

COMPANY INFORMATION

BOARD OF DIRECTORS:

CHIEF EXECUTIVE:
DIRECTORS:

MR. ZAHID ANWAR
MRS. RUKHSANA BEGUM
MR. IMRAN ZAHID
MR. ZEESHAN ZAHID
CH. GHULAM MURTAZA BUTTAR
MR. ZULQARNAIN
MR. ALI RAZA ZAFAR

AUDIT COMMITTEE:

CHAIRMAN:
MEMBER:
MEMBER:

MR. ZULQARNAIN
MR. ZEESHAN ZAHID
CH. GHULAM MURTAZA BUTTAR

HUMAN RESOURCES & REMUNERATION COMMITTEE:

CHAIRMAN:
MEMBER:
MEMBER:

MR. ALI RAZA ZAFAR
MR. ZEESHAN ZAHID
CH. GHULAM MURTAZA BUTTAR

COMPANY SECRETARY:

MR. ALLAH DITTAH

CHIEF FINANCIAL OFFICER:

MR. ABRAR MOHSIN

AUDITORS:

M/S ARSHAD RAHEEM & CO.
CHARTERED ACCOUNTANTS

BANKS:

AL BARAKA BANK (PAKISTAN) LIMITED
JS BANK LIMITED
NATIONAL BANK OF PAKISTAN
UNITED BANK LIMITED
DUBAI ISLAMIC BANK
HABIB BANK LIMITED

LEGAL ADVISOR:

MR. ZIA-UL-HAQ (ADVOCATE)

REGISTERED OFFICE:

JK HOUSE, 32-W, SUSAN ROAD,
MADINA TOWN, FAISALABAD

SHARE REGISTRAR OFFICE:

HAMEED MAJEED ASSOCIATES (PVT) LTD
1ST FLOOR, H.M HOUSE, 7-BANK SQUARE
LAHORE.

MILLS:

32-KM, SHEIKHUPURA ROAD, FAISALABAD

WEB SITE:

www.asimtextile.com

ASIM TEXTILE MILLS LIMITED
DIRECTORS' REPORT TO THE MEMBERS

Your directors are pleased to present 1st quarter accounts for the period ended September 30, 2018.

The Company has earned net Profit of Rs 18.781 million as compared to net Profit of Rs 7.949 million of corresponding quarter of last year. The increase in prices of yarn has resulted increase profit during the current period as compared to the corresponding quarter of last year.

Profit per share for this quarter is Rs. 1.24 as compared to profit per share of Rs. 0.52 during corresponding quarter of last year.

There has been no change in the position of on going court cases with the bank, as reported in the director's report of the financial statements for the year ended 30.06.2018.

Transactions with related parties are carried out at arms length. The prices are determined in accordance with comparable uncontrolled price method.

The management would like to place on record its appreciation for the continuous support of its shareholders, customers and employees and expect to receive same cooperation in future.

October 29, 2018

Faisalabad.

For and on behalf of the Board


ZAHID ANWAR

Chief Executive Officer

عام ٹیکسٹائل ملز لمیٹڈ کے حصہ داران کے لیے ڈائریکٹرز رپورٹ
ڈائریکٹروں کی طرف سے پہلی سرمایہ 30 ستمبر 2018 کی رپورٹ حاضر خدمت ہے

آپ کی کمپنی نے اس سرمایہ میں مبلغ 1.8781 کروڑ روپے کا خاص منافع کمایا جبکہ پچھلے سال اسی عرصہ کے دوران کمپنی کو مبلغ 0.7949 کروڑ روپے کا منافع ہوا تھا۔ اس عرصہ میں منافع کی وجہ دھانے کا
ایکھڑنوں میں فروخت ہونا ہے۔ اور بہتر پیداوار ہے۔

اس سرمایہ میں فی حصہ آمدنی (EPS) مبلغ 1.241 روپے ہے۔ جبکہ پچھلے سال کی اس سرمایہ میں فی حصہ منافع 0.52 روپے ہوا تھا۔

بینک کے ساتھ عدااتی مقدمات اسی پوزیشن میں ہیں 30 جون 2018 سے اب تک ان میں کوئی تبدیلی نہیں آئی۔

ٹیکسٹائل مارکیٹ کے حالات اظہار اور چانس کے ساتھ مطابقت نہ ہونے کی وجہ سے دباؤ کا شکار ہے ان حالات کے باوجود آپ کی کمپنی نے بہتر نتائج دیئے۔ جو کہ اس بات کی بھی نشان دہی ہے کہ کمپنی کو اپنا
کاروبار جاری رکھنے کے لئے کوئی مشکل درپیش نہیں ہے۔

ریٹیلڈ پارٹنرز کے ساتھ لین دین آرم لینتھ ٹرانزیکشن کے تحت کی گئی ہیں

ہم اپنے معزز خریداروں، حصہ داروں کے تعاون اور شرافت ممبران کی اعلیٰ محنت کی قدر کرتے ہیں۔ اور اللہ تعالیٰ سے دعا گو ہیں کہ وہ ہمیشہ اپنی رحمت کا سایہ ہم پر رکھے۔ اور آئندہ اوقات اچھا ہوا آمین

یہ آئی ڈی ایچ کے نام سے
ڈیپٹی مینیجنگ ڈائریکٹر
ڈیپٹی مینیجنگ ڈائریکٹر

تاریخ: 29 اکتوبر 2018

فیصل آباد

ASIM TEXTILE MILLS LIMITED

CHAIRMAN, S REVIEW

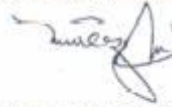
We are pleased to present the financial results of the Company. The Sale has decreased of this quarter as compared to the corresponding quarter of the last year. But due to decrease of expenses related to cost of sales and increase in prices of yarn the profit has increased to Rs. 18.781 million as compared to corresponding quarter of last year.

We are confident that our existing business trend will continue adding to sustainable growth to achieve better results during the current year.

The management remains committed to maintain focus on sustaining the financial performance of your company. We thank our shareholders, customers, bankers and staff for their support and trust in the company.

In the end, I would like to thank the Board of Directors for their valuable contribution and guidance throughout the period.

For and on behalf of the Board



CH.GHULAM MURTAZA BUTTAR

Chairman BOD

October 29, 2018

Faisalabad.

ASIM TEXTILE MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2018

		Un-audited September 30, 2018	Audited June 30, 2018
	Note	{ R U P E E S }	
NON CURRENT ASSETS			
Property, plant and equipment	5	483,775,580	489,408,281
Long term deposits		15,038,156	15,038,156
		<u>498,813,736</u>	<u>504,446,437</u>
CURRENT ASSETS			
Stores and spares		12,466,780	11,646,158
Stock in trade		166,091,184	170,833,538
Trade debts		48,453,768	45,030,153
Advances and prepayments	6	55,875,693	6,052,467
Short term investment		19,983,958	19,929,127
Balance with statutory authorities		27,036,217	32,033,872
Cash and bank balances		100,126,191	120,898,354
		430,033,791	406,423,670
		<u>928,847,527</u>	<u>910,870,107</u>
SHARE CAPITAL AND RESERVES			
Authorized capital			
17,500,000 ordinary shares of Rs.10 each		175,000,000	175,000,000
Issued, subscribed and paid up capital			
15,177,000 ordinary shares of Rs. 10 each, fully paid in cash		151,770,000	151,770,000
Accumulated loss		(192,877,027)	(213,784,444)
Surplus on revaluation of property plant and equipment	7	197,776,592	199,848,464
		<u>156,669,565</u>	<u>137,834,020</u>
NON CURRENT LIABILITIES			
Deferred liabilities	8	110,075,181	110,561,743
CURRENT LIABILITIES			
Trade and other payables		50,350,652	50,722,215
Accrued mark up		194,161,422	194,161,422
Short term borrowing		417,590,707	417,590,707
		662,102,781	662,474,344
CONTINGENCIES AND COMMITMENTS			
	9	<u>928,847,527</u>	<u>910,870,107</u>

The annexed notes 1 to 14 form an integral part of the condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

ASIM TEXTILE MILLS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018

	Note	Quarter Ended	
		September 30, 2018	September 30, 2017
		(R U P E E S)	
Sales-net		360,835,817	375,393,200
Cost of sales	10	323,973,594	360,289,049
Gross profit		36,862,223	15,104,151
Operating expenses			
Administrative expenses		9,186,372	5,836,127
Other operating expenses		2,138,620	807,995
		11,324,992	6,644,122
		25,537,231	8,460,029
Other operating income		2,265,181	1,524,876
		27,802,412	9,984,905
Finance cost		11,187	8,497
Profit) before taxation		27,791,225	9,976,408
Taxation		9,010,511	2,027,553
Profit for the period		18,780,714	7,948,855
Profit per share - Basic and diluted		1.24	0.52

The annexed notes 1 to 14 form an integral part of the condensed interim financial information.


CHIEF EXECUTIVE OFFICER



DIRECTOR


CHIEF FINANCIAL OFFICER

ASIM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018

	Quarter Ended	
	September 30, 2018	September 30, 2017
	{ R U P E E S }	
Profit for the period	18,780,714	7,948,855
Other comprehensive income:		
Items that will not be reclassified subsequently to profit or loss		
Unrealized income on changes in fair value of investment	54,831	(2,165,152)
Total comprehensive income / (loss) for the period	18,835,545	5,783,703

The annexed notes 1 to 14 form an integral part of the condensed interim financial inform


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

ASIM TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018

	Quarter Ended	
	September 30, 2018	September 30, 2017
	{ R U P E E S }	
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	27,791,225	9,976,408
Adjustments for non cash and other items		
Depreciation	6,134,253	6,237,742
Profit on deposit accounts	(1,313,629)	(1,524,876)
Profit on disposal	(951,552)	-
Finance cost	11,187	8,497
Cash generated before changes in working capital	31,671,484	14,697,771
Changes in working capital		
(Increase)/decrease in current assets		
Stores and spares	(820,622)	1,225,114
Stock in trade	4,742,354	69,792,709
Trade debts	(3,423,615)	(4,400,883)
Advances, prepayments	(49,862,060)	(42,547,006)
Tax refunds due from Government	(624,877)	(841,141)
Increase / (decrease) in current liabilities	(371,563)	1,285,537
Trade and other payables	(50,360,383)	24,514,330
Cash generated from operations	(18,688,899)	39,212,101
Finance cost paid	(11,187)	(8,497)
Taxes paid	(3,874,541)	(4,387,086)
Net cash generated from operating activities	(3,885,728)	(4,395,583)
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Addition in property, plant and equipment	(550,000)	(2,914,000)
Addition in investment	-	-
Long term deposits	1,000,000	-
Insurance Claim	1,352,464	1,524,876
Net cash used in operating activities	1,802,464	(1,389,124)
Net increase / (decrease) in cash and cash equivalents	(20,772,163)	33,427,394
Cash and cash equivalents at the beginning of the period/year	120,898,354	102,152,147
Cash and cash equivalents at the end of the period/year	100,126,191	135,579,541

The annexed notes 1 to 14 form an integral part of the condensed interim financial information.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

ASIM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018

capital	Revaluation surplus on plant and Equipment	Accumulated loss	Total	
(R U P E E S)				
Balance as at July 01, 2017	151,770,000	-	(281,343,466)	(109,573,466)
Total comprehensive income	-	-	5,783,703	5,783,703
Profit/Loss for the year	-	-	7,948,855	7,948,855
Other comprehensive income	-	-	(2,165,152)	(2,165,152)
Incremental depreciation on revalued property, plant and equipment for the period	-	-	3,130,230	3,130,230
Tax effect on incremental depreciation	-	-	(963,472)	(963,472)
Balance as at September 30, 2017	<u>151,770,000</u>	<u>-</u>	<u>(253,393,005)</u>	<u>(101,623,005)</u>
Balance as at July 01, 2018	151,770,000	199,848,464	(213,784,444)	137,834,020
Profit for the year	-	-	18,780,714	18,780,714
Surplus on revaluation adjusted	-	-	-	-
Other comprehensive income	-	-	54,831	54,831
Transfer of incremental depreciation on revalued assets for the period	-	(2,959,817)	2,959,817	-
Tax effect on incremental depreciation	-	887,945	(887,945)	-
Balance as at September 30, 2018	<u>151,770,000</u>	<u>197,778,592</u>	<u>(192,877,027)</u>	<u>156,669,565</u>

The annexed notes 1 to 14 form an integral part of the condensed interim financial information.


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 CHIEF FINANCIAL OFFICER

ASIM TEXTILE MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018

1. COMPANY AND ITS OPERATIONS

- 1.1 The Company is limited by shares and incorporated in Pakistan under the repealed Companies Ordinance, 1984. Its shares are quoted at Karachi, Islamabad and Lahore stock exchanges, with effect from January 11, 2018 all three Stock Exchanges merged into Pakistan Stock Exchange. The principal business of the Company is manufacturing and sale of yarn. The Mill is situated at Tehsil Jaranwala, District Faisalabad in the Province of Punjab and the registered office of the Company is situated at JK House, 32-W, Susan Road, Madina Town, Faisalabad.

2. STATEMENT OF COMPLIANCE

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34 'Interim Financial Reporting' as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of company as at and for the year ended June 30, 2018.

These condensed interim financial statements comprise of condensed interim balance sheet, condensed interim profit and loss accounts, condensed interim statement of comprehensive income, condensed interim statement of cash flow and condensed interim statement of changes in equity together with the selected notes for the first quarter ended September 30, 2018.

3. SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and methods of computation which have been used in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended June 30, 2018.
- 3.2 Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the company's operations or did not have any impact on the accounting policies of the company.

4. ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

- 4.1 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.
- 4.2 Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied in the financial statements as at and for the year ended June 30, 2018.
- 4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

5. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets-tangible

	Un-Audited September 30, 2018	Audited June 30, 2018
	{ R U P E E S }	
Opening balance - (NBV)	489,408,281	510,216,895
Addition at cost during the period / year	550,000	(3,155,531)
Deletion (NBV)	(1,101,580)	-
	488,856,701	507,061,365
Depreciation charged for the period	(5,081,121)	(17,653,084)
	<u>483,775,580</u>	<u>489,408,281</u>

6. ADVANCES PREPAYMENTS AND OTHER RECEIVABLES

	<u>86,876,603</u>	<u>6,052,467</u>
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Un-Audited September 30,	Audited June 30,
2018	2018
(R U P E E S)	

7. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

Balance as on July 01,	199,848,464	208,793,666
Surplus on revaluation created during the period	-	(159,653)
	199,848,464	208,634,013
Incremental depreciation on revalued property, plant and equipment for the period	(2,959,817)	(12,520,923)
Related effect of deferred tax liability	887,945	3,735,374
	(2,071,872)	(8,785,549)
Balance as on Sep. 30,	197,776,592	199,848,464

First revaluation of company's building on freehold land and plant & machinery was carried out as on September 30, 1995 by an independent valuer M/s Iqbal A. Nanjee & Co. Lahore on the basis of depreciated replacement values.

Second revaluation of company's freehold land, building on freehold land and plant and machinery has been carried out on September 30, 2000 by an independent valuer Inspectorates Corporation International (Pvt) Limited, Lahore and the same has been verified by SBP's approved auditors on the basis of depreciated replacement values.

Third revaluation of company's freehold land, building on freehold land, plant and machinery and electric installations has been carried out on June 30, 2012 by an independent valuer M/s Nizamy Associates, Faisalabad on the basis of depreciated replacement values.

Fourth revaluation of company's freehold land, building on freehold land, plant and machinery and electric installations has been carried out on September 30, 2018 by an independent valuer M/s Amir Evaluators & Consultants, Peshawar on the basis of depreciated replacement values.

8. DEFERRED LIABILITIES

Deferred taxation	8.1	109,478,356	109,964,918
Staff retirement gratuity	8.2	596,825	596,825
		110,075,181	110,561,743

8.1 DEFERRED TAXATION

Balance as on July 01,	109,964,918	111,620,223
Provided/(Adjusted) during the period	(486,562)	(1,655,305)
Balance as on September 30,	109,478,356	109,964,918
This comprise of following:		
Deferred tax liability:		
Taxable temporary differences relating to operating assets	32,763,797	32,381,417
Taxable temporary differences relating to surplus on revaluation of property, plant and equipment	76,873,607	77,761,562
Deferred tax assets:		
Deductible temporary differences on tax losses		
Staff retirement benefits	(179,048)	(178,051)
	109,478,356	109,964,918

The liability of deferred tax has been computed by applying the tax rate of 30%

Deferred tax debit balance is recognized on tax losses and staff retirement benefits.

8.2 STAFF RETIREMENT GRATUITY

Balance as on July 01,	596,825	905,593
Paid during the period/year	-	(308,768)
Balance as on September 30,	596,825	596,825

9. CONTINGENCIES AND COMMITMENTS

Contingencies

9.1 The company has instituted a suit in the Honorable Lahore High Court, Lahore against Faysal Bank Limited claiming damages on account of acquisition of un-remunerative agricultural land on the advice of FIBL (Faysal Islamic Bank Limited), for not providing timely cash finance facilities despite written commitments and for charging illegal profits against the principles of Islamic Banking in contravention of the objective clause of its memorandum of Association, Articles of Association and against circulars issued by the State Bank of Pakistan. The amount claimed for the first two counts is Rs. 141.831 million (including claims of Central Excise Duty), whereas the amount of last count has been left for the court to determine.

The counter suit filed by the Faysal Bank for recovery of Rs. 454.502 million along with costs and cost of funds before the Honorable Lahore High Court (Single Judge), Lahore has been adjudicated on 04.06.2015 against the company. The company has filed an appeal in Honourable Lahore High Court, Lahore (Division Bench) vide R.F.A. No. 1372/2015 on various grounds including the company being condemned unheard. Due to litigations, the Bank is not responding and confirming the balance to the company. Having been undeterminable at this stage, provision for cost of funds has not been accounted for.

		Quarter Ended	
		September 30, 2018	September 30, 2017
10. COST OF SALES			
Raw material consumed	10.1	282,561,131	228,270,559
Stores and spares consumed		5,807,608	6,509,105
Packing material consumed		5,809,018	5,247,989
Salaries, wages and benefits	10.2	34,862,159	32,856,381
Fuel and power		42,291,541	36,941,555
Repairs and maintenance		1,022,537	510,310
Insurance		679,809	593,793
Depreciation		5,474,064	5,812,081
Others		379,727	268,084
		<u>379,487,594</u>	<u>316,809,857</u>
Work in process			
Opening balance		6,106,933	5,302,204
Closing balance		(7,262,163)	(5,197,548)
		<u>(1,155,230)</u>	<u>104,656</u>
Cost of goods manufactured		<u>378,332,364</u>	<u>316,914,513</u>
Finished goods			
Opening balance		51,361,896	55,726,310
Closing balance		(105,720,666)	(12,351,774)
		<u>(54,358,770)</u>	<u>43,374,536</u>
		<u>323,973,594</u>	<u>360,289,049</u>
10.1 RAW MATERIAL CONSUMED			
Opening balance		113,364,709	77,433,153
Purchases		222,304,777	201,957,042
		<u>335,669,486</u>	<u>279,390,195</u>
Closing balance		(53,108,355)	(51,119,636)
		<u>282,561,131</u>	<u>228,270,559</u>

10.2 This includes a sum of Rs. 878,497/- (Sep.-2017-Rs.831,021/-) in respect of defined contribution plan.

11. RELATED PARTY TRANSACTIONS

The Company in the normal course of business carries out transactions with various related parties which comprise of associated undertakings and other key management personnel. Amounts due from and due to related parties, if any, are shown under relevant notes to condensed interim financial information. Transactions with related parties undertaken during the period were as follows:-

	Quarter Ended	
	September 30, 2018	September 30, 2017
	(R U P E E S)	
Post employment benefit	1,019,649	966,566
Repayment to directors	(698,426)	144,065

12. TAXATION

12.1 The provision for taxation made in this condensed interim financial information is subject to adjustment in annual financial statements.

13. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information were authorized for issue on October 29, 2018 by the Board of Directors of the Company.

14. GENERAL

14.1 Previous year/period figures have been rearranged and reclassified wherever necessary for the purpose of comparison. For better presentation no major reclassification is made in the corresponding figures.

14.2 Comparative figures of profit and loss account, statement of comprehensive income and statement of changes in equity has been restated.

14.3 Figures have been rounded off to the nearest rupee.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER