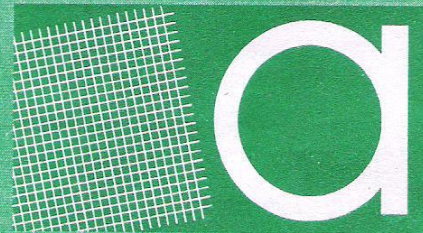


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**1st. Quarter Report
September 30, 2014
(Unaudited)**

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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
MIRZA MUHAMMAD IDREES

COMPANY SECRETARY
MR. WASEEM ASHFAQ

CHIEF FINANCIAL OFFICER (CFO)
MR. MOHAMMAD ANWAR JAWED

AUDITORS
M/S AVAIS HYDER LIAQAT NAUMAN,
CHARTERED ACCOUNTANTS

SHARE REGISTRAR
M/S CONSULTING ONE (PVT) LTD.
478-D, PEOPLES COLONY #1, FSD.

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:
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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, 2014.

Review of the Results.

Sales during the period were recorded Rs.85.380 Million in comparison to last years same period Rs.155.375 Million.

During this period the Operating (Distribution, Administrative & Other) expenses were 8.57 to sales, in comparison to Rs.9.24% in the same period last year. Gross profit for this period is 10.82% in comparison to 21.09% during the same period last year. Financial charges to sales were recorded as 0.12% in comparison to 2.61% in the same period in last year. Cost of goods sold are 89.18% in comparison to 78.91% in the same period last year.

In the coming days:

Due to Global slow down in the textile sector, the demand of woven fabrics has dropped thus resulting in drop in sales, lower prices and lesser profits. However, good cost management has helped in keeping our nose above water.

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.



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

**ASHFAQ TEXTILE MILLS LIMITED.
BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2014.**

<u>CAPITAL & LIABILITIES:</u>	SEPTEMBER 2014 RUPEES	JUNE 2014 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 & PAID UP:		
34,985,000 (June 2014 : 34,985,000) Ordinary Shares of of Rs.10/= each fully paid in cash.	349,850,000	349,850,000
Reserves	174,036,603	164,855,317
	523,886,603	514,705,317
SURPLUS ON REVALUATION OF FIXED ASSETS:	361,971,818	370,038,231
NON CURRENT LIABILITIES:		
Loan from Chief Executive and Directors	-	-
Deferred liabilities	15,605,226	15,189,426
	15,605,226	15,189,426
CURRENT LIABILITIES:		
Trade and Other Payables	20,880,217	15,954,470
Short term bank borrowings	-	-
Provision for Taxation - income tax	-	-
	20,880,217	15,954,470
	922,343,864	915,887,444
<u>PROPERTIES & ASSETS:</u>	SEPTEMBER 2014 RUPEES	JUNE 2014 RUPEES
FIXED CAPITAL EXPENDITURE:		
Property, plant and equipment	732,010,568	743,124,237
Long Term Deposits	4,509,782	4,504,782
	736,520,350	747,629,019
CURRENT ASSETS:		
Store, Spares & loose tools.	30,796,661	26,898,644
Stock-in-trade	50,469,279	45,327,120
Trade Debts	31,529,741	39,198,882
Loans, advances	12,416,011	12,656,378
Deposits and Prepayments	3,510,950	223,076
Other receivables.	369,000	1,198,501
Tax refunds due from Government	24,090,803	24,100,562
Cash and bank balances.	32,641,069	18,655,262
	185,823,514	168,258,425
	922,343,864	915,887,444

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

DATED: OCTOBER 29, 2014.
PLACE: FAISALABAD.


CHIEF EXECUTIVE


DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014.

	NOTE	SEPTEMBER 2014 RUPEES	SEPTEMBER 2013 RUPEES
SALES		85,380,059	155,375,503
COST OF GOODS SOLD	6	76,139,192	122,613,735
GROSS PROFIT		9,240,867	32,761,768
Distribution cost		1,276,567	3,640,619
Administrative espenses		5,694,585	10,706,739
Other Operating Expenses		343,559	1,803
Finance cost		105,408	4,049,793
		7,420,119	18,398,954
PROFIT BEFORE TAXATION.		1,820,748	14,362,814
Provision for taxation		705,876	2,033,047
PROFIT FOR THE YEAR		1,114,872	12,329,767
Earning per share - Basic		0.03	0.47

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

DATED: OCTOBER 29, 2014
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014.

	SEPTEMBER 2014 <u>RUPEES</u>	SEPTEMBER 2013 <u>RUPEES</u>
Profit for the period	1,114,872	12,329,767
Other comprehensive income for the period		
Incremental depreciation on revalued assets	8,066,414	1,863,258
Total comprehensive income for the period	<u>9,181,286</u>	<u>14,193,025</u>

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

DATED: OCTOBER 29, 2014.
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014.

Description	Paid-up Capital Rupees	Accumulated Profits Rupees	Total Rupees
Balance as at July 01, 2013	262,387,500	202,745,510	465,133,010
Bonus shares issued during the year (One share for each three shares held)	87,462,500	(87,462,500)	-
Total comprehensive income for the period			
Profit for the period	-	41,587,525	41,587,525
Incremental depreciation on revalued assets for the period	-	7,453,024	7,453,024
Remeasurement of defined benefit liability	-	531,758	531,758
	-	49,572,307	49,572,307
Balance as at June 30, 2014	349,850,000	164,855,317	514,705,317
Total comprehensive income for the period			
Profit for the period	-	1,114,872	1,114,872
Incremental depreciation on revalued assets for the period	-	8,066,414	8,066,414
Bonus Shares issued	-	-	-
	-	9,181,286	9,181,286
Balance as at September 30, 2014	349,850,000	174,036,603	523,886,603

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

DATED: OCTOBER 29, 2014.
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2014.

	SEPTEMBER 2014 <u>RUPEES</u>	SEPTEMBER 2013 <u>RUPEES</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) before taxation.	1,820,748	10,214,456
Adjustments for:		
Depreciation	15,731,008	7,588,882
Provision for staff retirement gratuity	900,000	1,000,000
Loss on disposal of property, plant and equipments	43,559	1,803
Finance Cost	105,488	4,049,793
Operating cash flows before working capital changes	<u>18,600,803</u>	<u>22,854,934</u>
Changes in working capital		
(Increase) / decrease in current Assets:		
Store, spare & loose tools.	(3,898,017)	(5,726,135)
Stock in trade	(5,142,159)	18,993,647
Trade debts	7,669,141	(10,006,046)
Loans, advances,	240,367	2,520,289
Deposits and prepayments	(3,287,874)	(3,865,745)
Other receivables	829,501	1,534,975
Tax refunds due from Government.	9,759	(3,284,874)
Increase / (decrease) in current liabilities.		
Trade and other payables	6,953,746	552,281
Net cash flow from changes in working capital	<u>3,374,464</u>	<u>718,392</u>
Cash generated from / (used in) operations.		
Finance cost paid	(362,127)	(3,273,371)
Taxes paid	(575,824)	(2,033,047)
Staff retirement gratuity paid	(484,200)	(584,250)
Net cash generated from operating activities	<u>(1,422,151)</u>	<u>(5,890,668)</u>
Cash flows from investing activities		
Additions property, plant and equipment	(6,562,309)	(11,836,489)
Long term deposits	(5,000)	-
Net cash (used in) investing activities	<u>(6,567,309)</u>	<u>(11,836,489)</u>
Cash flows from financing activities		
Net (decrease) increase in short term bank borrowings	-	(18,319,086)
Net cash (used in) financing activities	<u>-</u>	<u>(18,319,086)</u>
Net (decrease) increase in cash and cash equivalents	13,985,807	(12,472,917)
Cash and cash equivalent at the beginning of the year	18,655,262	14,624,318
Cash and cash equivalents at the end of the year	<u><u>32,641,069</u></u>	<u><u>2,151,401</u></u>

DATED: OCTOBER 29, 2014
PLACE: FAISALABAD:


CHIEF EXECUTIVE


DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014.

- 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 2014 RUPEES	SEPTEMBER 2013 RUPEES
6 COST OF SALES:		
Raw material consumed	18,491,229	42,827,460
Stores & spares consumed	3,648,103	4,894,916
wages salaries and amenities	16,062,958	20,397,068
Sizing expenses	8,815,584	9,992,236
Dying Charges	-	467,488
Freight, Loading, Unloading	254,188	578,238
Repair & Maintenance	325,566	259,911
Fuel & Power	16,943,427	27,008,000
Depreciation	14,816,839	6,840,257
Insurance	902,452	1,199,470
Other overheads	564,492	-
	80,824,838	114,465,044
Work in process:		
Opening stock	3,106,626	9,662,020
Closing stock	(2,821,828)	(7,855,297)
	284,798	1,806,723
	81,109,636	116,271,767
Finished Goods		
Opening stock	25,180,838	50,339,673
Closing stock	(33,151,282)	(43,997,705)
	(7,970,444)	6,341,968
	73,139,192	122,613,735

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

DATED: OCTOBER 29, 2014.
PLACE: FAISALABAD.


CHIEF EXECUTIVE


DIRECTOR

