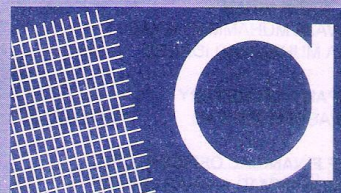


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**3rd. Quarter Report  
March 31, 2016  
(Unaudited)**

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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:

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 2016.

### Review of the Results.

Sales during the period were recorded at Rs.214.752 Million compared to the same period were recorded Rs.276.876 Million.

During this period the Operating (Distribution, Administrative & Other) expenses were 9.35% to sales, in comparison to Rs.8.27% in the same period last year. Gross profit for this period is 10.09% in comparison to 9.73% during the same period last year. Financial charges to sales were recorded as 0.27% in comparison to 0.17% in the same period in last year. Cost of goods sold are 89.91% in comparison to 90.27% in the same period last year.

### In the coming days:

Although the global textile market is still passing through a slow period with less demand which is keeping the prices to their lowest, your Company, however, has been able to get high revenue orders which reflected in the profits of the company.

We are hoping that in the near future the demand of textile would increase to make more positive impact on the revenues of the company.

We also record our sincere thanks and appreciations to the management of United Bank Limited and to our staff for their hard work and dedication.



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



**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT MARCH 31, 2016**

<u><b>EQUITY &amp; LIABILITIES:</b></u>	<b>MARCH 31, 2016 RUPEES</b>	<b>JUNE 30, 2015 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	196,958,192	184,444,068
	546,808,192	534,294,068
<b>SURPLUS ON REVALUATION OF FIXED ASSETS:</b>	342,406,191	353,905,407
<b>NON CURRENT LIABILITIES:</b>		
<b>Deferred liabilities</b>		
Staff Retirement Gratuity	21,335,991	20,539,108
<b>CURRENT LIABILITIES:</b>		
Trade and Other Payables	13,004,494	16,059,839
Short Term Bank Borrowings	50,000,000	5,000,000
Provision for Taxation - income tax	-	-
	63,004,494	21,059,839
	973,554,868	929,798,422
<b>ASSETS:</b>		
<b>NON CURRENT ASSETS</b>		
Property, Plant and Equipment	716,489,783	721,847,193
Long Term Securities Deposits	4,509,782	4,509,782
	720,999,565	726,356,975
<b>CURRENT ASSETS:</b>		
Store, Spares & loose tools.	37,261,148	30,545,748
Stock-in-trade	22,806,311	14,696,425
Trade Debts	49,941,443	62,790,339
Loans and Advances	27,793,377	29,985,700
Deposits and Prepayments	1,125,305	283,109
Other Receivables.	290,800	922,414
Tax Refunds due from Government	39,317,383	28,512,672
Cash and Bank Balances.	74,019,536	35,705,040
	252,555,303	203,441,447
	973,554,868	929,798,422

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

DATED: APRIL 26, 2015  
PLACE: FAISALABAD.

CHIEF EXECUTIVE

DIRECTOR

**CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER ENDED MARCH 31, 2016.**

	NOTE	( QUARTER ) JANUARY - MARCH		( 9 MONTHS ) JULY - MARCH	
		2016	2015	2016	2015
		RUPEES	RUPEES	RUPEES	RUPEES
SALES		80,218,463	90,523,380	214,751,641	276,876,335
COST OF GOODS SOLD	6	71,291,265	81,271,687	193,075,542	249,932,644
GROSS PROFIT		8,927,198	9,251,693	21,676,099	26,943,691
Distribution cost		803,867	1,338,066	2,097,579	4,451,954
Administrative expenses		4,939,065	6,714,126	17,990,790	18,214,776
Other Operating Expenses		-	62,883	-	248,559
Finance cost		384,965	84,078	572,816	478,726
		6,127,887	8,199,153	20,661,185	23,394,015
PROFIT BEFORE TAXATION.		2,799,311	1,052,540	1,014,914	3,549,676
Provision for taxation		-	-	-	-
PROFIT FOR THE YEAR		2,799,311	1,052,540	1,014,914	3,549,676
Earning per share - Basic		0.08	0.03	0.03	0.10

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

DATED: APRIL 26, 2016  
PLACE: FAISALABAD.

CHIEF EXECUTIVE

DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2016**

	( QUARTER )		( 9 MONTHS )	
	JANUARY - MARCH		JULY - MARCH	
	2016	2015	2016	2015
	<u>RUPEES</u>	<u>RUPEES</u>	<u>RUPEES</u>	<u>RUPEES</u>
Profit for the period	1,014,914	1,052,540	1,014,914	3,549,676
Other comprehensive income for the period				
Incremental depreciation on revalued assets	3,833,071	4,033,205	11,499,210	12,099,620
Total comprehensive income for the period	<u>4,847,985</u>	<u>5,085,745</u>	<u>12,514,124</u>	<u>15,649,296</u>

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

DATED: APRIL 26, 2016  
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2016**

	MAR. 31, 2016 <u>RUPEES</u>	MAR. 31, 2015 <u>RUPEES</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit / (Loss) before taxation.	1,014,914	3,549,676
Adjustments for:		
Depreciation	24,227,241	25,227,279
Provision for staff retirement gratuity	4,500,000	2,700,000
Loss on disposal of property, plant and equipments	-	43,559
Finance Cost	572,816	478,726
<b>Operating cash flows before working capital changes</b>	<u>30,314,971</u>	<u>31,999,240</u>
<b>Changes in working capital</b>		
<b>( Increase ) / decrease in current Assets:</b>		
Store, spare & loose tools.	(6,715,400)	3,853,804
Stock in trade	(8,109,886)	11,618,554
Trade debts	12,848,896	(16,308,024)
Loans, advances,	2,192,323	(15,663,766)
Deposits and prepayments	(842,196)	(992,863)
Other receivables	631,614	(226,480)
Tax refunds due from Government.	(10,804,711)	(2,072,619)
<b>Increase / (decrease) in current liabilities.</b>		
Trade and other payables	(3,055,345)	(1,152,131)
<b>Net cash flow from changes in working capital</b>	<u>(13,854,705)</u>	<u>(20,943,525)</u>
<b>Cash generated from / (used in) operations.</b>		
Finance cost paid	(286,508)	(478,726)
Taxes paid	(2,758,004)	(2,661,741)
Staff retirement gratuity paid	(3,703,117)	(1,376,618)
<b>Net cash generated from operating activities</b>	<u>(6,747,629)</u>	<u>(4,517,085)</u>
<b>Cash flows from investing activities</b>		
Additions property, plant and equipment	(16,398,141)	(19,394,746)
Proceeds from disposal of operating asstes	-	4,652,888
Long term deposits	-	(5,000)
<b>Net cash (used in) investing activities</b>	<u>(16,398,141)</u>	<u>(14,746,858)</u>
<b>Cash flows from financing activities</b>		
Net (decrease) increase in short term bank borrowings	45,000,000	-
<b>Net cash (used in) financing activities</b>	<u>45,000,000</u>	<u>-</u>
<b>Net (decrease) increase in cash and cash equivalents</b>	38,314,496	(8,208,228)
<b>Cash and cash equivalent at the beginning of the year</b>	35,705,040	18,655,262
<b>Cash and cash equivalent at the end of the year</b>	<u>74,019,536</u>	<u>10,447,034</u>

DATED: APRIL 26, 2016  
PLACE: FAISALABAD:

CHIEF EXECUTIVE

DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2016**

Description	Paid-up Capital Rupees	Accumulated Profits Rupees	Total Rupees
Balance as at July 01, 2014	349,850,000	164,855,317	514,705,317
Total comprehensive income for the period			
Profit for the period	-	5,646,311	5,646,311
Incremental depreciation on revalued assets for the period	-	16,132,824	16,132,824
Remeasurement of defined benefit liability	-	(2,190,384)	(2,190,384)
	-	19,588,751	19,588,751
Balance as at June 30, 2015	349,850,000	184,444,068	534,294,068
Total comprehensive income for the period			
Profit for the period	-	1,014,914	1,014,914
Incremental depreciation on revalued assets for the period	-	11,499,210	11,499,210
	-	12,514,124	12,514,124
Balance as at March 31, 2016	349,850,000	196,958,192	546,808,192

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

DATED: APRIL 26, 2016  
PLACE: FAISALABAD.



CHIEF EXECUTIVE



DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2016**

- 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	
	2016 RUPEES	2015 RUPEES	2016 RUPEES	2015 RUPEES
<b>6 COST OF SALES:</b>				
Raw material consumed	10,556,342	8,585,572	19,967,848	46,863,515
Stores & spares consumed	4,918,589	4,985,631	14,571,259	15,629,693
wages salaries and amenities	19,734,878	19,224,975	60,750,194	60,382,281
Sizing expenses	13,438,320	19,096,804	36,112,629	38,550,049
Repair & Maintenance	(95,820)	636,840	316,678	1,082,956
Fuel & Power	12,822,698	16,733,180	39,290,003	55,398,579
Depreciation	7,185,967	7,520,215	21,464,325	22,416,361
Insurance	887,109	913,572	2,616,475	2,718,475
	<u>69,448,083</u>	<u>77,696,789</u>	<u>195,089,411</u>	<u>243,041,909</u>
<b>Work in process:</b>				
Opening stock	12,326,258	3,767,751	2,665,132	3,106,626
Closing stock	(8,952,842)	(1,810,115)	(8,952,842)	(1,810,115)
	<u>3,373,416</u>	<u>1,957,636</u>	<u>(6,287,710)</u>	<u>1,296,511</u>
	<u>72,821,499</u>	<u>79,654,425</u>	<u>188,801,701</u>	<u>244,338,420</u>
<b>Finished Goods</b>				
Opening stock	1,181,457	21,203,876	6,985,532	25,180,838
Closing stock	(2,711,691)	(19,586,614)	(2,711,691)	(19,586,614)
	<u>(1,530,234)</u>	<u>1,617,262</u>	<u>4,273,841</u>	<u>5,594,224</u>
	<u>71,291,265</u>	<u>81,271,687</u>	<u>193,075,542</u>	<u>249,932,644</u>

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

DATED: APRIL 26, 2015  
PLACE: FAISALABAD.

  
CHIEF EXECUTIVE

  
DIRECTOR