



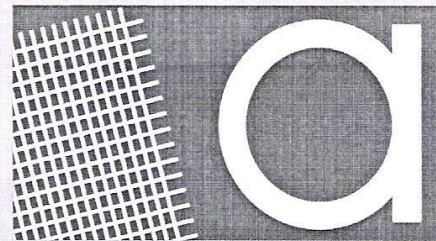
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**ASHFAQ TEXTILE MILLS
LIMITED**

Mailing Address:

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



**3rd. Quarter Report
March 31, 2014
(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

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:

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 our 3rd Quarter's un-audited accounts for the period ended 31st March 2014.

Review of the Results.

Sales during the period were recorded Rs.428,565 Million in comparison to last years same period were recorded Rs.649,382 Million.

During this period the Operating (Distribution, Administrative & Other) expenses were 9.04% to sales, in comparison to Rs.7.30% in the same period last year. Gross profit for this period is 17.23% in comparison to 17.97% during the same period last year. Financial charges to sales were recorded as 2.16% in comparison to 1.73% in the same period in last year. Cost of goods sold are 82.77% in comparison to 82.03% in the same period last year.

In the coming days:

While revaluation of Rupee is something that is good for the financial health of a country, however, almost 8% drop in the dollar value had to make a very negative impact on the market. Furthermore, this revaluation came at a time when the world textile market was coming to a natural correction. Both these factors bundled together to put the textile market to an almost halt.

We are hoping that the Government would start reducing the utilities prices to reflect the revaluation of Rupee to help the textile industry to reduce its cost of production and also a comparison of the cost of production of the neighbouring countries should be made so that we can bring our cost to the same level as our competitors.

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 blessing.



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

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2014

<u>EQUITY & LIABILITIES:</u>	MARCH 31, 2014 RUPEES	JUNE 30, 2013 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	262,387,500
Unappropriated Profit	148,740,352	204,742,895
	498,590,352	467,130,395
SURPLUS ON REVALUATION OF FIXED ASSETS:	105,669,764	111,259,531
NON CURRENT LIABILITIES:		
Deferred liabilities		
Staff Retirement Gratuity	14,171,857	12,301,869
CURRENT LIABILITIES:		
Trade and Other Payables	24,024,325	25,093,923
Current portion of Long Term Financing	-	50,000,000
Short Term Bank Borrowings	97,360,000	72,964,000
Provision for Taxation - income tax	-	7,402,749
	121,384,325	155,460,672
	739,816,298	746,152,467
<u>ASSETS:</u>	MARCH 31, 2014 RUPEES	JUNE 30, 2013 RUPEES
NON CURRENT ASSETS		
Property, Plant and Equipment	478,488,933	461,730,653
Long Term Securities Deposits	4,509,782	4,504,782
	482,998,715	466,235,435
CURRENT ASSETS:		
Store, Spares & loose tools.	27,186,570	28,509,754
Stock-in-trade	40,204,641	85,961,448
Trade Debts	96,445,911	110,506,849
Loans and Advances	11,194,473	19,666,520
Deposits and Prepayments	1,702,577	373,815
Other Receivables.	848,100	6,079,439
Tax Refunds due from Government	23,752,689	14,194,889
Cash and Bank Balances.	55,482,622	14,624,318
	256,817,583	279,917,032
	739,816,298	746,152,467

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

DATED: APRIL 29, 2014
PLACE: FAISALABAD.



CHIEF EXECUTIVE

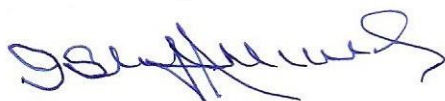


DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2014.

	NOTE	(QUARTER) JANUARY - MARCH		(9 MONTHS) JULY - MARCH	
		2014	2013	2014	2013
		RUPEES	RUPEES	RUPEES	RUPEES
SALES		152,297,346	203,784,408	428,564,628	649,381,731
COST OF GOODS SOLD	6	129,041,488	161,058,448	354,725,888	532,671,113
GROSS PROFIT		23,255,858	42,725,960	73,838,740	116,710,618
OTHER INCOME					
Balance written back		-	-	-	900,012
		23,255,858	42,725,960	73,838,740	117,610,630
Distribution cost		2,800,488	6,755,906	9,110,505	24,449,340
Administrative expenses		7,699,152	6,417,604	28,714,660	19,527,346
Other Operating Expenses		130,513	1,728,022	901,803	3,431,556
Finance cost		1,844,430	3,500,657	9,241,584	11,241,935
		12,474,583	18,402,189	47,968,552	58,650,177
PROFIT BEFORE TAXATION.		10,781,275	24,323,771	25,870,188	58,960,453
Provision for taxation		-	2,644,049	-	6,547,316
PROFIT FOR THE YEAR		10,781,275	21,679,722	25,870,188	52,413,137
Earning per share - Basic		0.31	0.83	0.74	2.00

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



CHIEF EXECUTIVE



DIRECTOR

DATED: APRIL 29, 2014
PLACE: FAISALABAD.

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2014

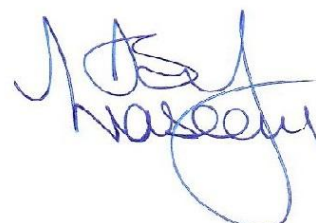
	(QUARTER)		(9 MONTHS)	
	JANUARY - MARCH		JULY - MARCH	
	2014	2013	2014	2013
	<u>RUPEES</u>	<u>RUPEES</u>	<u>RUPEES</u>	<u>RUPEES</u>
Profit for the period	10,781,275	21,679,722	25,870,188	52,413,137
Other comprehensive income for the period				
Incremental depreciation on revalued assets	1,863,256	2,061,598	5,589,769	6,184,794
Total comprehensive income for the period	<u>12,644,531</u>	<u>23,741,320</u>	<u>31,459,957</u>	<u>58,597,931</u>

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

DATED: APRIL 29, 2014
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2014

	MAR. 31, 2014 <u>RUPEES</u>	MAR. 31, 2013 <u>RUPEES</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) before taxation.	25,870,188	58,960,453
Adjustments for:		
Depreciation	25,926,570	23,423,251
Provision for staff retirement gratuity	3,048,838	2,050,000
Loss on disposal of property, plant and equipments	1,803	16,701
Balance written back	-	(900,012)
Finance Cost	9,241,584	11,241,935
Operating cash flows before working capital changes	<u>64,088,983</u>	<u>94,792,328</u>
Changes in working capital		
(Increase) / decrease in current Assets:		
Store, spare & loose tools.	1,323,184	(1,105,015)
Stock in trade	45,756,807	11,334,757
Trade debts	14,060,938	(45,118,825)
Loans, advances,	8,472,047	(617,682)
Deposits and prepayments	(1,328,762)	(966,265)
Other receivables	5,231,339	338,700
Tax refunds due from Government.	(9,557,800)	(1,064,903)
Increase / (decrease) in current liabilities.		
Trade and other payables	(2,017,202)	(18,284,838)
Net cash flow from changes in working capital	<u>61,940,551</u>	<u>(55,484,071)</u>
Cash generated from / (used in) operations.		
Finance cost paid	(7,543,342)	(10,729,803)
Taxes paid	(4,267,105)	(6,453,236)
Staff retirement gratuity paid	(1,178,850)	(1,546,900)
Net cash generated from operating activities	<u>(12,989,297)</u>	<u>(18,729,939)</u>
Cash flows from investing activities		
Additions property, plant and equipment	(47,117,933)	(42,549,254)
Proceeds from disposal of operating asstes	545,000	-
Long term deposits	(5,000)	(160,000)
Net cash (used in) investing activities	<u>(46,577,933)</u>	<u>(42,709,254)</u>
Cash flows from financing activities		
Proceeds from issue of shares	-	139,940,000
Repayment of long term financing	(50,000,000)	(89,740,000)
Net (decrease) increase in short term bank borrowings	24,396,000	(62,751,100)
Net cash (used in) financing activities	<u>(25,604,000)</u>	<u>(12,551,100)</u>
Net (decrease) increase in cash and cash equivalents	40,858,304	(34,682,036)
Cash and cash equivalent at the beginning of the year	14,624,318	48,515,038
Cash and cash equivalents at the end of the year	<u><u>55,482,622</u></u>	<u><u>13,833,002</u></u>

DATED: APRIL 29, 2014
PLACE: FAISALABAD:


CHIEF EXECUTIVE


DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2014

Description	Paid-up Capital Rupees	Accumulated Profits Rupees	Total Rupees
Balance as at July 01, 2012	69,970,000	180,472,575	250,442,575
Transaction during the period			
Right Shares issued	139,940,000	-	139,940,000
Bonus shares issued	52,477,500	(52,477,500)	-
Total comprehensive income for the period			
Profit for the period	-	52,413,137	52,413,137
Incremental depreciation on revalued assets for the period	-	6,184,794	6,184,794
	-	58,597,931	58,597,931
Balance as at March 31, 2013	262,387,500	186,593,006	448,980,506
Total comprehensive income for the period			
Profit for the period	-	68,501,428	68,501,428
Incremental depreciation on revalued assets for the period	-	8,246,392	8,246,392
	-	76,747,820	76,747,820
Balance as at June 30, 2013	262,387,500	204,742,895	467,130,395
Transaction during the period			
Bonus shares issued	87,462,500	(87,462,500)	-
Total comprehensive income for the period			
Profit for the period	-	25,870,188	25,870,188
Incremental depreciation on revalued assets for the period	-	5,589,769	5,589,769
Bonus Shares issued	-	31,459,957	31,459,957
Balance as at March 31, 2014	349,850,000	148,740,352	498,590,352

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

DATED: APRIL 29, 2014
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 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.

	QUARTER JANUARY - MARCH		(9 MONTHS) JULY- MARCH	
	2014 RUPEES	2013 RUPEES	2014 RUPEES	2013 RUPEES
6 COST OF SALES:				
Raw material consumed	13,127,019	89,055,184	114,697,097	349,076,651
Stores & spares consumed	3,974,019	5,674,260	11,694,374	15,712,446
wages salaries and amenities	20,646,263	18,841,577	62,075,790	54,055,677
Sizing expenses	13,475,700	10,037,625	32,801,534	38,622,677
Dying Charges	483,850	431,780	2,166,696	1,502,271
Repair & Maintenance	177,467	468,889	3,306,116	1,828,115
Fuel & Power	21,825,297	15,777,647	68,230,014	45,572,141
Depreciation	6,168,563	7,374,129	20,505,979	22,019,746
Insurance	1,199,466	812,169	3,598,417	2,428,031
Other overheads	-	3,792	-	3,792
	<u>81,077,644</u>	<u>148,477,052</u>	<u>319,076,017</u>	<u>530,821,547</u>
Work in process:				
Opening stock	25,508,492	21,644,040	9,662,020	14,963,302
Closing stock	(4,817,613)	(6,489,405)	(4,817,613)	(6,489,405)
	<u>20,690,879</u>	<u>15,154,635</u>	<u>4,844,407</u>	<u>8,473,897</u>
	101,768,523	163,631,687	323,920,424	539,295,444
Finished Goods				
Opening stock	46,807,174	54,994,117	50,339,673	50,943,025
Closing stock	(19,534,209)	(57,567,356)	(19,534,209)	(57,567,356)
	<u>27,272,965</u>	<u>(2,573,239)</u>	<u>30,805,464</u>	<u>(6,624,331)</u>
	<u>129,041,488</u>	<u>161,058,448</u>	<u>354,725,888</u>	<u>532,671,113</u>

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



CHIEF EXECUTIVE



DIRECTOR

DATED: APRIL 29, 2014
PLACE: FAISALABAD.