

MAQBOOL TEXTILE MILLS LIMITED

Financial Statements **(Un-Audited)**

For the First Quarter Ended
September 30, 2020

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 First Quarter of current financial year ended on September 30, 2020 as required under Notification No. SRO 764(I)/2001 dated 05-11-2001 of the SECP and in accordance with the requirements of International Accounting Standard No. 34 "Interim Financial Reporting".

Despite challenges at internal as well as external fronts, especially owing to the outbreak of coronavirus pandemic, decreasing production of cotton crop in the country due to non-availability of good quality seeds, disparity between the comparative prices of raw material (cotton & polyester) and yarn alongwith the substantial increase in financial cost effected the financial net results of the Company for the quarter. Your Directors, however, adopted the prudent strategy to put the company back on growth as is evident from the Company's financial indicators. The performance of your Company during the quarter was satisfactory and earned Net After Tax Profit for the First Quarter ended on September 30, 2020 at Rs.19,680,624/- as compared to the Net After Tax Profit of Rs.12,692,966/- for the same period last year.

Your Directors hope that cotton crop of Pakistan will improve in coming years for which the government must take effective measures to control issues of domestic cotton production by improving seed quality and technology to avoid cotton leaf curl virus, pink boll worm, white fly etc.

Your Directors hope that, by the grace of Almighty Allah, your Company will achieve better financial results for the remaining period of the current financial year to end on June 30, 2021.

On behalf of the Board

Sd/-

Mian Tanvir Ahmad Sheikh
Chairman

Place: Multan

Dated: 28-10-2020

مقبول ٹیکسٹائل ملز لمیٹڈ - ملتان

ڈائریکٹران کا جائزہ

محترم حصص داران،

سیکوریٹیز اینڈ انویسٹمنٹس آف پاکستان کے جاری کردہ ایس آر اے 2001/200 (I) 764 تاریخ 05 نومبر 2001ء اور بین الاقوامی اکاؤنٹنگ کے معیار نمبر 34 "اطلاع برائے معیادہ مدت کے مالیاتی نتائج" کے مطابق آپ کے ڈائریکٹران کی جانب سے کمپنی کے پہلی سہ ماہی اختتام 30 ستمبر 2020ء کے غیر آڈٹ شدہ مالیاتی نتائج پیش کرتی ہوں۔

بے شمار اندرونی و بیرونی چیلنجز کے باوجود، بالخصوص کرونا وائرس، کپاس کی پیداوار میں کمی، خام مال (کپاس اور پولیسٹر) اور دھواگے کے تقابلی نرخوں میں فرق اور فنانس لاگت میں اضافے کی وجہ سے، کمپنی کے پہلی سہ ماہی کے حتمی مالیاتی نتائج متاثر ہوئے۔ تاہم آپ کے ڈائریکٹران نے بہترین حکمت عملی اپناتے ہوئے کمپنی کو ترقی کی راہ پر گامزن کیا۔ نتیجتاً آپ کی کمپنی کی پہلی سہ ماہی اختتام 30 ستمبر 2020ء میں بعد از ٹیکس منافع مبلغ 19,680,624 روپے تھا جو کہ پچھلے سال بعد از ٹیکس منافع مبلغ 12,692,966 روپے تھا۔

آپ کے ڈائریکٹران امید کرتے ہیں کہ آنے والے دنوں میں کپاس کی فصل کی پیداوار میں بہتری کے لئے حکومت پاکستان موزوں اقدامات اٹھائے گی۔ جس سے نہ صرف بیج کے معیار، کپاس کی کوالٹی و مقدار میں بہتری آئے گی۔ نتیجتاً اچھی، غیر آلودہ اور کیڑوں سے پاک کپاس ملکی سطح پر دستیاب ہوگی۔

آپ کے ڈائریکٹران امید کرتے ہیں کہ اللہ تعالیٰ کی مہربانی سے آپ کی کمپنی 30 جون 2021ء میں اختتام ہونے والے مالیاتی سال کے بقا مدت میں بہتر نتائج حاصل کرے گی۔

بحکم بورڈ آف ڈائریکٹرز

دستخط

میاں تنویر احمد شیخ - چیئر مین

ملتان - بتاریخ 28 اکتوبر 2020ء

BALANCE SHEET
AS AT SEPTEMBER 30, 2020
(Un-Audited)

	September 30, 2020 Rupees	June 30, 2020 Rupees
ASSETS		
Non-current assets		
Property, plant and equipment	2,811,614,993	2,787,728,910
Long term deposits	8,181,889	8,181,889
	2,819,796,882	2,795,910,799
Current assets		
Stores and spares	61,051,498	61,100,864
Stock in trade	1,020,917,017	1,381,199,453
Trade debts	556,118,196	599,099,932
Loans and advances	97,867,680	100,320,310
Due from government	149,993,458	153,999,330
Advance tax	113,873,149	108,749,891
Cash and bank balances	28,037,218	35,504,251
	2,027,858,216	2,439,974,031
Total assets	4,847,655,098	5,235,884,830
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	168,000,000	168,000,000
General reserve	168,000,000	168,000,000
Surplus on revaluation of property, plant and equipment - net of deferred tax	1,122,891,519	1,133,642,519
Unappropriated profits	455,610,626	425,179,002
	1,914,502,145	1,894,821,521
Non-current liabilities		
Long term financing	429,565,575	288,553,256
Long term loans from related parties	56,460,217	55,083,139
Liabilities against assets subject to finance lease	11,540,455	12,302,245
Deferred taxation	344,004,812	345,219,432
Staff retirement benefits - gratuity	38,830,085	37,953,766
	880,401,144	739,111,838
Current liabilities		
Trade and other payables	308,970,491	363,392,411
Accrued mark up	41,178,083	57,472,099
Short term borrowings	1,481,082,095	2,025,910,229
Unclaimed dividend	3,052,032	3,052,032
Unpaid dividend	4,710,213	9,851,010
Current portion of long term financing	107,132,960	58,123,114
Current portion of liabilities subject to finance lease	2,225,610	2,380,410
Provision for tax	104,400,324	81,770,166
	2,052,751,808	2,601,951,471
Contingencies and commitments	-	-
Total equity and liabilities	4,847,655,098	5,235,884,830

Chief Executive Officer

Director

Chief Financial Officer

PROFIT AND LOSS ACCOUNT
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020
(Un-Audited)

	September 30, 2020 Rupees	September 30, 2019 Rupees
Sales	1,626,280,095	1,594,509,255
Cost of goods sold	(1,484,884,718)	(1,458,534,288)
Gross Profit	141,395,377	135,974,967
Other operating income	-	-
	141,395,377	135,974,967
Distribution cost	(14,690,586)	(14,738,702)
Administrative expenses	(32,825,156)	(29,357,463)
Other operating expenses	(2,503,151)	(7,492,508)
	(50,018,893)	(51,588,673)
Finance cost	(47,602,082)	(52,688,900)
Profit before taxation	43,774,402	31,697,394
Provision for Taxation	(24,093,778)	(19,004,428)
Profit for the period	19,680,624	12,692,966
Other comprehensive profit/(loss) for the period - net of tax	-	-
	19,680,624	12,692,966
Earnings per share	1.17	0.76

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.

Chief Executive Officer

Director

Chief Financial Officer

CASH FLOW STATEMENT

FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020

(Un-Audited)

	September 30, 2020 Rupees	September 30, 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	43,774,402	31,697,394
Adjustments for:		
Depreciation	32,175,439	30,000,000
Provision for gratuity	7,365,110	7,025,450
Finance cost	47,602,082	52,688,900
	<u>87,142,631</u>	<u>89,714,350</u>
Operating cash flows before working capital changes	130,917,033	121,411,744
(Increase)/decrease in current assets		
Stores and spares	49,366	(1,311,979)
Stock-in-trade	360,282,436	123,608,573
Trade debts	42,981,736	30,256,745
Loans and advances	2,452,630	8,358,731
Due from government	4,005,872	11,865,987
	<u>409,772,040</u>	<u>172,778,057</u>
(Decrease)/increase in current liabilities		
Trade and other payables	(54,421,920)	(100,918,424)
Cash generated from operations	<u>486,267,153</u>	<u>193,271,377</u>
Income tax paid	(7,801,498)	(4,579,952)
Gratuity paid	(6,488,791)	(6,569,327)
Finance cost paid	(62,519,020)	(46,474,719)
	<u>(76,809,309)</u>	<u>(57,623,998)</u>
Net cash generated from operating activities	<u>409,457,844</u>	<u>135,647,380</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(56,061,521)	(16,322,742)
Net cash used in investing activities	(56,061,521)	(16,322,742)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from /(repayment) of long-term finances	189,105,575	37,569,323
(Repayments) of short-term borrowings - net	(544,828,134)	(166,895,195)
Dividend paid	(5,140,797)	-
Net cash used in financing activities	<u>(360,863,356)</u>	<u>(129,325,872)</u>
Net increase/(decrease) in cash and cash equivalents	<u>(7,467,033)</u>	<u>(10,001,235)</u>
Cash and cash equivalents at the beginning of the year	35,504,251	20,709,594
Cash and cash equivalents at the end of the period	<u>28,037,218</u>	<u>10,708,359</u>

Chief Executive Officer

Director

Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020
(Un-Audited)**

	Share capital	Capital Reserves	Revenue reserves		Total
	Issued, subscribed and paid-up	Surplus on revaluation of property, plant and equipment	General reserve	Unappropriated profit	
	----- Rupees -----				
Balance as at July 01, 2019	168,000,000	1,187,724,930	168,000,000	370,168,634	1,893,893,564
Profit for the quarter ended September 30, 2019	-	-	-	12,692,966	12,692,966
Other comprehensive income for the period	-	-	-	-	-
	-	-	-	12,692,966	12,692,966
Transfer to unappropriated profit on account of incremental depreciation on surplus of revaluation of property, plant & machinery	-	(10,256,005)	-	10,256,005	-
Balance as at September 30, 2020	168,000,000	1,177,468,925	168,000,000	393,117,605	1,906,586,530
Balance as at July 01, 2019	168,000,000	1,133,642,519	168,000,000	425,179,002	1,894,821,521
Profit for the quarter ended September 30, 2019	-	-	-	19,680,624	19,680,624
Other comprehensive income for the period	-	-	-	-	-
	-	-	-	19,680,624	19,680,624
Transfer to unappropriated profit on account of incremental depreciation on surplus of revaluation of property, plant & machinery	-	(10,751,000)	-	10,751,000	-
Balance as at September 30, 2020	168,000,000	1,122,891,519	168,000,000	455,610,626	1,914,502,145

Chief Executive Officer

Director

Chief Financial Officer

www.maqboolgroup.com