

MAQBOOL

Textile Mills Limited



FINANCIAL STATEMENTS ***(UN-AUDITED)***

**For the Third Quarter
&
Nine Months period Ended
March 31, 2014**

BOARD OF DIRECTORS

1. Mian Tanvir Ahmad Sheikh - Chairman / C.E.O
2. Mrs. Romana Tanvir Sheikh
3. Mian Anis Ahmad Sheikh
4. Mrs. Rameen Anis Sheikh
5. Mian Idrees Ahmad Sheikh
6. Mian Aziz Ahmad Sheikh
7. Mian Atta Shafi Tanvir Sheikh
8. Syed Raza Abbas Jaffery - Rep. NIT

DIRECTORS' REVIEW

Dear Shareholders,

On behalf of the Board of Directors of the Company, it is my privilege to present before you the Un-Audited Financial Statements of your Company for the 3rd Quarter and Nine Months Ended March 31, 2014.

The period under report has been difficult for the Textile Spinning in Pakistan mainly due to downward revision of Chinese policy of yarn inventory holding, import of yarn from India at low prices, recent radical diminishing value of US Dollar that directly affected yarn exports. Further drastic increase in electricity rates as well as load shedding has materially increased the manufacturing cost.

Keeping in view the above stated circumstances your Company has sustained an after tax loss of Rs. 17.480 Million in the preceding quarter. However, earned a net profit of Rs. 15.903 Million during the Nine Months period ended March 31, 2014.

The difficult period for textile industry still persists and your Company is also facing the same. However, your Directors are endeavoring hard to overcome the challenges and steer the Company out of it with the hope that the market conditions improve.

On behalf of the Board

Place: Multan
Dated: 24-04-2014

Sd/-
Mian Tanvir Ahmad Sheikh
Chairman/C.E.O

BALANCE SHEET AS AT MARCH 31, 2014

	Un-Audited March 31, 2014 Rupees	Audited June 30, 2013 Rupees
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,005,320,176	951,646,443
Long term deposits	5,665,939	5,665,939
	1,010,986,115	957,312,382
CURRENT ASSETS		
Stores and spares	45,649,431	30,993,643
Stock-in-trade	1,144,838,272	505,197,685
Trade debts	559,544,089	603,948,996
Loans and advances	11,262,278	12,749,151
Trade deposits & prepayments	423,409	381,409
Tax refunds due from government	23,294,138	12,349,120
Advance Tax	2,735,039	26,164,007
Cash and bank balances	3,797,755	6,338,486
	1,791,544,411	1,198,122,497
Total Assets	2,802,530,526	2,155,434,879
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share Capital	168,000,000	168,000,000
General Reserve	42,000,000	42,000,000
Unappropriated profits	297,416,060	327,712,860
	507,416,060	537,712,860
SURPLUS ON REVALUATION OF PROPERTY, PLANT & EQUIPMENT		
	150,268,385	150,268,385
NON-CURRENT LIABILITIES		
Long-term financing	208,076,918	204,584,300
Long term loans from related parties	118,781,064	88,166,064
Deferred liabilities	75,743,845	75,978,635
	402,601,827	368,728,999
CURRENT LIABILITIES		
Trade and other payables	455,521,270	361,247,082
Accrued markup	46,437,890	22,910,167
Short-term borrowings	1,141,461,813	592,659,806
Current portion of long term financing	61,666,766	61,666,100
Provision for tax	37,156,515	60,241,480
	1,742,244,254	1,098,724,635
CONTINGENCIES & COMMITMENTS	-	-
Total equity and liabilities	2,802,530,526	2,155,434,879

Sd/-
Mian Tanvir Ahmad Sheikh
Chairman / C.E.O

PROFIT & LOSS ACCOUNT - (UN-AUDITED)

FOR THE PERIOD OF NINE MONTHS ENDED MARCH 31, 2014

	Jul. 01, 2013, to Mar. 31, 2014 Rupees	Jul. 01, 2012, to Mar. 31, 2013 Rupees	Jan. 01, 2014, to Mar. 31, 2014 Rupees	Jan. 01, 2013, to Mar. 31, 2013 Rupees
Sales	3,715,651,493	3,697,130,376	1,370,461,925	1,356,398,572
Cost of goods sold	(3,452,436,134)	(3,341,480,966)	(1,280,530,512)	(1,223,537,268)
Gross Profit	263,215,359	355,649,410	89,931,413	132,861,304
Other operating income	22,693,547	14,114,024	(8,836,422)	3,731,081
	285,908,906	369,763,434	81,094,991	136,592,385
Distribution cost	(68,722,533)	(60,610,571)	(30,750,777)	(21,494,426)
Administrative expenses	(65,753,003)	(57,474,603)	(16,031,048)	(15,596,434)
Other operating expenses	(4,687,026)	(12,607,801)	104,478	(4,953,522)
	(139,162,562)	(130,692,975)	(46,677,347)	(42,044,382)
Finance cost	(93,686,624)	(71,889,875)	(44,656,184)	(29,527,839)
Profit/ (loss) before taxation	53,059,720	167,180,584	(10,238,540)	65,020,164
Provision for Taxation	(37,156,515)	(63,532,799)	(7,242,114)	(32,653,198)
Profit/ (loss) for the period	15,903,205	103,647,785	(17,480,654)	32,366,966
Other comprehensive profit / (loss) For the period - net of tax	-	-	-	-
	15,903,205	103,647,785	(17,480,654)	32,366,966
Earnings/ (loss) per share	0.95	6.17	(1.04)	1.93

Notes to the Accounts

1. These un-audited financial statements are being presented to the shareholders as required under SECP Notification No. SRO 746(1)/2001 dated 05.11.2001 and in accordance with the requirements of International Accounting Standard-34 "Interim Financial Reporting".
2. Accounting policies adopted for the preparation of these quarterly accounts are the same as adopted in the preceding periodic financial statements.
3. Figures in these accounts have been rounded off to the nearest rupee.

Sd/-

Mian Anis Ahmad Sheikh
Director

CASH FLOW STATEMENT - (UN-AUDITED)
FOR THE PERIOD OF NINE MONTHS ENDED MARCH 31, 2014

	March 31, 2014 Rupees	March 31, 2013 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	53,059,720	167,180,585
Adjustments for:		
Depreciation	62,444,974	53,579,112
Provision for gratuity	9,386,234	7,200,000
Finance cost	93,686,624	71,889,875
	165,517,832	132,668,987
Operating cash flows before working capital changes	218,577,552	299,849,572
(Increase)/decrease in current assets:		
Stores and spares	(14,655,788)	(10,160,192)
Stock-in-trade	(639,640,587)	(592,362,946)
Trade debts	44,404,907	(323,443,467)
Loans & advances	1,486,873	19,271,190
Trade deposits and short-term prepayments	(42,000)	261,909
Tax refunds due from government	(10,945,018)	4,317,332
Other receivable	-	213,840
	(619,391,613)	(901,902,334)
(Decrease)/ increase in current liabilities		
Trade & other payables	94,274,188	130,581,852
Cash generated from operations	(306,539,873)	(471,470,910)
Income Tax paid	(36,812,516)	(39,231,659)
Gratuity paid	(9,621,024)	(6,381,470)
Finance cost paid	(70,158,901)	(58,641,833)
	(116,592,440)	(104,254,962)
Net cash generated from operating activities	(423,132,313)	(575,725,872)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(116,118,708)	(337,099,854)
Long-term deposits	-	(11,300)
Redemption of long term investments	-	289,246
Net cash used in investing activities	(116,118,708)	(336,821,908)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt/ Repayment of Long-term finances - net	34,108,284	247,975,399
Short-term borrowings - net	548,802,007	691,553,198
Dividend paid - net	(46,200,000)	(37,800,000)
Net cash used in financing activities	536,710,291	901,728,597
Net increase/(decrease) in cash and cash equivalents	(2,540,731)	(10,819,184)
Cash and cash equivalents at the beginning of the year	6,338,486	15,718,846
Cash and cash equivalents at the end of the period	3,797,755	4,899,662

Sd/-
Mian Idrees Ahmad Sheikh
Director

**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD OF NINE MONTHS ENDED MARCH 31, 2014**

Share Capital	Revenue Reserves		Total
Issued, subscribed and paid-up	General Reserves	Unappropriated profit	

R u p e e s

Balance as at July 01, 2012	168,000,000	42,000,000	191,956,271	401,956,271
Profit for the period	-	-	103,647,786	103,647,786
Other comprehensive income for the period	-	-	-	-
	-	-	103,647,786	103,647,786
Dividend @ Rs. 2.25 per share	-	-	(37,800,000)	(37,800,000)

Balance as at March 31, 2014	168,000,000	42,000,000	257,804,057	467,804,057
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Balance as at July 01, 2013	168,000,000	42,000,000	327,712,860	537,712,860
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Profit for the period	-	-	15,903,205	15,903,205
Other comprehensive income for the period	-	-	-	-

Total comprehensive income	-	-	15,903,205	15,903,205
Dividend @ Rs. 2.75 per share	-	-	(46,200,000)	(46,200,000)

Balance as at March 31, 2014	168,000,000	42,000,000	297,416,065	507,416,065
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Sd/-

**Muhammad Ehsanullah Khan
Chief Financial Officer**

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District Muzaffargarh - PAKISTAN

MILLS UNIT III:

Pir Mahal Rajana Raod, Tehsil Kamalia Distt. T.T. Singh.