

# **MQBOOL**

## **TEXTILE MILLS LIMITED.**

Third Quarter and Nine Months Unaudited Financial Statements  
for the Period Ended 31st March, 2021

## **DIRECTORS' REVIEW**

Dear Shareholders,

Your Directors are pleased to present before you the financial statements of your Company for the nine months period and the third quarter ending on March 31, 2021.

During the period under report, the prices of raw material i.e. Cotton, Polyester Fibre & Viscose increased significantly without corresponding increase in prices of yarn. Despite the above, your Company has achieved better financial results due to better quality production and best marketing. The total sales, for the period were **Rs.5,302,776,192/-** & **Rs.1,866,825,509/-** for the nine months and the third quarter ended on March 31, 2021 respectively as compared to **Rs. 4,863,158,948/-** & **Rs.1,588,647,603/-** for the nine months and the third quarter respectively last year. Under the circumstances, your Company earned **Pre-Tax Profit of Rs.136,494,690/-** for the nine months period ending on March 31, 2021 which after providing the tax liability amounted to **Rs.51,310,383/-** and for the third quarter ending on March 31, 2021 the **Pre-Tax profit of Rs.19,407,487/-** which after providing the tax liability amounted to **Rs.19,223,150/-**

We sincerely believe and hope that by the grace of Almighty Allah the current situation improves soon and mills will start its operations where after the recovery of financial position of the Company is expected.

On behalf of the Board

Sd/-

**Mian Tanvir Ahmad Sheikh**

Chairman

Place: Multan

Dated: 23-04-2021

**BALANCE SHEET**  
**AS AT MARCH 31, 2021**  
**(Un-Audited)**

	<b>March 31, 2021 Rupees</b>	<b>June 30, 2020 Rupees</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,897,058,775	2,787,728,910
Long term deposits	10,266,514	8,181,889
	2,907,325,289	2,795,910,799
<b>Current assets</b>		
Stores and spares	93,789,266	61,100,864
Stock in trade	1,173,646,879	1,381,199,453
Trade debts	556,714,690	599,099,932
Loans and advances and prepayments	135,795,314	100,320,310
Due from Government	181,948,328	153,999,330
Advance tax	90,085,663	108,749,891
Cash and bank balances	42,522,559	35,504,251
	2,274,502,698	2,439,974,031
<b>Total assets</b>	<b>5,181,827,987</b>	<b>5,235,884,830</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
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	1,104,999,653	1,133,642,519
Unappropriated profits	505,132,251	425,179,002
	1,946,131,904	1,894,821,521
<b>Non-current liabilities</b>		
Long term financing	351,814,232	288,553,256
Deferred grant	13,411,987	-
Long term loans from related parties	73,383,139	55,083,139
Lease liabilities	8,777,413	12,302,245
Deferred taxation	380,902,107	345,219,432
Staff retirement benefits - gratuity	37,233,522	37,953,766
	865,522,400	739,111,838
<b>Current liabilities</b>		
Trade and other payables	460,675,773	363,392,411
Accrued mark up	44,997,735	57,472,099
Short term borrowings	1,574,913,355	2,025,910,229
Unclaimed dividend	3,052,032	3,052,032
Unpaid dividend	6,711,207	9,851,010
Current portion of long term financing	215,732,928	58,123,114
Current portion of deferred grant	5,398,530	-
Current portion of lease liabilities	3,743,446	2,380,410
Provision for tax	54,948,675	81,770,166
	2,370,173,682	2,601,951,471
<b>Contingencies and commitments</b>	-	-
<b>Total equity and liabilities</b>	<b>5,181,827,987</b>	<b>5,235,884,830</b>

Chief Executive Officer

Director

Chief Financial Officer

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED MARCH 31, 2021  
(Un-Audited)**

	<b>Jul. 01, 2020 to Mar. 31, 2021 Rupees</b>	<b>Jul. 01, 2019 to Mar. 31, 2020 Rupees</b>	<b>Jan. 01, 2021 to Mar. 31, 2021 Rupees</b>	<b>Jan. 01, 2020 to Mar. 31, 2020 Rupees</b>
Sales	5,302,776,192	4,863,158,948	1,866,825,509	1,588,647,603
Cost of goods sold	(4,844,918,086)	(4,390,287,825)	(1,734,111,846)	(1,452,891,484)
<b>Gross Profit</b>	<b>457,858,106</b>	<b>472,871,123</b>	<b>132,713,663</b>	<b>135,756,119</b>
Other operating income	520,626	773,408	-	749,894
	<b>458,378,732</b>	<b>473,644,531</b>	<b>132,713,663</b>	<b>136,506,013</b>
Distribution cost	(40,989,423)	(51,255,236)	(12,406,733)	(17,516,573)
Administrative expenses	(119,149,707)	(94,738,575)	(36,866,990)	(22,838,101)
Other operating expenses	(8,394,793)	(11,376,909)	595,941	6,713,715
	<b>(168,533,923)</b>	<b>(157,370,720)</b>	<b>(48,677,782)</b>	<b>(33,640,959)</b>
Finance cost	(153,350,119)	(199,284,130)	(64,628,394)	(67,736,136)
<b>Profit before taxation</b>	<b>136,494,690</b>	<b>116,989,681</b>	<b>19,407,487</b>	<b>35,128,918</b>
Provision for Taxation	(85,184,307)	(75,790,399)	(184,337)	(19,879,600)
<b>Profit for the period</b>	<b>51,310,383</b>	<b>41,199,282</b>	<b>19,223,150</b>	<b>15,249,318</b>
Other comprehensive profit/(loss) for the period - net of tax	-	-	-	-
	<b>51,310,383</b>	<b>41,199,282</b>	<b>19,223,150</b>	<b>15,249,318</b>
Earnings per share	3.05	2.45	1.14	0.91

**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 PERIOD ENDED MARCH 31, 2021**  
*(Un-Audited)*

	<b>March 31, 2021 Rupees</b>	<b>March 31, 2020 Rupees</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	136,494,690	116,989,681
Adjustments for:		
Depreciation	94,500,000	94,475,080
Provision for gratuity	22,095,329	21,536,346
Finance cost	153,350,119	199,284,130
	<u>269,945,448</u>	<u>315,295,556</u>
Operating cash flows before working capital changes	406,440,138	432,285,237
<b><i>(Increase)/decrease in current assets</i></b>		
Stores and spares	(32,688,402)	(1,863,023)
Stock-in-trade	207,552,574	(402,237,676)
Trade debts	42,385,242	42,874,043
Loans and advances	(35,475,004)	376,573
Tax refunds due from government	(27,948,998)	3,029,411
	<u>153,825,413</u>	<u>(357,820,671)</u>
<b><i>(Decrease)/increase in current liabilities</i></b>		
Trade and other payables	116,093,879	(164,469,840)
Cash generated from operations	<u>676,359,430</u>	<u>(90,005,274)</u>
Income tax paid	(57,658,895)	(65,594,435)
Gratuity paid	(22,815,573)	(12,394,747)
Finance cost paid	(165,824,483)	(171,947,386)
	<u>(246,298,950)</u>	<u>(249,936,569)</u>
<b><i>Net cash generated from operating activities</i></b>	<b>430,060,479</b>	<b>(339,941,843)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment	(203,829,865)	(113,491,895)
Long-term deposits	(2,084,625)	(2,411,400)
<b><i>Net cash used in investing activities</i></b>	<b>(205,914,490)</b>	<b>(115,903,295)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Acquired/(Repayment) of Long-term finances	237,008,994	113,043,360
Short-term borrowings - net	(450,996,874)	342,694,374
Dividend paid	(3,139,803)	(17,785,641)
<b><i>Net cash used in financing activities</i></b>	<b>(217,127,683)</b>	<b>437,952,093</b>
Net increase/(decrease) in cash and cash equivalents	<u>7,018,307</u>	<u>(17,893,045)</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	<b><u>42,522,559</u></b>	<b><u>2,816,550</u></b>

Chief Executive Officer

Director

Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED MARCH 31, 2021  
(Un-Audited)**

	Share capital	Capital Reserve	Revenue reserves		Total
	Issued, subscribed and paid-up	Surplus on revaluation of Property, Plant and Equipment	General reserve	Unappropriated profit	
	----- Rupees -----				
<b>Balance as at July 01, 2019</b>	168,000,000	1,187,724,932	168,000,000	370,168,634	1,893,893,566
Profit for the nine months ended March 31, 2020	-	-	-	41,199,282	41,199,282
Other comprehensive income for the period	-	-	-	-	-
	-	-	-	41,199,282	41,199,282
<b>Transactions with shareholders:</b>					
Dividend for the year ended June 30, 2019 @ Rs. 1.75 per share	-	-	-	(29,400,000)	(29,400,000)
Transfer to unappropriated profit on account of incremental depreciation on surplus of revaluation of property, plant & machinery	-	(35,249,332)	-	35,249,332	-
<b>Balance as at March 31, 2020</b>	<b>168,000,000</b>	<b>1,152,475,600</b>	<b>168,000,000</b>	<b>417,217,248</b>	<b>1,905,692,848</b>
<b>Balance as at July 01, 2020</b>	168,000,000	1,133,642,519	168,000,000	425,179,002	1,894,821,521
Profit for the nine months ended March 31, 2021	-	-	-	51,310,383	51,310,383
Transfer to unappropriated profit on account of incremental depreciation on surplus of revaluation of property, plant & machinery	-	(28,642,866)	-	28,642,866	-
<b>Balance as at March 31, 2021</b>	<b>168,000,000</b>	<b>1,104,999,653</b>	<b>168,000,000</b>	<b>505,132,251</b>	<b>1,946,131,904</b>

Chief Executive Officer

Director

Chief Financial Officer