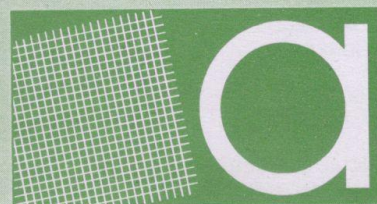


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**1st. Quarter Report
September 30, 2018
(Unaudited)**

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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
MR. AMJAD ASLAM
MRS. SHAZIA AMJAD
MRS. NAZIA IRFAN
KHAWAJA MUHAMMAD ILYAS
MUHAMMAD IDREES

COMPANY SECRETARY
MR. WASEEM ASHFAQ

CHIEF FINANCIAL OFFICER (CFO)
MR. MUHAMMAD 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 1st Quarter's report for the period ended 30th September, 2018.

Review of the Results.

Sales during the period were recorded Rs.68.335 Million in comparison to last years same period Rs.74.147 Million.

During this period the Operating (Distribution, Administrative & Other) expenses were 10.67% to sales, in comparison to Rs.10.40% in the same period last year. Gross profit for this period is 2.65% in comparison to 7.59% during the same period last year. Financial charges to sales were recorded as 0.42% in comparison to 0.18% in the same period in last year. Cost of goods sold are 97.35% in comparison to 92.41% in the same period last year.

In the coming days:

The bearish market still prevails both in international and local markets, however, we are keeping our hopes high on the new Government to make necessary and positive decisions to trigger the stagnant textile market of Pakistan.

We appreciate the constant patronage of our customers, vendors and bankers. The above results would not have been positive without the hard work of our staff members. Our prayers to Allah Almighty for HIS blessings on our country.

---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، 2018ء حانظر خدمت ہے:

مالیاتی نتائج مندرجہ ذیل ہیں۔

اس دورانیہ میں 68.335 ملین کی فروخت ہوئی۔ پچھلے سال اسی دورانیہ میں 74.147 ملین کی فروخت ہوئی تھی۔

اس دوران آپریٹنگ (ڈسٹری بیوشن، ایڈمنسٹریشن و دیگر اخراجات) فروخت کا 10.67% فیصدی خرچ آیا۔ پچھلے سال اسی دوران 10.40% فیصدی خرچ آیا تھا۔ مجموعی نفع (بغیر منہائی اخراجات) 2.65% فیصدی ہوا ہے۔ پچھلے سال کا اسی دوران میں 7.59% فیصدی منافع ہوا تھا۔ فنانشل اخراجات، سیل پر 0.42% فیصدی آئے۔ جبکہ سابقہ سال کے اسی دوران میں 0.18% فیصدی اخراجات آئے تھے۔ اس دوران فروخت شدہ اشیاء پر لاگت فروخت کا 97.35% فیصد آیا۔ جبکہ پچھلے سال اسی دوران 92.41% فیصد تھا۔

آئینوالے وقت کے متعلق:-

عالمی اور انجی منڈیوں میں منڈی کی تنزلی کا رجحان ابھی تک غالب ہے۔ تاہم، ہم اپنی نئی گورنمنٹ پر اُمید رکھتے ہیں کہ وہ ضروری اور مثبت فیصلے کرے گی جس سے پاکستان کی ٹیکسٹائل صنعت کا یہ جمود ختم ہو جائے گا۔ 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, 2018

<u>CAPITAL & LIABILITIES:</u>	SEPTEMBER 2018 RUPEES	JUNE 2018 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	306,862,167	310,152,679
Revaluation surplus on property, plant and equipment		
Revenue reserves	202,742,120	205,908,348
Unappropriated profit	859,454,287	865,911,027
 NON CURRENT LIABILITIES:		
Deferred liabilities		
Staff retirement gratuity	48,996,680	46,914,385
 CURRENT LIABILITIES:		
Trade and Other Payables	20,108,451	15,566,277
Short term bank borrowings	22,609,427	19,962,701
Provision for Taxation - income tax	3,521,061	2,832,005
	46,238,939	38,360,983
	954,689,906	951,186,395
 <u>PROPERTIES & ASSETS:</u>		
 FIXED CAPITAL EXPENDITURE:		
Property, plant and equipment	728,310,259	724,604,957
Long Term Deposits	4,509,782	4,509,782
	732,820,041	729,114,739
 CURRENT ASSETS:		
Store, Spares & loose tools.	33,267,092	31,079,777
Stock-in-trade	6,089,196	3,595,311
Trade Debts	37,085,295	37,655,499
Loans, advances	45,573,958	48,408,279
Prepayments	3,033,188	551,645
Other receivables.	1,093,153	1,258,621
Tax refunds due from Government	54,754,063	52,703,710
Cash and bank balances.	40,973,920	46,818,814
	221,869,865	222,071,656
	954,689,906	951,186,395

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

DATED: OCTOBER 30, 2018
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	NOTE	SEPTEMBER 2018 RUPEES	SEPTEMBER 2017 RUPEES
SALES		68,335,354	74,147,283
COST OF GOODS SOLD	6	66,523,588	68,518,063
GROSS PROFIT		1,811,766	5,629,220
Distribution cost		-	662,071
Administrative expenses		7,290,787	7,051,587
Finance cost		288,661	131,112
		7,579,448	7,844,770
PROFIT / (LOSS) BEFORE TAXATION.		(5,767,682)	(2,215,550)
Provision for taxation		689,056	637,019
PROFIT / (LOSS) FOR THE PERIOD		(6,456,738)	(2,852,569)
Earning per share - Basic		-0.18 (0.00)	-0.08

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

DATED: OCTOBER 30, 2018
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	SEPTEMBER 2018 RUPEES	SEPTEMBER 2017 RUPEES
(Loss) for the period	(6,456,738)	(2,852,569)
Other comprehensive income for the period		
Incremental depreciation on revalued assets	3,290,510	3,462,208
Total comprehensive income for the period	<u>(3,166,228)</u>	<u>609,639</u>

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

DATED: OCTOBER 30, 2018
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, 2018

Description	Issued, subscribed and Paid-up Capital Rupees	Capital Reserves Revaluation Surplus on Property, Plant and equipment Rupees	Revenue Reserves Unappropriated Profits Rupees	Total Rupees
Balance as at July 01, 2017	349,850,000	324,001,510	207,446,251	881,297,761
Total comprehensive income for the period				
(Loss) for the year	-	-	(15,748,342)	(15,748,342)
Incremental depreciation on revalued assets for the year	-	(13,848,831)	13,848,831	-
Remeasurement of defined benefit liability	-	-	361,608	361,608
Balance as at June 30, 2018	349,850,000	310,152,677	205,908,348	865,911,027
Total comprehensive income for the period				
(Loss) for the period	-	-	(6,456,738)	(6,456,738)
Incremental depreciation on revalued assets for the period	-	(3,290,510)	3,290,510	-
Balance as at September 30, 2018	349,850,000	306,862,167	202,742,120	859,454,287

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

DATED: OCTOBER 30, 2018
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	SEPTEMBER 2018 <u>RUPEES</u>	SEPTEMBER 2017 <u>RUPEES</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
(Loss) before taxation.	(5,767,682)	(2,215,550)
Adjustments for:		
Depreciation	8,040,297	7,960,390
Provision for staff retirement gratuity	3,050,000	2,100,000
Loss on disposal of property, plant and equipments	-	-
Finance Cost	288,661	131,112
Operating cash flows before working capital changes	<u>5,611,276</u>	<u>7,975,952</u>
Changes in working capital		
(Increase) / decrease in current Assets:		
Store, spare & loose tools.	(2,187,315)	381,136
Stock in trade	(2,493,885)	577,046
Trade debts	570,204	(4,094,914)
Loans, advances,	2,834,321	434,321
Prepayments	(2,481,543)	(2,449,785)
Other receivables	165,468	292,079
Tax refunds due from Government.	(2,050,353)	(758,635)
Increase / (decrease) in current liabilities.		
Trade and other payables	4,618,022	3,320,927
Net cash flow from changes in working capital	<u>(1,025,081)</u>	<u>(2,297,825)</u>
Cash generated from / (used in) operations.		
Finance cost paid	(17,682)	(131,439)
Taxes paid	(346,829)	(637,019)
Staff retirement gratuity paid	(967,705)	(528,470)
Net cash generated from operating activities	<u>(1,332,216)</u>	<u>(1,296,928)</u>
Cash flows from investing activities		
Additions property, plant and equipment	(11,745,599)	(7,837,320)
Long term deposits	-	-
Net cash (used in) investing activities	<u>(11,745,599)</u>	<u>(7,837,320)</u>
Cash flows from financing activities		
Net (decrease) increase in short term bank borrowings	2,646,726	(16,274,110)
Net cash (used in) financing activities	<u>2,646,726</u>	<u>(16,274,110)</u>
Net (decrease) increase in cash and cash equivalents	(5,844,894)	(19,730,231)
Cash and cash equivalent at the beginning of the year	46,818,814	43,037,775
Cash and cash equivalents at the end of the year	<u><u>40,973,920</u></u>	<u><u>23,307,544</u></u>

DATED: OCTOBER 30, 2018
PLACE: FAISALABAD:

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018

- 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 2018 RUPEES	SEPTEMBER 2017 RUPEES
6 COST OF SALES:		
Raw material consumed	-	7,055,597
Stores & spares consumed	4,363,237	4,648,653
wages salaries and amenities	27,671,531	22,369,976
Sizing expenses	13,173,327	11,403,264
Freight, Loading, Unloading	375,132	347,094
Repair & Maintenance	544,453	369,476
Fuel & Power	15,106,974	14,219,740
Depreciation	7,093,624	7,093,679
Insurance	689,194	679,321
	69,017,472	68,186,800
Work in process:		
Opening stock	2,427,088	11,612,343
Closing stock	(4,925,104)	(11,520,458)
	(2,498,016)	91,885
	66,519,456	68,278,685
Finished Goods		
Opening stock	941,535	1,510,217
Closing stock	(937,403)	(1,270,839)
	4,132	239,378
	66,523,588	68,518,063

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

DATED: OCTOBER 30, 2018
PLACE: FAISALABAD.

---Sd---
CHIEF EXECUTIVE

---Sd---
DIRECTOR