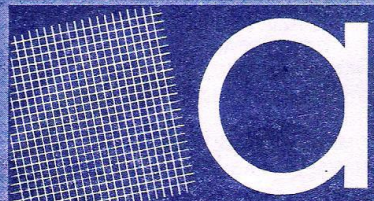


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**ASHFAQ TEXTILE MILLS  
LIMITED**

***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, 2015  
(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 2015.

### Review of the Results.

Sales during the period were recorded at Rs.276.876 Million compared to the same period were recorded Rs.428.564 Million.

During this period the Operating (Distribution, Administrative & Other) expenses were 8.27% to sales, in comparison to Rs.9.04% in the same period last year. Gross profit for this period is 9.73% in comparison to 17.23% during the same period last year. Financial charges to sales were recorded as 0.17% in comparison to 2.16% in the same period in last year. Cost of goods sold are 90.27% in comparison to 82.77% in the same period last year.

### In the coming days:

Textile market slow down has been calculated as much as 15% drop in Pakistan textile exports in comparison to last year which is really alarming. Although the sharp decline in commodity prices has become stable, however, the after effects of it are still prevailing in the market where demand of textiles is not picking up as yet.

The other major factor is the cost of doing business. Although the commodity prices and oil prices sharply dropped but has made no major change in our cost of doing business which more or less kept the same, thus shrinking our margins out as we have to sell in this low market.

We are hopeful that these are the bottoms and very soon textile demand would pick up for a better profit margin for the industry.

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, 2015**

<b><u>EQUITY &amp; LIABILITIES:</u></b>	<b>MARCH 31, 2015 RUPEES</b>	<b>JUNE 30, 2014 RUPEES</b>
<b>SHARE CAPITAL AND RESERVES:</b>		
<b>AUTHORISED CAPITAL:</b>		
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
Unappropriated Profit	180,504,613	164,855,317
	530,354,613	514,705,317
<b>SURPLUS ON REVALUATION OF FIXED ASSETS:</b>	357,938,612	370,038,231
<b>NON CURRENT LIABILITIES:</b>		
<b>Deferred liabilities</b>		
Staff Retirement Gratuity	16,512,808	15,189,426
<b>CURRENT LIABILITIES:</b>		
Trade and Other Payables	14,802,339	15,954,470
Current portion of Long Term Financing	-	-
Short Term Bank Borrowings	-	-
Provision for Taxation - income tax	-	-
	14,802,339	15,954,470
	919,608,372	915,887,444
<b><u>ASSETS:</u></b>	<b>MARCH 31, 2015 RUPEES</b>	<b>JUNE 30, 2014 RUPEES</b>
<b>NON CURRENT ASSETS</b>		
Property, Plant and Equipment	735,256,999	743,124,237
Long Term Securities Deposits	4,509,782	4,504,782
	739,766,781	747,629,019
<b>CURRENT ASSETS:</b>		
Store, Spares & loose tools.	23,044,840	26,898,644
Stock-in-trade	33,708,566	45,327,120
Trade Debts	55,506,906	39,198,882
Loans and Advances	28,320,144	12,656,378
Deposits and Prepayments	1,215,939	223,076
Other Receivables.	1,424,981	1,198,501
Tax Refunds due from Government	26,173,181	24,100,562
Cash and Bank Balances.	10,447,034	18,655,262
	179,841,591	168,258,425
	919,608,372	915,887,444

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

DATED: APRIL 27, 2015  
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2015.**

	NOTE	( QUARTER ) JANUARY - MARCH		( 9 MONTHS ) JULY - MARCH	
		2015 RUPEES	2014 RUPEES	2015 RUPEES	2014 RUPEES
SALES		90,523,380	152,297,346	276,876,335	428,564,628
COST OF GOODS SOLD	6	81,271,687	129,041,488	249,932,644	354,725,888
GROSS PROFIT		9,251,693	23,255,858	26,943,691	73,838,740
OTHER INCOME					
Balance written back		-	-	-	-
		9,251,693	23,255,858	26,943,691	73,838,740
Distribution cost		1,338,066	2,800,488	4,451,954	9,110,505
Administrative espenses		6,714,126	7,699,152	18,214,776	28,714,660
Other Operating Expenses		62,883	130,513	248,559	901,803
Finance cost		84,078	1,844,430	478,726	9,241,584
		8,199,153	12,474,583	23,394,015	47,968,552
PROFIT BEFORE TAXATION.		1,052,540	10,781,275	3,549,676	25,870,188
Provision for taxation		-	-	-	-
PROFIT FOR THE YEAR		1,052,540	10,781,275	3,549,676	25,870,188
Earning per share - Basic		0.03	0.31	0.10	0.74

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

DATED: APRIL 27, 2015  
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2015**

	( QUARTER )		( 9 MONTHS )	
	JANUARY - MARCH		JULY - MARCH	
	2015	2014	2015	2014
	<u>RUPEES</u>	<u>RUPEES</u>	<u>RUPEES</u>	<u>RUPEES</u>
Profit for the period	1,052,540	10,781,275	3,549,676	25,870,188
Other comprehensive income for the period				
Incremental depreciation on revalued assets	4,033,205	1,863,256	12,099,620	5,589,769
Total comprehensive income for the period	<u>5,085,745</u>	<u>12,644,531</u>	<u>15,649,296</u>	<u>31,459,957</u>

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

DATED: APRIL 27, 2015  
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR



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

	<b>MAR. 31, 2015</b> <b>RUPEES</b>	<b>MAR. 31, 2014</b> <b>RUPEES</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit / (Loss) before taxation.	3,549,676	25,870,188
Adjustments for:		
Depreciation	25,227,279	25,926,570
Provision for staff retirement gratuity	2,700,000	3,048,838
Loss on disposal of property, plant and equipments	43,559	1,803
Finance Cost	478,726	9,241,584
<b>Operating cash flows before working capital changes</b>	<b>31,999,240</b>	<b>64,088,983</b>
<b>Changes in working capital</b>		
<b>( Increase ) / decrease in current Assets:</b>		
Store, spare & loose tools.	3,853,804	1,323,184
Stock in trade	11,618,554	45,756,807
Trade debts	(16,308,024)	14,060,938
Loans, advances,	(15,663,766)	8,472,047
Deposits and prepayments	(992,863)	(1,328,762)
Other receivables	(226,480)	5,231,339
Tax refunds due from Government.	(2,072,619)	(9,557,800)
<b>Increase / (decrease) in current liabilities.</b>		
Trade and other payables	(1,152,131)	(2,017,202)
<b>Net cash flow from changes in working capital</b>	<b>(20,943,525)</b>	<b>61,940,551</b>
<b>Cash generated from / (used in) operations.</b>		
Finance cost paid	(478,726)	(7,543,342)
Taxes paid	(2,661,741)	(4,267,105)
Staff retirement gratuity paid	(1,376,618)	(1,178,850)
<b>Net cash generated from operating activities</b>	<b>(4,517,085)</b>	<b>(12,989,297)</b>
<b>Cash flows from investing activities</b>		
Additions property, plant and equipment	(19,394,746)	(47,117,933)
Proceeds from disposal of operating asstes	4,652,888	545,000
Long term deposits	(5,000)	(5,000)
<b>Net cash (used in) investing activities</b>	<b>(14,746,858)</b>	<b>(46,577,933)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	-	-
Repayment of long term financing	-	(50,000,000)
Net (decrease) increase in short term bank borrowings	-	24,396,000
<b>Net cash (used in) financing activities</b>	<b>-</b>	<b>(25,604,000)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(8,208,228)</b>	<b>40,858,304</b>
<b>Cash and cash equivalent at the beginning of the year</b>	<b>18,655,262</b>	<b>14,624,318</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>10,447,034</b>	<b>55,482,622</b>

DATED: APRIL 27, 2015  
PLACE: FAISALABAD:

CHIEF EXECUTIVE

DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2015**

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
Transaction during the period			
Bonus shares issued	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
Transaction during the period			
Bonus shares issued	-	-	-
Total comprehensive income for the period			
Profit for the period	-	3,549,676	3,549,676
Incremental depreciation on revalued assets for the period	-	12,099,620	12,099,620
	-	15,649,296	15,649,296
Balance as at March 31, 2015	349,850,000	180,504,613	530,354,613

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

DATED: APRIL 27, 2015  
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2015**

- 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	
	2015 RUPEES	2014 RUPEES	2015 RUPEES	2014 RUPEES
<b>6 COST OF SALES:</b>				
Raw material consumed	8,585,572	13,127,019	46,863,515	114,697,097
Stores & spares consumed	4,985,631	3,974,019	15,629,693	11,694,374
wages salaries and amenities	19,224,975	20,646,263	60,382,281	62,075,790
Sizing expenses	19,096,804	13,475,700	38,550,049	32,801,534
Dying Charges	-	483,850	-	2,166,696
Repair & Maintenance	636,840	177,467	1,082,956	3,306,116
Fuel & Power	16,733,180	21,825,297	55,398,579	68,230,014
Depreciation	7,520,215	6,168,563	22,416,361	20,505,979
Insurance	913,572	1,199,466	2,718,475	3,598,417
	<u>77,696,789</u>	<u>81,077,644</u>	<u>243,041,909</u>	<u>319,076,017</u>
<b>Work in process:</b>				
Opening stock	3,767,751	25,508,492	3,106,626	9,662,020
Closing stock	(1,810,115)	(4,817,613)	(1,810,115)	(4,817,613)
	<u>1,957,636</u>	<u>20,690,879</u>	<u>1,296,511</u>	<u>4,844,407</u>
	<u>79,654,425</u>	<u>101,768,523</u>	<u>244,338,420</u>	<u>323,920,424</u>
<b>Finished Goods</b>				
Opening stock	21,203,876	46,807,174	25,180,838	50,339,673
Closing stock	(19,586,614)	(19,534,209)	(19,586,614)	(19,534,209)
	<u>1,617,262</u>	<u>27,272,965</u>	<u>5,594,224</u>	<u>30,805,464</u>
	<u>81,271,687</u>	<u>129,041,488</u>	<u>249,932,644</u>	<u>354,725,888</u>

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



CHIEF EXECUTIVE



DIRECTOR

DATED: APRIL 27, 2015  
PLACE: FAISALABAD.