



# 3rd Quarterly Accounts

March 31, 2017

(Un-audited)



## Mahmood Textile Mills Ltd.





## DIRECTORS' REVIEW

Your Directors are pleased to present the un-audited accounts of the Company for the 3rd Quarter ended 31 March, 2017. The Company during the quarter earned a net profit Rs.32,975,941/- as compared to net loss Rs.57,008,278/- during the corresponding period. It indicates that results are not still up to the mark but it has been witnessed that long spiral of sluggishness and recession is now breaking and we expect more improvement in the coming period.

The detail of production of yarn, fabrics and their local and export sales, during the nine months are tabulated as under:-

### **PRODUCTION DATA**

Production of yarn (Converted into 20 count)	=Kgs.	28,912,821
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Production of cloth (Converted into 60 picks)	=Sq.Mtrs.	26,621,159
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### **SALES DATA**

Export sale (Net)	=Rs.	9,383	(Million)
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Local sale (Net)	=Rs.	2,201	(Million)
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Total Sales	=Rs.	11,584	(Million)
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On behalf of Board of Directors.

Multan:  
Dated: 27th April, 2017

sd/-  
(KHAWAJA MUHAMMAD MASOOD)  
Chairman

## CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

As at March 31, 2017

	Un-Audited 31 March 2017 Rupees	Audited 30 June, 2016 Rupees
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	3,156,737,896	2,924,820,599
Long term investments	1,233,266,298	1,233,266,298
Long term deposits	8,732,521	8,732,521
<b>CURRENT ASSETS</b>		
Stores, spares and loose tools	348,799,152	173,180,729
Stock-in-trade	3,423,135,989	2,542,956,536
Trade debtors	2,139,539,164	1,318,915,400
Loans and advances	1,219,419,648	632,943,147
Other receivables	132,814,047	81,157,583
Short term investments	2,679,032,934	1,515,059,701
Tax refunds due from the Government	259,034,080	240,078,371
Cash and bank balances	131,270,908	24,977,265
	<u>10,333,045,922</u>	<u>6,529,268,732</u>
<b>Total Assets</b>	<u>14,731,782,637</u>	<u>10,696,088,150</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Authorized Capital		
30,000,000 ordinary shares of Rs.10 each	300,000,000	300,000,000
Issued, subscribed & paid-up capital	150,000,000	150,000,000
Capital Reserve	7,120,600	7,120,600
Unappropriated profit	4,796,488,671	4,308,552,078
	<u>4,953,609,271</u>	<u>4,465,672,678</u>
<b>LIABILITIES</b>		
<b>NON CURRENT LIABILITIES</b>		
Long term financing	911,047,241	705,450,363
<b>CURRENT LIABILITIES</b>		
Trade and other payable	552,834,487	895,955,581
Accrued mark up	111,237,708	80,738,104
Short term borrowings	7,816,541,449	4,089,627,222
Current portion of long term financing	280,512,481	284,644,202
Taxation	106,000,000	174,000,000
	<u>8,867,126,125</u>	<u>5,524,965,109</u>
<b>Total Liabilities</b>	<u>9,778,173,366</u>	<u>6,230,415,472</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>14,731,782,637</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

## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the period ended March 31, 2017

	For the 3rd quarter		Cumulative	
	Jan - Mar 2017	Jan - Mar 2016	Jul - Mar 2017	Jul - Mar 2016
----- Rupees -----				
Sales - Net	4,031,241,830	3,488,897,670	11,583,900,303	10,243,340,627
Cost of Sales	(3,685,566,960)	(3,232,354,893)	(10,645,858,107)	(9,515,010,443)
Gross Profit	345,674,870	256,542,777	938,042,196	728,330,184
Distribution Cost	(106,863,878)	(82,649,499)	(301,740,595)	(281,061,977)
Administrative Expenses	(51,652,452)	(47,566,314)	(190,845,081)	(169,455,023)
Other Expenses	(1,546,005)	(85,392)	(3,922,896)	(8,637,574)
Other Income	913,539	(20,185,322)	454,667,614	202,886,304
Profit from Operations	186,526,074	106,056,250	896,201,238	472,061,914
Finance cost	(124,015,691)	(128,064,528)	(309,317,480)	(323,710,397)
Profit/(loss) before taxation	62,510,383	(22,008,278)	586,883,758	148,351,517
Taxation				
- Current	(29,534,442)	(35,000,000)	(106,000,000)	(115,000,000)
- Prior year	-	-	7,052,835	(36,925)
	(29,534,442)	(35,000,000)	(98,947,165)	(115,036,925)
Profit/(loss) after taxation	32,975,941	(57,008,278)	487,936,593	33,314,592
Other comprehensive income	-	-	-	-
Total comprehensive income/ (loss) for the period	32,975,941	(57,008,278)	487,936,593	33,314,592
Earnings per Share	2.20	(3.80)	32.53	2.22

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# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

For the period ended March 31, 2017

	<b>2017</b> <b>31-Mar-17</b> <b>Rupees</b>	<b>2016</b> <b>31-Mar-16</b> <b>Rupees</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the period before taxation	586,883,758	148,351,518
Adjustment for non-cash charges and other items		
Depreciation	233,451,377	233,071,582
Loss /(gain) on sale of operating fixed assets - net	1,767,129	(670,772)
(Gain) /loss on remeasurement of short term investments	(118,787,717)	5,555,144
Gain on sale of short term investments	(121,335,708)	(78,570,113)
Dividend on short term investment	(144,462,750)	(123,573,000)
Return on bank deposits	(1,776)	(7,620)
Finance Cost	309,317,480	323,710,397
	<u>159,948,035</u>	<u>359,515,618</u>
<b>Profit for the period before working capital changes</b>	<b>746,831,793</b>	<b>507,867,136</b>
<b>Effect on cash flow due to working capital changes</b>		
<b>(Increase) /decrease in current assets</b>		
Stores, spares and loose tools	(175,618,423)	4,327,186
Stock in trade	(880,179,453)	379,648,852
Trade debts	(820,623,764)	416,678,378
Loans and advances	(586,476,501)	(1,239,312,574)
Prepayments and other receivables	(51,656,464)	(9,102,324)
Sales Tax refundable	(76,846,308)	78,320,754
<b>(Decrease) in Trade and other payables</b>	<b>(343,121,095)</b>	<b>(250,126,169)</b>
<b>Net cash used in investing activities</b>	<b>(2,934,522,008)</b>	<b>(619,566,077)</b>
<b>CASH OUTFLOW FROM OPERATING ACTIVITIES BEFORE TAXATION</b>	<b>(2,187,690,215)</b>	<b>(111,698,941)</b>
Income Tax paid	(109,056,566)	(91,220,131)
Loan to an Executive	-	1,359,482
<b>Net cash used in operating activities</b>	<b>(2,296,746,781)</b>	<b>(201,559,590)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(474,159,193)	(96,678,883)
Sale proceeds /insurance claim of operating fixed assets	7,023,391	4,070,000
Short term investments	(923,849,808)	(1,142,426,147)
Dividend earned on long term & short term investments	144,462,750	123,573,000
Income on deposits with banks received	1,776	7,620
<b>Net cash (used in) investing activities</b>	<b>(1,246,521,084)</b>	<b>(1,111,454,410)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term finances - net	201,465,158	(162,540,260)
Short term borrowings - net	3,726,914,227	1,840,411,291
Dividend paid	-	(51,838,587)
Finance cost paid	(278,817,876)	(307,034,510)
<b>Net cash generated from financing activities</b>	<b>3,649,561,509</b>	<b>1,318,997,934</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>106,293,643</b>	<b>5,983,934</b>
<b>Cash and cash equivalents</b> at the beginning of the year/ period	<b>24,977,265</b>	<b>15,137,192</b>
<b>Cash and cash equivalents</b> at the end of the year/ period	<b>131,270,908</b>	<b>21,121,126</b>

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## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the period ended March 31, 2017

	Share Capital Rupees	Capital Reserve Rupees	Un-Appropriated Profit Rupees	Total Rupees
Balance as at July 01, 2015 (Audited)	150,000,000	7,120,600	4,512,425,560	4,669,546,160
<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 nine months ended March 31, 2016	-	-	33,314,593	33,314,593
Balance as at March 31, 2016 (Un-Audited)	<u>150,000,000</u>	<u>7,120,600</u>	<u>4,395,740,153</u>	<u>4,552,860,753</u>
<b>Balance as at 01 July, 2016 (Audited)</b>	150,000,000	7,120,600	4,308,552,078	4,465,672,678
Total comprehensive income for the nine months ended March 31, 2017	-	-	487,936,593	487,936,593
<b>Balance as at March 31, 2017 (Un-Audited)</b>	<u>150,000,000</u>	<u>7,120,600</u>	<u>4,796,488,671</u>	<u>4,953,609,271</u>

### 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 when ever necessary for the purposes of comparison and figures are rounded off to the nearest rupee.

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