



## 1st Quarterly Accounts

September 30, 2016  
(Un-audited)



**Mahmood Textile Mills Ltd.**





## DIRECTORS' REVIEW

Your Directors are pleased to present the un-audited accounts of the Company for the 1st Quarter ended 30-09-2016. By the Grace of Almighty Allah the Company during the Quarter under report after providing depreciation of Rs. 74,235,117/- and Income Tax of Rs. 36,400,000/- earned net profit of Rs. 69,792,891/-

Future results are unpredictable as local as well as international markets of cotton, yarn & fabrics are volatile and there seems no parity between the cotton and finished products.

The detail of production and sales of yarn and fabrics is tabulated as under:

### **PRODUCTION DATA**

Production of yarn (Converted into 20 count)	=Kgs.	9,510,256
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Production of cloth (Converted into 60 picks)	=Sq.Mtrs.	8,941,338
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### **SALES DATA**

Export sale (Net)	=Rs.	2,899	(Million)
Local sale (Net)	=Rs.	680	(Million)
Total Sales	=Rs.	3,579	(Million)

For and on behalf of the board

Multan:  
Dated: 28th October, 2016

sd/-  
(KHAWAJA MUHAMMAD MASOOD)  
Chairman

## BALANCE SHEET (UN-AUDITED)

As on September 30, 2016

	Un-Audited 30 September 2016 Rupees	Audited 30 June, 2016 Rupees
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2,869,095,732	2,924,820,599
Long term investments	1,233,266,298	1,233,266,298
Long term deposits	8,732,521	8,732,521
	<u>4,111,094,551</u>	<u>4,166,819,418</u>
<b>Current Assets</b>		
Stores, spares and loose tools	179,216,643	173,180,729
Stock-in-trade	1,706,321,139	2,542,956,536
Trade debts	1,554,196,453	1,318,915,400
Loans and advances	1,202,471,254	632,943,147
Other receivables	82,197,025	81,157,583
Short term investments	1,897,800,191	1,515,059,701
Tax refunds due from the Government	260,399,617	240,078,371
Cash and bank balances	34,342,412	24,977,265
	<u>6,916,944,734</u>	<u>6,529,268,732</u>
<b>TOTAL ASSETS</b>	<u>11,028,039,285</u>	<u>10,696,088,150</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Authorized Capital 30,000,000 ordinary shares of Rs.10 each	<u>300,000,000</u>	<u>300,000,000</u>
Issued, subscribed & paid-up capital	150,000,000	150,000,000
Capital Reserve	7,120,600	7,120,600
Unappropriated profit	<u>4,378,344,969</u>	<u>4,308,552,078</u>
	<u>4,535,465,569</u>	<u>4,465,672,678</u>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Long term financing	680,959,534	705,450,363
<b>Current Liabilities</b>		
Trade and other payables	853,490,760	895,955,581
Accrued Mark-up	65,773,092	80,738,104
Short term borrowings	4,399,237,683	4,089,627,222
Current portion of long term liabilities	282,712,647	284,644,202
Taxation	210,400,000	174,000,000
<b>Total Liabilities</b>	<u>5,811,614,182</u>	<u>5,524,965,109</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>11,028,039,285</u>	<u>10,696,088,150</u>

Sd/-  
(KH. MUHAMMAD MASOOD)  
CHAIRMAN

Sd/-  
(KH. MUHAMMAD IQBAL)  
CHIEF EXECUTIVE OFFICER

Sd/-  
(KH. MUHAMMAD YOUNUS)  
DIRECTOR

Sd/-  
(MUHAMMAD AMIN PAL)  
CHIEF FINANCIAL OFFICER

## PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the period ended September 30, 2016

	2016 1st Quarter 30-09-2016 Rupees	2015 1st Quarter 30-09-2015 Rupees
Sales - Net	3,579,159,374	3,391,508,776
Cost of Sales	(3,233,358,834)	(3,139,967,443)
<b>Gross Profit</b>	<b>345,800,540</b>	<b>251,541,333</b>
Distribution Cost	(94,317,241)	(98,463,504)
Administrative expenses	(71,740,973)	(64,232,470)
Other Income	10,366,293	127,451,794
Profit from Operations	190,108,619	216,297,153
Finance cost	(83,915,728)	(85,126,095)
<b>Profit Before Taxation</b>	<b>106,192,891</b>	<b>131,171,058</b>
Taxation	(36,400,000)	(44,250,700)
<b>Profit After Taxation</b>	<b>69,792,891</b>	<b>86,920,358</b>
Earnings per share	4.65	5.79
<b>Cost Of Sales</b>		
Opening Stock	648,289,741	843,555,977
Cost of goods manufactured	3,179,104,464	3,057,763,323
	3,827,394,205	3,901,319,300
Closing Stock	594,035,371	761,351,857
	3,233,358,834	3,139,967,443
<b>Cost of Goods Manufactured</b>		
Raw material consumed	2,456,214,755	2,283,076,203
Stores spares & loose tools	101,592,215	148,888,631
Salaries, wages & benefits	230,392,452	219,574,283
Insurance	20,095,034	23,536,766
Electric power & gas	293,298,250	307,204,339
Repair & maintenance	3,276,641	3,226,700
Depreciation	74,235,117	72,256,401
	3,179,104,464	3,057,763,323

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## CASH FLOW STATEMENT (UN-AUDITED)

For the period ended September 30, 2016

	2016 30-09-2016 Rupees	2015 30-09-2015 Rupees
<b>Cash flows from operating activities</b>		
Profit for the period - before taxation	106,192,891	131,171,058
Adjustments for non-cash charges and other items:		
Depreciation	74,235,117	76,750,083
Fair value (gain)/loss on re-measurement of short term investments	-	(116,198,055)
(Gain) on sale of short term investment	(7,917,295)	-
Return on bank deposits	(875)	-
Financial Cost	83,915,728	85,126,095
<b>Profit before working capital changes</b>	<b>150,232,676</b>	<b>176,849,181</b>
<b>Effect on cash flow due to working changes</b>		
(Increase)/decrease in current assets		
Stores, spares and loose tools	(6,035,914)	(60,665,319)
Stock-in-trade	836,635,397	1,665,921,607
Trade debtors	(235,281,053)	(30,228,156)
Short term investments - net	-	(19,782,716)
Loans and advances and other receivables	(570,567,549)	(238,768,209)
Tax refunds due from the Government	959,959	80,538,042
(Increase)/decrease in trade and other payables	(42,464,820)	(408,281,660)
	(16,753,980)	988,733,588
<b>Cash (used in) generated from operations</b>	<b>239,671,586</b>	<b>1,165,582,769</b>
Income tax paid	(21,281,206)	(31,078,688)
Loans to an executive - net	-	498,217
<b>Net cash (used in)/ generated from operating activities</b>	<b>218,390,381</b>	<b>1,135,002,298</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(18,510,250)	(3,184,602)
Return on bank deposits	875	-
Short term investments	(374,823,195)	-
<b>Net cash used in investing activities</b>	<b>(393,332,570)</b>	<b>(3,184,602)</b>
<b>Cash flow from financing activities</b>		
Long term financing - net	(26,422,384)	(29,563,803)
Short term borrowings - net	309,610,461	(962,904,016)
Finance cost paid	(98,880,741)	(120,794,705)
<b>Net cash generated from/ (used in) financing activities</b>	<b>184,307,337</b>	<b>(1,113,262,524)</b>
<b>Net Increase/ (decrease) in cash and cash equivalents</b>	<b>9,365,147</b>	<b>18,555,172</b>
Cash and cash equivalents - at the beginning of the period	24,977,265	15,137,192
Cash and cash equivalents - at end of the period	<u>34,342,412</u>	<u>33,692,364</u>

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## STATEMENT OF CHANGES IN EQUITY

For the period ended September 30, 2016

	Share Capital Rupees	Capital Reserve Rupees	Un-Appropriated Profit Rupees	Total Rupees
Balance as at June 30, 2015	150,000,000	7,120,600	4,514,710,973	4,671,831,573
<b>Transactions with Owners:</b>				
Final cash dividend for the year ended June 30, 2015 @ Rs. 10/= per share	-	-	(150,000,000)	(150,000,000)
Total comprehensive income for the year ended June 30, 2016	-	-	(56,158,895)	(56,158,895)
Balance as at June 30, 2016	150,000,000	7,120,600	4,308,552,078	4,465,672,678
Profit for 1st quarter 2016	-	-	69,792,891	69,792,891
Balance as at September 30, 2016	150,000,000	7,120,600	4,378,344,969	4,535,465,569

### NOTES TO THE ACCOUNTS

- 1- These accounts are un-audited and are being presented to Members as required under Section 245 of the Companies Ordinance 1984.
- 2- Accounting Policies have been adopted are the same applied in the preparation of Annual Accounts for the year ended 30-06-2016.
- 3- Provision for WPPF has not been made in the accounts and will be provided at the end of the year 30-06-2017.
- 4- Figures are re-arranged where ever necessary for the purposes of comparison and figures are rounded off to the nearest rupee.

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