Sd---  
**CHIEF EXECUTIVE OFFICER**

---Sd---  
**DIRECTOR**

---Sd---  
**CHIEF FINANCIAL OFFICER**



**ASHFAQ TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

	Note	Quarter Oct-Dec		Half Year July-Dec	
		2019 Rupees	2018 Rupees	2019 Rupees	2018 Rupees
Sales	6	101,064,878	74,234,292	181,396,892	142,569,646
Cost of sales	7	84,690,692	67,183,943	151,498,396	133,332,399
Gross profit		<u>16,374,186</u>	<u>7,050,349</u>	<u>29,898,496</u>	<u>9,237,247</u>
Other operating income					
Gain on disposal of operating assets		-	-	3,476,162	-
		<u>16,374,186</u>	<u>7,050,349</u>	<u>33,374,658</u>	<u>9,237,247</u>
Distribution cost		478,774	461,506	868,120	836,638
Administrative expenses		12,525,355	8,113,528	21,429,463	15,404,315
Other Operating Expenses		2,258,398	-	2,258,398	-
Finance cost		52,503	444,033	386,234	732,694
		<u>15,315,030</u>	<u>9,019,067</u>	<u>24,942,215</u>	<u>16,973,647</u>
Profit / (Loss) for the period before taxation		<u>1,059,156</u>	<u>(1,968,718)</u>	<u>8,432,443</u>	<u>(7,736,400)</u>
Provision for taxation	8	1,792,145	640,976	2,720,953	1,330,032
Profit / (Loss) for the period		<u>(732,989)</u>	<u>(2,609,694)</u>	<u>5,711,490</u>	<u>(9,066,432)</u>
Earnings / (loss) per share-Basic and diluted (Rupees)		<u>(0.02)</u>	<u>(0.07)</u>	<u>0.16</u>	<u>(0.26)</u>

The annexed notes form an integral part of these condensed interim financial statements.

---Sd---  
**CHIEF EXECUTIVE OFFICER**

---Sd---  
**DIRECTOR**

---Sd---  
**CHIEF FINANCIAL OFFICER**

**ASHFAQ TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

	Quarter		Half Year	
	Oct-Dec		July-Dec	
	2019	2018	2019	2018
	Rupees	Rupees	Rupees	Rupees
Profit / (Loss) for the period	(732,989)	(2,609,694)	5,711,490	(9,066,432)
Other comprehensive income	-	-	-	-
Total comprehensive Income / (loss) for the period	<u>(732,989)</u>	<u>(2,609,694)</u>	<u>5,711,490</u>	<u>(9,066,432)</u>

The annexed notes form an integral part of these condensed interim financial statements.

---Sd---  
**CHIEF EXECUTIVE OFFICER**

---Sd---  
**DIRECTOR**

---Sd---  
**CHIEF FINANCIAL OFFICER**

**ASHFAQ TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

	Issued, subscribed and paid up capital	Capital Reserve	Revenue Reserve	Total
		Revaluation surplus on property , plant and equipment	Unappropriated profit	
-----Rupees-----				
Balance as at July 01, 2018 (Audited)	349,850,000	310,152,679	205,908,348	865,911,027
Total comprehensive (loss) for the period				
(Loss) for the period	-	-	(9,066,432)	(9,066,432)
Other comprehensive income	-	-	-	-
	-	-	(9,066,432)	(9,066,432)
Incremental depreciation on revalued assets for the period	-	(6,581,022)	6,581,022	-
Balance as at December 31, 2018 (Un-audited)	349,850,000	303,571,657	203,422,938	856,844,595
Total comprehensive Income for the period				
Profit for the period	-	-	12,520,550	12,520,550
Other comprehensive income				
Items that will not be subsequently reclassified to profit or loss				
Surplus on revaluation of property, plant and equipment arisen during the period	-	220,358,304	-	220,358,304
Remeasurement of staff retirement gratuity	-	-	(1,244,809)	(1,244,809)
	-	220,358,304	11,275,741	231,634,045
Incremental depreciation on revalued assets for the period	-	(6,581,021)	6,581,021	-
Balance as at June 30, 2019 (Audited)	349,850,000	517,348,940	221,279,700	1,088,478,640
Total comprehensive Income for the period				
Profit for the period	-	-	5,711,490	5,711,490
Other comprehensive income	-	-	-	-
	-	-	5,711,490	5,711,490
Incremental depreciation on revalued assets for the period	-	(11,327,893)	11,327,893	-
Balance as at December 31, 2019 (Un-audited)	349,850,000	506,021,047	238,319,083	1,094,190,130

The annexed notes form an integral part of these condensed interim financial statements.

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**CHIEF EXECUTIVE OFFICER**

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**DIRECTOR**

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**CHIEF FINANCIAL OFFICER**

**ASHFAQ TEXTILE MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

	Half Year July-Dec	
	2019 Rupees	2018 Rupees
<b>a) CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) for the period before taxation	8,432,443	(7,736,400)
Adjustments for:		
Depreciation of property, plant and equipment	21,482,346	16,102,986
Provision for staff retirement gratuity	8,700,000	6,110,000
Gain on disposal of operating assets	(3,475,216)	-
Balances written off - net	1,813,351	-
Finance cost	386,234	732,694
Operating cash flows before working capital changes	<u>37,339,158</u>	<u>15,209,280</u>
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(5,991,301)	(7,001,848)
Stock in trade	-	2,427,088
Contract costs	(1,275,517)	
Trade debts	20,708,990	(9,566,445)
Loans and advances	3,029,533	1,071,639
Deposit and prepayments	(1,523,137)	(1,531,689)
Other receivables	863,212	(190,534)
Tax refunds due from Government	3,804,976	1,065,055
Increase in current liabilities		
Trade and other payables	4,103,943	3,060,950
	<u>23,720,699</u>	<u>(10,665,784)</u>
Cash generated from operating activities	61,059,857	4,543,496
Finance cost paid	(636,921)	(304,414)
Income tax paid	(2,385,810)	(1,548,294)
Staff retirement gratuity paid	(2,899,902)	(2,019,127)
Net cash generated from operating activities	<u>55,137,224</u>	<u>671,661</u>
<b>b) CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions in property, plant and equipment	(27,030,456)	(22,470,039)
Proceeds from disposal of operating assets	11,125,000	
Net cash (used in) investing activities	<u>(15,905,456)</u>	<u>(22,470,039)</u>



Half Year	
July-Dec	
2019	2018
Rupees	Rupees

**c) CASH FLOWS FROM FINANCING ACTIVITIES**

Increase in short term bank borrowings - net	1,115,547	1,478,211
Net cash generated from financing activities	<u>1,115,547</u>	<u>1,478,211</u>
Net Increase / (Decrease) in cash and cash equivalents (a+b+c)	40,347,315	(20,320,167)
Cash and cash equivalents at the beginning of the period	4,754,610	46,818,814
Cash and cash equivalents at the end of the period	<u><u>45,101,925</u></u>	<u><u>26,498,647</u></u>

The annexed notes form an integral part of these condensed interim financial statements.

---Sd---  
**CHIEF EXECUTIVE OFFICER**

---Sd---  
**DIRECTOR**

---Sd---  
**CHIEF FINANCIAL OFFICER**

**ASHFAQ TEXTILE MILLS LIMITED**  
**SELECTED EXPLANATORY NOTES TO THE**  
**CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2019**

**1. STATUS AND ACTIVITIES**

- 1.1** Ashfaq Textile Mills Limited (the Company) was incorporated in Pakistan on January 14, 1988 as a private limited company under the Repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and subsequently converted into a public limited company. The Company is currently listed on Pakistan Stock Exchange Limited. The business of the Company is manufacturing and sale of textiles and rendering of sizing and conversion services. The registered office and mills of the Company are located at 17 K.M. Jaranwala Road, Faisalabad in the Province of Punjab.
- 1.2** These condensed interim financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

**2. SIGNIFICANT ACCOUNTING**

**2.1 Statement of compliance**

**2.1.1** These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

**2.1.2** Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.1.3** These condensed interim financial statements are un-audited but subject to limited scope review by the auditors, as required under section 237 of Companies Act, 2017 and should be read in conjunction with audited annual financial statements of the Company for the year ended June 30, 2019.

**2.2 Application of new and revised International Financial Reporting Standards**

**2.2.1 Standards, amendments to standards and interpretations becoming effective in current period**

There are certain new standards, interpretations and amendments to approved accounting standards which are mandatory for the Company's accounting periods beginning on or after July 1, 2019 but are considered not to be relevant or have any significant effect on the Company's financial reporting, except as mentioned below:

**IFRS 16 – Leases**

This standard replaces the previous lease standard: IAS 17 Leases. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases.

The changes laid down by this standard do not have any significant impact on these condensed interim financial statements of the company.

## 2.2.2 Standards, amendments to standards and interpretations becoming effective in future periods

There are other new standards, amendments and IFRIC interpretations that are mandatory for accounting periods of the Company beginning on or after July 01, 2020 but are considered not to be relevant or not to have any significant effect on the Company's operations. The new standards, amendments and IFRIC interpretations that are relevant to the operations of the Company are disclosed in the published audited financial statements for the year ended June 30, 2019.

## 2.3 Basis of preparation

These condensed interim financial statements have been prepared under the historical cost convention except:

- certain property, plant and equipment stated at valuation.
- staff retirement benefits carried at present value.

## 2.4 Accounting policies and methods of computation

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the published audited financial statements for the year ended June 30, 2019.

## 2.5 Estimates, judgments and risk management policies

2.5.1 The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on amounts recognized in this condensed interim financial statements are the same as those disclosed in the published audited financial statements for the year ended June 30, 2019.

2.5.2 Risk management policies and procedures are consistent with those disclosed in the published audited financial statements for the year ended June 30, 2019.

## 3. Issued, subscribed and paid up capital

Audited June 30, 2019	Un-audited December 31, 2019		Un-audited December 31, 2019	Audited June 30, 2019
Number of shares			Rupees	Rupees
20,991,000	20,991,000	Ordinary shares of Rs.10/- each fully paid in cash	209,910,000	209,910,000
13,994,000	13,994,000	Ordinary shares of Rs. 10/- each fully paid bonus shares	139,940,000	139,940,000
<u>34,985,000</u>	<u>34,985,000</u>		<u>349,850,000</u>	<u>349,850,000</u>



	Note	Un-audited December 31, 2019 Rupees	Audited June 30, 2019 Rupees
<b>4. Contingency and commitment</b>			
<b>Commitment</b>			
Under letter of credit for Stores		4,513,241	4,910,313

#### 5. Property, plant and equipment

Operating assets	5.1	964,350,213	971,480,177
Capital work in progress-civil work		7,909,534	2,881,245
		<u>972,259,747</u>	<u>974,361,422</u>

##### 5.1 Operating assets

Book value at beginning of the period / year		971,480,177	724,604,957
Additions during the period / year	5.1.1	22,002,167	58,794,335
Revaluation surplus arisen during the year		-	220,358,304
Disposals during the period / year		(7,649,785)	-
Depreciation charged during the period / year		(21,482,346)	(32,277,419)
		<u>964,350,213</u>	<u>971,480,177</u>

##### 5.1.1 Additions to operating assets during the period / year

Building on freehold land		-	48,483,714
Plant and machinery		508,100	9,461,933
Factory equipment		3,850	57,677
Office equipment		77,967	791,011
Vehicles		21,412,250	-
		<u>22,002,167</u>	<u>58,794,335</u>

	Note	Quarter Oct - Dec		Half Year July - Dec	
		2019 Rupees	2018 Rupees	2019 Rupees	2018 Rupees
<b>6. Sales</b>					
Sizing and conversion income		118,245,907	74,234,292	212,234,364	142,569,646
Sales tax		(17,181,029)	-	(30,837,472)	-
Sizing and conversion income - net		<u>101,064,878</u>	<u>74,234,292</u>	<u>181,396,892</u>	<u>142,569,646</u>

#### 7. Cost of sales

Cost of goods manufactured	7.1	76,185,342	67,188,075	151,498,396	133,332,399
Finished goods					
Opening stock		3,864,987	937,403	3,864,987	941,535
Closing stock		(3,864,987)	(941,535)	(3,864,987)	(941,535)
		-	(4,132)	-	-
		<u>76,185,342</u>	<u>67,183,943</u>	<u>151,498,396</u>	<u>133,332,399</u>

	Note	Quarter Oct - Dec		Half Year July - Dec	
		2019 Rupees	2018 Rupees	2019 Rupees	2018 Rupees
<b>7.1 Cost of goods manufactured</b>					
Sizing cost		17,571,747	12,672,601	28,312,621	25,845,928
Packing material		1,744,333	617,702	1,744,333	1,247,249
Salaries, wages and benefits		16,980,999	23,578,913	51,424,482	47,524,834
Staff retirement benefits		6,808,729	1,374,590	7,198,075	5,100,200
Fuel and power		20,110,253	13,458,960	33,405,573	28,565,934
Stores, spares and loose tools		4,476,680	2,504,876	10,151,179	6,238,566
Repairs and maintenance		357,297	249,455	716,728	793,908
Insurance		706,329	689,194	1,412,661	1,378,388
Depreciation		9,706,870	7,116,680	19,410,638	14,210,304
Others		7,411	-	7,411	-
		<u>78,470,648</u>	<u>62,262,971</u>	<u>153,783,701</u>	<u>130,905,311</u>
Contract cost	7.1.1	(2,285,306)	-	(2,285,306)	-
Work in process					
Opening stock		-	4,925,104	-	2,427,088
Closing stock		-	-	-	-
		<u>-</u>	<u>4,925,104</u>	<u>-</u>	<u>2,427,088</u>
		<u>76,185,342</u>	<u>67,188,075</u>	<u>151,498,396</u>	<u>133,332,399</u>

7.1.1 It represents costs accumulated on conversion of cloth in process for outside parties.

	Quarter Oct - Dec		Half Year July - Dec	
	2019 Rupees	2018 Rupees	2019 Rupees	2018 Rupees
<b>8. Provision for taxation</b>				
Current				
For the period	1,792,145	640,976	2,720,953	1,330,032

#### 8.1 Relationship between tax expense and accounting profit

Reconciliation between accounting profit and tax expense has not been presented in these condensed interim financial statements as income of the company is subject to turnover tax under Section 113 of the Income Tax Ordinance, 2001.

#### 9. TRANSACTIONS WITH RELATED PARTIES

The Company in the normal course of business carries out transactions with various related parties which comprise of associated undertakings, directors and key management personnel. The Company has not carried out any transaction with related parties during the period except payment of remuneration to Chief Executive Officer, Directors and Executives the details are as follows:

	2019			2018		
	Chief Executive Officer	Directors	Executives	Chief Executive Officer	Directors	Executives
Number of person	1	2	3	1	2	2

## 10. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial statements were authorised for issue on 28-02-2020 by the Board of Directors of the Company.

## 11. GENERAL

11.1 There is no unusual item included in these condensed interim financial statements which are affecting equity, liabilities, assets, profit, comprehensive income or cash flows of the Company.

11.2 Figures have been rounded off to the nearest Rupee.

---Sd---  
CHIEF EXECUTIVE OFFICER

---Sd---  
DIRECTOR

---Sd---  
CHIEF FINANCIAL OFFICER



## ڈائریکٹر رپورٹ برائے حصہ داران اشفاق ٹیکسٹائل ملز لمیٹڈ

محترم حصہ داران، ممبران

کمپنی کے ڈائریکٹران کی طرف سے دوسری سہ ماہی کی رپورٹ 31 دسمبر، 2019ء حاضر خدمت ہے:

مالیاتی نتائج مندرجہ ذیل ہیں۔

اس دورانیہ میں 181.397 ملین کی فروخت ہوئی۔ پچھلے سال اسی دورانیہ میں 142.569 ملین کی فروخت ہوئی تھی۔

اس دوران آپریٹنگ (ڈسٹری بیوشن، ایڈمنسٹریشن و دیگر اخراجات) فروخت کا %13.54 فیصدی خرچ آیا۔ پچھلے سال اسی دوران %11.39 فیصدی خرچ آیا تھا۔ مجموعی نفع (بغیر منہائی اخراجات) %16.48 فیصدی ہوا ہے۔ پچھلے سال کا اسی دوران میں %6.48 فیصدی منافع ہوا تھا۔ فنانشل اخراجات، سیل پر %0.21 فیصدی آئے۔ جبکہ سابقہ سال کے اسی دوران میں %0.51 فیصدی اخراجات آئے تھے۔ اس دوران فروخت شدہ اشیاء پر لاگت فروخت کا %83.52 فیصدی آیا۔ جبکہ پچھلے سال اسی دوران %93.52 فیصدی تھا۔

### آئیوالے وقت کے متعلق:-

کمپنی کے مالی وسائل میں مثبت استحکام کپڑے کی طلب میں اضافہ اور بہتر ریٹ کی وجہ سے ہے۔ ہمیں اُمید ہے کہ یہ صورتحال جاری رہے گی اور گورنمنٹ اس میں بہتر فیصلے کرے گی، یوٹیلٹی اخراجات میں کمی کر کے تاکہ کاروبار کے اخراجات کم ہوں اور ہم مارکیٹ میں مقابلہ کرتے رہیں۔

ہم اپنے تمام سٹاف کی سخت لگاتار محنت کی وجہ سے بہت پزیرائی کرتے ہیں اور اپنے تمام گاہکوں کا اور ہمارے تمام سپلائرز اور تمام بینکرز کا ہم پر اعتماد کرنے پر بہت پزیرائی کرتے ہیں۔ اور اللہ تعالیٰ کی رحمتوں پر اُس کے شکر گزار ہیں۔

---SD---

بورڈ آف ڈائریکٹران کی طرف سے

اشفاق احمد

چیف ایگزیکٹو آفیسر