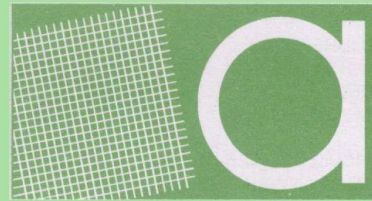


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**1st. Quarter Report
September 30, 2020
(Unaudited)**

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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

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

MRS. SHAZIA AMJAD

MRS. NAZIA IRFAN

MUHAMMAD IDREES

MR. SAAD ZUBAIR

MR. MUHAMMAD AQEEL IDREES

COMPANY SECRETARY

MR. WASEEM ASHFAQ

CHIEF FINANCIAL OFFICER (CFO)

MR. MUHAMMAD ANWAR JAWED

AUDITORS

RSM AWAIS 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,

Directors of your company are pleased to present 1st quarter's financial report for the period ended 30th September 2020.

Review of the Results.

Sales during the period were recorded at Rs.70.850 million in comparison to Rs. 80.332 million in the same period last year.

During the period the Operating expenses (Administrative & others) were 13.85% to sales in comparison to Rs.11.09% in the same period last year. Gross profit for the period is 18.25% to sales in comparison to 16.35% during the same period last year. Finance cost to sales were recorded as 0.02% to sales in comparison to 0.41% in the same period last year. Cost of goods sold were recorded at 81.75% in comparison to 83.65% in the same period last year.

In the coming days:

Covid.19 crippled the world economy including our country which resulted in almost a complete shutdown in the world. This resulted in requests from our customers to halt shipments and slow down their scheduled orders thus resulting in drop in sales. However, as the time has passed world is learning to live with this pandemic and things have started to move slowly towards normality.

We are hopeful that as soon as a vaccine comes in the market the economic activity around the world would go back to its original state.

We are grateful to our customers, vendors and bankers for their trust in us which is helping us to achieve these positive results.

---SD---

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

ڈائریکٹر ز رپورٹ برائے حصہ داران اشفاق ٹیکسٹائل ملز لمیٹڈ

محترم حصہ داران، ممبران

کمپنی کے ڈائریکٹران کی طرف سے پہلی سہ ماہی رپورٹ 30 ستمبر، 2020ء حاضر خدمت ہے:

مالیاتی نتائج مندرجہ ذیل ہیں۔

اس دورانہ میں 70.85 ملین کی فروخت ہوئی۔ پچھلے سال اسی دورانہ میں 80.332 ملین کی فروخت ہوئی تھی۔

اس دوران آپریٹنگ (ایڈمنسٹریشن و دیگر اخراجات) فروخت کا 13.85% فیصدی خرچ آیا۔ پچھلے سال اسی دوران 11.09% فیصدی خرچ آیا تھا۔ مجموعی نفع (بغیر منہائی اخراجات) 18.25% فیصدی ہوا ہے۔ پچھلے سال کا اسی دوران میں 16.35% فیصدی منافع ہوا تھا۔ فنانشل اخراجات، سیل پر 0.02% فیصدی آئے۔ جبکہ سابقہ سال کے اسی دوران میں 0.41% فیصدی اخراجات آئے تھے۔ اس دوران فروخت شدہ اشیاء پر لاگت فروخت کا 81.75% فیصد آیا۔ جبکہ پچھلے سال اسی دوران 83.65% فیصد تھا۔

آئیوالے وقت کے متعلق:-

کووڈ-19 نے پوری دنیا کی معیشت کو پانچ کر دیا ہے جس میں ہمارا ملک بھی شامل ہے جس کے نتیجے میں ہمارے صارفین کی طرف سے ترسیل کے شیڈول کو کچھ تاخیر کا حکم دیا ہے جس کے نتیجے میں فروخت میں کمی ہوئی ہے جیسے جیسے وقت گزر رہا ہے دنیا اس وبا کی بیماری کے ساتھ جینا سیکھ رہی ہے اور چیزیں آہستہ آہستہ معمول میں آنے لگی ہیں

ہمیں اُمید ہے کہ جیسے ہی مارکیٹ میں کوئی ویکسین آجائے گی تو پوری دنیا میں معاشی سرگرمی اپنی اصل حالت میں واپس آجائے گی

ہم اپنے خریداروں، سپلائرز اور مالیاتی اداروں کی مسلسل حوصلہ افزائی اور اپنے سٹاف ممبران کی انتھک محنت کے شکر گزار ہیں اور اللہ تعالیٰ سے دعا گو ہیں کہ وہ ہمیشہ اپنی رحمت کا سایہ ہمارے ملک پر رکھے۔

---SD---

بورڈ آف ڈائریکٹران کی طرف سے

اشفاق احمد

چیف ایگزیکٹو آفیسر

**ASHFAQ TEXTILE MILLS LIMITED.
BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2020**

<u>CAPITAL & LIABILITIES:</u>	SEPTEMBER 2020 RUPEES	JUNE 2020 RUPEES
SHARE CAPITAL AND RESERVES:		
AUTHORISED CAPITAL:		
100,000,000 Ordinary Shares of Rs. 10/= each	1,000,000,000	1,000,000,000
Issued Subscribed and paid up capital	349,850,000	349,850,000
Capital reserve		
Revaluation surplus on property, plant and equipment	371,282,374	375,170,445
Revenue reserves		
Unappropriated profit	259,513,786	253,584,657
	980,646,160	978,605,102
NON CURRENT LIABILITIES:		
Deferred liabilities		
Staff retirement gratuity	68,717,862	66,602,652
Deferred Taxation	122,904,023	122,904,023
Provision for Gas Infrastructure development cess	396,884	396,884
	192,018,769	189,903,559
CURRENT LIABILITIES:		
Trade and Other Payables	31,256,463	28,229,372
Short term bank borrowings	-	-
Current Portion of Provision for Gas Infrastructure development cedd payable	321,428	353,573
Provision for Taxation - income tax	6,118,003	5,806,280
	37,695,894	34,389,225
	1,210,360,823	1,202,897,886
<u>PROPERTIES & ASSETS:</u>	SEPTEMBER 2020 RUPEES	JUNE 2020 RUPEES
FIXED CAPITAL EXPENDITURE:		
Property, plant and equipment	971,278,801	968,234,112
Long Term Deposits	4,509,782	4,509,782
	975,788,583	972,743,894
CURRENT ASSETS:		
Store, Spares & loose tools.	37,877,775	25,541,615
Stock-in-trade	3,864,987	3,864,987
Contract costs	25,578,624	2,473,432
Trade Debts	36,634,539	67,664,995
Loans, advances	39,210,480	39,980,953
Prepayments	2,564,095	486,592
Other receivables.	181,086	664,342
Tax refunds due from Government	49,603,888	45,633,443
Cash and bank balances.	39,056,766	43,843,633
	234,572,240	230,153,992
	1,210,360,823	1,202,897,886

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

DATED: OCTOBER 29, 2020.
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020.

	NOTE	SEPTEMBER 2020 <i>RUPEES</i>	SEPTEMBER 2019 <i>RUPEES</i>
SALES		70,849,588	80,332,014
COST OF GOODS SOLD	6	57,922,520	67,197,050
GROSS PROFIT		12,927,068	13,134,964
Distribution cost		-	-
Administrative expenses		9,811,648	8,904,108
Other Exp.		-	7,106
Finance cost		11,618	326,625
		9,823,266	9,237,839
PROFIT / (LOSS) BEFORE TAXATION.		3,103,802	3,897,125
Provision for taxation		1,062,744	928,808
PROFIT / (LOSS) FOR THE PERIOD		2,041,058	2,968,317
Earning per share - Basic		0.06	0.08

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

DATED: OCTOBER 29, 2020.
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	<u>SEPTEMBER 2020 RUPEES</u>	<u>SEPTEMBER 2019 RUPEES</u>
Profit / (Loss) for the period	2,041,058	2,968,317
Other comprehensive income for the period		
Incremental depreciation on revalued assets	3,888,072	5,663,946
Total comprehensive income for the period	<u>5,929,130</u>	<u>8,632,263</u>

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

DATED: OCTOBER 29, 2020
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

Description	Issued, subscribed and Paid-up Capital Rupees	Capital Reserves	Revenue Reserves	Total Rupees
		Revaluation Surplus on Property, Plant and equipment Rupees	Unappropriated Profits Rupees	
Balance as at July 01, 2019	349,850,000	517,348,940	221,279,700	1,088,478,640
Total comprehensive income for the period				
Profit for the year	-	-	15,094,733	15,094,733
Other comprehensive income				
Surplus on revaluation of property, plant and equipment arisen during the year.		-	-	-
Remeasurement of staff retirement gratuity		-	1,583,967	1,583,967
Deferred tax relating to		-	-	-
Remeasurement of staff retirement gratuity		-	(459,350)	(459,350)
	-	-	16,219,350	16,219,350
Incremental depreciation on revalued assets for the year	-	(16,085,607)	16,085,607	-
Transferred to deferred tax	-	(126,092,888)	-	(126,092,888)
Balance as at June 30, 2020	349,850,000	375,170,445	253,584,657	978,605,102
Total comprehensive income for the period				
Profit for the period	-	-	2,041,058	2,041,058
Incremental depreciation on revalued assets for the period	-	(3,888,072)	3,888,072	-
	-	(3,888,072)	5,929,130	2,041,058
Balance as at September 30, 2020	349,850,000	371,282,373	259,513,787	980,646,160

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

DATED: OCTOBER 29, 2020
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

0	SEPTEMBER 2020 <u>RUPEES</u>	SEPTEMBER 2019 <u>RUPEES</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation.	3,103,803	3,897,125
Adjustments for:		
Depreciation	10,446,602	10,569,576
Provision for staff retirement gratuity	4,050,000	4,350,000
Finance Cost	11,618	326,625
Operating cash flows before working capital changes	17,612,023	19,143,326
Changes in working capital		
(Increase) / decrease in current Assets:		
Store, spare & loose tools.	(12,336,160)	(4,470,128)
Stock in trade	-	-
Contract costs	(23,105,192)	(8,116,003)
Trade debts	31,030,456	12,548,757
Loans, advances,	770,473	4,084,684
Prepayments	(2,077,503)	(2,525,329)
Other receivables	483,256	1,142,761
Tax refunds due from Government.	(3,970,445)	5,241,939
Increase / (decrease) in current liabilities.		
Trade and other payables	2,994,946	1,666,969
Net cash flow from changes in working capital	(6,210,169)	9,573,650
Cash generated from / (used in) operations.		
Finance cost paid	(11,617)	(291,390)
Taxes paid	(1,062,744)	(753,100)
Staff retirement gratuity paid	(1,934,790)	(1,250,902)
Net cash generated from operating activities	(3,009,151)	(2,295,392)
Cash flows from investing activities		
Additions property, plant and equipment	(13,179,570)	(2,926,018)
Long term deposits	-	-
Net cash (used in) investing activities	(13,179,570)	(2,926,018)
Cash flows from financing activities		
Net (decrease) increase in short term bank borrowings	-	11,876,643
Net cash (used in) financing activities	-	11,876,643
Net (decrease) increase in cash and cash equivalents	(4,786,867)	35,372,209
Cash and cash equivalent at the beginning of the year	43,843,633	4,754,610
Cash and cash equivalents at the end of the year	39,056,766	40,126,819

DATED: OCTOBER 29, 2020
PLACE: FAISALABAD:

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

- 1 The Principal activity of the Company is manufacturing and sale of textile goods.
- 2 These accounts have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting".
- 3 The accounting policies adopted for preparation of these quarterly accounts is the same as adopted in the preceding annual published accounts of the company.
- 4 The quarterly accounts are unaudited and being submitted to the shareholders as required u/s 245 of the Companies Ordinance 1984.
- 5 Amount set aside for workers profit participation fund is provisional, final liability will be determined on the basis of annual results.

	SEPTEMBER 2020 RUPEES	SEPTEMBER 2019 RUPEES
6 COST OF SALES:		
Raw material consumed	-	-
Stores & spares consumed	6,424,350	5,674,499
wages salaries and amenities	35,252,399	34,443,483
Sizing expenses	12,336,323	10,740,874
Freight, Loading, Unloading	352,238	389,346
Repair & Maintenance	234,667	359,431
Fuel & Power	18,877,865	13,295,320
Depreciation	9,263,358	9,703,768
Insurance	754,438	706,332
Other overhead	5,506	-
	83,501,144	75,313,053
 Contract Cost	 (25,578,624)	 (8,116,003)
 Finished Goods		
Opening stock	3,864,987	3,864,987
Closing stock	(3,864,987)	(3,864,987)
	-	-
	57,922,520	67,197,050

- 7 Transactions with Associated Undertakings.
- 8 Figures have been rounded off to the nearest rupee.

DATED: OCTOBER 29, 2020
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR