

AN

TEXTILE MILLS LIMITED



1st

Quarter

Report

September 30, 2020
(UN-AUDITED)

COMPANY INFORMATION

Board of Directors	Mrs. Nazma Amer Mr. Aizad Amer Khawaja Amer Khurshid Mr. Anns Amer Ms. Yusra Amer Mr. Abdul Rauf Syed Khalid Ali	Chairperson Chief Executive Officer Director Director Director Director Director
Audit Committee	Mr. Abdul Rauf Ms. Yusra Amer Syed Khalid Ali	Chairman Member Member
HR and Remuneration Committee	Syed Khalid Ali Mr. Abdul Rauf Mr. Anns Amer	Chairman Member Member
Nomination Committee	Mr. Abdul Rauf Ms. Yusra Amer Syed Khalid Ali	Chairman Member Member
Risk Management Committee	Mr. Anns Amer Mr. Abdul Rauf Syed Khalid Ali	Chairman Member Member
Chief Financial Officer	Mr. Muhammad Saqib Ehsan	
Company Secretary	Mr. Tahir Shahzad	
Auditors	Riaz Ahmad and Company Chartered Accountants 560-F, Raja Road, Gulistan Colony, Faisalabad	
Bankers	Bank Al Habib Limited Habib Metropolitan Bank Limited Habib Bank Limited Meezan Bank Limited National Bank of Pakistan	
Share Registrar	Corplink (Private) Limited Wings Arcade, 1-K, Commercial, Model Town, Lahore	
Registered Office & Mills	35 Kilometer, Sheikhpura Road, Faisalabad	

DIRECTORS' REVIEW TO THE SHAREHOLDERS

The Directors of your Company feel pleasure to submit un-audited condensed interim financial information of your Company for the 1st quarter ended September 30, 2020.

Quarter ended	
30 September 2020	30 September 2019

(Rupees in Thousand)

REVENUE	433,893	308,033
COST OF SALES	(405,340)	(264,392)
GROSS PROFIT	28,553	43,641
DISTRIBUTION COST	(273)	(342)
ADMINISTRATIVE EXPENSES	(12,268)	(11,193)
OTHER INCOME	6,182	3,517
FINANCE COST	(9,783)	(15,595)
PROFIT BEFORE TAXATION	12,411	20,128
TAXATION	(8,857)	(18,927)
PROFIT AFTER TAXATION	3,554	1,201
EARNINGS PER SHARE- BASIC AND DILUTED (RUPEES)	0.37	0.12

REVIEW OF OPERATING RESULTS

During the period under review, sales was Rupees 433.893 million as compared to corresponding period's sales amounting to Rupees 308.033 million. The cost of sales was Rupees 405.340 million as compared to Rupees 264.392 million in the corresponding period. The company earned gross profit of Rupees 28.553 million as compared to corresponding period's gross profit of Rupees 43.641 million. Moreover, the company earned profit after taxation of Rupees 3.554 million as compared to profit after taxation of Rupees 1.201 million in the corresponding period.

FUTURE OUTLOOK

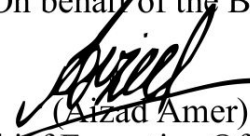
The cotton crop in Pakistan continues to decline year by year due to poor seed germination and inclement weather. The failure of cotton crop in this season will be a huge challenge for the industry. In current season cotton crop production is estimated almost 35% less as compared to last season due to pest attack, heavy rains and change of climate conditions. These factors have also badly affected the quality of cotton. Cotton prices are also extremely volatile, but the management of your Company is closely watching the cotton outlook to procure best quality cotton. The Government's support in the form of availability of energy at reduced prices and removal of import duty and sales tax on import of cotton will be imperative for industry.

The management of your Company anticipates that the financial year 2020-21 will be extremely difficult. However, every possible effort will be made to increase efficiencies and curtail and keep the expenses to a minimum level to sustain itself during this economic downturn.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the cooperation, commitment, and hard work extended to the Company by the customers, suppliers, bankers, and all the employees of the Company.

On behalf of the Board



(Aizad Amer)
Chief Executive Officer

FAISALABAD

Dated: October 29, 2020

حصص یافتگان کے لئے ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز انتہائی مسرت کے ساتھ اپنی کمپنی کی غیر آڈٹ شدہ 30 ستمبر 2020 کو ختم ہونے والی پہلی سہ ماہی تک کی مالیاتی کارکردگی پیش کر رہے ہیں۔

مالیاتی نتائج:

30 ستمبر 2019	30 ستمبر 2020	
(رقم ہزاروں میں)	(رقم ہزاروں میں)	
308,033	433,893	آمدن
(264,392)	(405,340)	فروخت کی لاگت
43,641	28,553	مجموعی نفع
(342)	(273)	تقسیم کی لاگت
(11,193)	(12,268)	انتظامیہ اخراجات
3,517	6,182	دیگر آمدن
(15,595)	(9,783)	مالیاتی لاگت
20,128	12,411	ٹیکس سے پہلے نفع
(18,927)	(8,857)	ٹیکس
1,201	3,554	ٹیکس کے بعد نفع
0.12	0.37	نفع فی حصہ - روپے

کارروائی کے نتیجے کا جائزہ:

دورانِ جائزہ سہ ماہی آمدن مبلغ 433.893 ملین ہوئی۔ جبکہ اس کے مقابل پچھلے سال کی سہ ماہی آمدن مبلغ 308.033 ملین تھی

فروخت کی لاگت مبلغ 405.340 ملین ہے۔ جبکہ اس کے مقابل پچھلے سال کی سہ ماہی میں فروخت کی لاگت مبلغ

264.392 ملین تھی۔ کمپنی کو 28.553 ملین کا مجموعی نفع ہوا جبکہ اس کے مقابل پچھلے سال کی سہ ماہی میں 43.641 ملین کا مجموعی نفع

ہوا تھا۔ کمپنی کو اس سہ ماہی میں ٹیکس کے بعد مبلغ 3.554 ملین کا نفع ہوا۔ جب کہ اس کے مقابل پچھلے سال کی سہ ماہی میں مبلغ 1.201

ملین کا نفع ہوا تھا۔

مستقبل کا خاکہ:

پاکستان کی کپاس کی پیداوار بیج کی کم پیداوار اور سخت موسم کی وجہ سے ہر سال کم ہوتی جا رہی ہے۔ اس سال کپاس کی کم پیداوار ٹیکسٹائل کی صنعت کے لئے بہت بڑا امتحان ہوگی۔ کیڑے مکوڑوں کے حملے، شدید بارشوں اور ماحولیاتی تبدیلیوں کی وجہ سے اس سال کپاس کی پیداوار پچھلے سال کی نسبت %35 کم ہوئی۔ ان چیزوں نے کپاس کے معیار کو بری طرح متاثر کیا۔ کپاس کی قیمتوں میں کافی اتار چڑھاؤ رہا۔ لیکن آپ کی کمپنی کی مینجمنٹ بہترین معیار کی کپاس کو خریدنے کے لیے کپاس پر کڑی نظر رکھے ہوئے ہے۔ سستی قیمت پر بجلی کی دستیابی، درآمد کی ڈیوٹی اور درآمد پر سیلز ٹیکس کے خاتمے کے ذریعے گورنمنٹ کی مدد صنعت کے لیے بہت ضروری ہے۔

آپ کی کمپنی کی مینجمنٹ قیاس کرتی ہے کہ مالی سال 2020-21 بہت مشکل ہوگا۔ تاہم اس معاشی دباؤ کے دور میں چلنے کے لیے صلاحیتوں کو بڑھانے اور اخراجات کو کم از کم رکھنے کے لیے ہر ممکن کوشش کی جائے گی۔

اعتراف:

بورڈ اپنے گاہکوں، سپلائرز، بکریز، اور ملازموں کے تعاون، عزم اور محنت کی تعریف کرتا ہے اور اسے اپنے ریکارڈ میں لاتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

ایزدعاصر

چیف ایگزیکٹو آفیسر

فیصل آباد

مورخہ 29 اکتوبر 2020

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

	NOTE	Un-audited 30 September 2020	Audited 30 June 2020	NOTE	Un-audited 30 September 2020	Audited 30 June 2020
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Authorized share capital		100,000	100,000		871,581	862,057
10 000 000 (30 June 2020: 10 000 000) ordinary shares of Rupees 10 each				6	102,968	102,968
Issued, subscribed & paid up share capital		96,600	96,600		-	20
Directors' loan		360,000	360,000		4,124	3,859
Capital Reserves					978,673	968,904
Premium on issue of shares reserve		17,250	17,250			
Equity portion of shareholders' loans		44,778	44,778			
Surplus on revaluation of property, plant and equipment and investment properties - net of deferred income tax		315,948	317,538			
Accumulated loss		(108,337)	(113,481)			
Total equity		726,239	722,685			
LIABILITIES						
NON-CURRENT LIABILITIES						
Deferred income tax liability		70,464	67,269		53,307	56,617
Staff retirement gratuity		28,100	27,152		391,149	440,895
Long term security deposit		4,000	4,000		7,298	6,139
		102,564	98,421		75,325	72,544
CURRENT LIABILITIES						
Trade and other payables		237,253	356,816		10,584	2,177
Unclaimed dividend		1,859	1,861		11,666	69,627
Accrued mark-up		6,993	11,977		5,500	5,500
Short term borrowings		462,524	446,405		9,592	35,489
Provision for taxation		5,662	19,727		564,421	688,988
		714,291	836,786			
TOTAL LIABILITIES		816,855	935,207			
CONTINGENCIES AND COMMITMENTS						
TOTAL EQUITY AND LIABILITIES		1,543,094	1,657,892		1,543,094	1,657,892

The annexed notes form an integral part of this condensed interim financial information.



AIZAD AMER
Chief Executive Officer



ANNS AMER
Director



Muhammad Saqib Ehsan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2020**

	NOTE	Quarter ended	
		30 September 2020	30 September 2019
(Rupees in Thousand)			
REVENUE		433,893	308,033
COST OF SALES	7	(405,340)	(264,392)
GROSS PROFIT		<u>28,553</u>	<u>43,641</u>
DISTRIBUTION COST		(273)	(342)
ADMINISTRATIVE EXPENSES		(12,268)	(11,193)
OTHER INCOME		6,182	3,517
FINANCE COST		(9,783)	(15,495)
PROFIT BEFORE TAXATION		<u>12,411</u>	<u>20,128</u>
TAXATION		(8,857)	(18,927)
PROFIT AFTER TAXATION		<u><u>3,554</u></u>	<u><u>1,201</u></u>
EARNINGS PER SHARE- BASIC AND DILUTED		<u><u>0.37</u></u>	<u><u>0.12</u></u>

The annexed notes form an integral part of this condensed interim financial information.



AIZAD AMER
Chief Executive Officer



ANNS AMER
Director



Muhammad Saqib Ehsan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2020**

	Quarter ended	
	30 September 2020	30 September 2019
	(Rupees in thousand)	
PROFIT AFTER TAXATION	3,554	1,201
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,554	1,201

The annexed notes form an integral part of this condensed interim financial information.



AIZAD AMER
Chief Executive Officer



ANNS AMER
Director



Muhammad Saqib Ehsan
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2020

	SHARE CAPITAL	DIRECTORS' LOAN	RESERVES					TOTAL	TOTAL EQUITY
			CAPITAL RESERVE		REVENUE RESERVE				
			Share premium	Equity portion of Shareholder's loan	Surplus on revaluation of property, plant and equipment and investment properties - net of deferred income tax	Sub total	Accumulated loss		
Balance as at 30 June 2019 - (Audited)	96,600	360,000	17,250	44,778	290,931	352,959	(35,954)	317,005	773,605
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(1,582)	(1,582)	1,582	-	-
Profit for the period ended	-	-	-	-	-	-	1,201	1,201	1,201
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-
Balance as at 30 September 2019 - (Un-audited)	96,600	360,000	17,250	44,778	289,349	351,377	(33,171)	318,206	774,806
Transaction with owners - Final cash dividend for the year ended 30 June 2019 at the rate of Rupee 0.40 per share	-	-	-	-	-	-	(3,864)	(3,864)	(3,864)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(4,745)	(4,745)	4,745	-	-
Profit for the period	-	-	-	-	-	-	(81,528)	(81,528)	(81,528)
Other comprehensive income for the period	-	-	-	-	32,934	32,934	337	33,271	33,271
Total comprehensive income for the period	-	-	-	-	32,934	32,934	(81,191)	(48,257)	(48,257)
Balance as at 30 June 2020 - (Audited)	96,600	360,000	17,250	44,778	317,538	379,566	(113,481)	266,085	722,685
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(1,590)	(1,590)	1,590	-	-
Profit for the period	-	-	-	-	-	-	3,554	3,554	3,554
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	3,554	3,554	3,554
Balance as at 30 September 2020 - (Un-audited)	96,600	360,000	17,250	44,778	315,948	377,976	(108,337)	269,639	726,239

The annexed notes form an integral part of this condensed interim financial information.



AIZAD AMER
Chief Executive Officer



ANNS AMER
Director



Muhammad Saqib Ehsan
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2020

	NOTE	Quarter ended	
		30 September 2020	30 September 2019
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	8	(1,412)	116,320
Finance cost paid		(14,767)	(16,468)
Income tax paid		(5,237)	(4,261)
Staff retirement gratuity paid		(1,972)	(1,215)
Net decrease in long loans		20	-
Net increase in long term deposits and prepayments		(265)	(274)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES		(23,633)	94,102
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant & equipment		(19,818)	(921)
Proceeds from sale of property, plant and equipment		1,435	-
Net cash used in investing activities		(18,383)	(921)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		16,119	(138,896)
Net cash generated from / (used in) financing activities		16,119	(138,896)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(25,897)	(45,715)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		35,489	50,052
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		9,592	4,337

The annexed notes form an integral part of this condensed interim financial information.



AIZAD AMER
Chief Executive Officer



ANNS AMER
Director



Muhammad Saqib Ehsan
Chief Financial Officer

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2020****1. THE COMPANY AND ITS OPERATIONS**

AN Textile Mills Limited (the Company) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and its share are quoted on Pakistan Stock Exchange Limited. Its registered office and mills premises are situated at 35 Kilometers Sheikhpura Road, Faisalabad. The principal activity of the Company is manufacturing, sale and trading of yarn and

2. BASIS OF PREPARATION

This condensed interim financial information is unaudited and is being submitted to shareholders as required by the Companies Act, 2017. This condensed interim financial information of the Company for the 1st quarter ended 30 September 2020 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017 as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information should be read in conjunction with the audited annual published financial statements for the year ended 30 June 2020.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2020.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2020.

5. CONTINGENCIES AND COMMITMENTS**a) Contingencies**

i) The Company is contingently liable for Rupees 3.000 million (2020: Rupees 3.000 million) to Director Excise and Taxation on account of import duty.

ii) Guarantees of Rupees 48.929 million (2020: Rupees 43.090 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited (SNGPL) against gas connections and Faisalabad Electric Supply Company Limited (FESCO) against electricity connection.

iii) An appeal has been filed by the Company before Appellate Tribunal Inland Revenue, Lahore dated 07 June 2017 against the demand of Rupees 22.378 million (2020: Rupees 22.378 million) by the tax department regarding disallowance of minimum tax adjustment for the tax year 2011. The Appellate Tribunal Inland Revenue disposed the appeal. Then the department filed a reference before the Lahore High Court, Lahore against this order. The related provision is not made in these financial statements in view of favorable outcome of the appeal.

iv) An appeal was filed in Lahore High Court, Lahore on 10 August 2017 against cost of supply of Re-Gasified Liquefied Natural Gas (RLNG) by SNGPL amounting to Rupees 12.224 million (2020: Rupees 12.224 million). This appeal was allowed by Lahore High Court, Lahore on 13 December 2019 by asking Oil and Gas Regulatory Authority (OGRA) to conduct a public hearing to determine the level of cost of supply of RLNG. Keeping in view the opinion of the legal counsel of the Company, the related provision is not made in these financial statements as there are strong grounds that the decision of the proposed public hearing of OGRA will be decided in favour of the Company.

v) An appeal has been filed by the Company before Appellate Tribunal Inland Revenue, Lahore dated 16 April 2019, against the order of Additional Commissioner Inland Revenue (Appeals) dated 14 November 2018, for demand of Rupees 14.663 million (2020: Rupees 14.663 million) by the tax department regarding disallowance of withholding taxes as adopted in income tax return for the tax year 2016. The related provision is not made in these financial statements in view of favorable outcome of the appeal.

vi) The Company filed appeal before Appellate Tribunal Inland Revenue, Lahore as on 21 March 2019 against the order of Additional Commissioner Inland Revenue for demand of Rupees 114.118 million (2020: Rupees 114.118 million) by the tax department by nullifying the proration of the income between FTR and NTR as adopted by the Company for the tax year 2014. The related provision is not made in these financial statements in view of favorable outcome of the appeal.

vii) An appeal has been filed by the Regional Tax Office (RTO) Faisalabad before Appellate Tribunal Inland Revenue, Lahore in March 2019 because Additional Commissioner Inland Revenue amended the assessment for the tax year 2007 and created a demand of Rupees 5.766 million (2020: Rupees 5.766 million) on the issue of proration of expenses and prorated the specific expenses related to normal tax regime to final tax regime. The related provision is not made in these financial statements in view of favorable outcome of the appeal.

viii) An appeal has been filed by the Company before Commissioner Inland Revenue (Appeals), Faisalabad for the tax year 2017 involving a demand of Rupees 8.966 million (2020: Rupees 8.966 million) on 26 October 2018. The original order was issued by the Assistant Commissioner Inland Revenue for non-deduction of withholding tax on certain parties under various clauses of section 153 of the Income Tax Ordinance, 2001. The related provision is not made in these financial statements in view of favorable outcome of the appeal.

b) Commitments

- i) Letters of credit for capital expenditures are of Rupees 27.480 million (2019: Rupees Nil).
- ii) Letters of credit other than for capital expenditure are of Rupees 169.180 million (2020: Rupees 63.887 million).

6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 6.1)

6.1 Operating fixed assets

Opening book value

Add: Cost of additions during the period / year (Note 6.1.1)

Transferred from investment properties (Note 6.1.2)

Effect of surplus onrevaluation

Less: Book value of deletions during the period / year (Note 6.1.3)

Less: Depreciation charged for the period / year

	Un-Audited 30 September 2020	Audited 30 June 2020
	Rupees in thousand	
	871,581	862,057
	<u>871,581</u>	<u>862,057</u>
	862,057	828,706
	19,818	14,845
	-	15,721
	-	42,644
	<u>881,875</u>	<u>901,916</u>
	379	179
	<u>881,496</u>	<u>901,737</u>
	9,915	39,680
	<u>871,581</u>	<u>862,057</u>

Un-Audited	Audited
30 September 2020	30 June 2020

Rupees in thousand

6.1.1 Cost of additions during the period / year

Plant and machinery	16,733	12,685
Electric installations	198	-
Vehicles	2,887	2,160
	<u>19,818</u>	<u>14,845</u>

6.1.2 Cost of assets transferred from investment properties during the period / year

Freehold land	-	3,168
Buildings on free hold land - mills	-	12,553
	<u>-</u>	<u>15,721</u>

6.1.3 Book value of deletions during the period / year

Vehicles	379	179
	<u>379</u>	<u>179</u>

7. COST OF SALES

Raw material consumed (Note 7.1)	269,344	317,650
Loading and unloading	669	766
Salaries, wages and other benefits	28,596	38,729
Staff retirement benefits	2,657	2,974
Stores, spares and loose tools consumed	19,734	12,585
Packing material consumed	5,958	6,626
Repairs and maintenance	308	403
Fuel and power	77,911	71,179
Insurance	629	528
Other factory overheads	116	259
Depreciation	8,924	9,022
	<u>414,846</u>	<u>460,721</u>

Work in process

Opening stock	22,665	19,574
Closing stock	(26,839)	(20,115)
	<u>(4,174)</u>	<u>(541)</u>
Cost of goods manufactured	410,672	460,180

Finished goods

Opening stock	16,164	8,060
Closing stock	(21,496)	(203,848)
	<u>(5,332)</u>	<u>(195,788)</u>
	<u>405,340</u>	<u>264,392</u>

7.1 Raw material consumed

Opening Stock	317,650	395,599
Add: Purchases during the period	294,508	99,979
	<u>612,158</u>	<u>495,578</u>
Less: Closing Stock	(342,814)	(177,928)
	<u>269,344</u>	<u>317,650</u>

(Un-Audited)	
Quarter ended	
30 September 2020	30 September 2019

8. CASH GENERATED FROM OPERATIONS

Profit before taxation	12,411	20,128
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Adjustments for non-cash charges and other items:

Depreciation	9,915	9,812
Provision for gratuity	2,920	3,305
Profit on long term investments	-	(41)
Gain on sale of property, plant and equipment	(1,056)	-
Finance cost	9,783	15,495
Working capital changes (Note 8.1)	(35,385)	67,580

	<u>(1,412)</u>	<u>116,279</u>
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8.1 Working capital changes**Decrease / (Increase) in current assets:**

Stores, spare parts and loose tools	3,310	(3,418)
Stock in trade	49,746	21,342
Trade debts	(1,159)	4,507
Loans and advances	(17,273)	(1,420)
Short term deposits and prepayments	(8,407)	(2,305)
Other receivables	57,961	(146)
	84,178	18,560

(Decrease) / increase in trade and other payables	(119,563)	49,020
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	<u>(35,385)</u>	<u>67,580</u>
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9. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

i) Transactions

Particulars	Basis of relationship	Nature of		
Associated companies / undertakings				
Blue Moon Filling Station	Director of the Company is partner of the undertaking	Fuel purchased	535	697
Other related parties				
Short term borrowings	Directors of the Company	Loans obtained	32,500	5,000

10. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual financial statements of the Company for the year ended 30 June 2020.

11. DATE OF AUTHORIZATION

This condensed interim financial information was approved by the Board of Directors of the Company and authorised for issue on 29 October 2020.

12. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim profit or loss and other comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

13. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



AIZAD AMER
Chief Executive Officer



ANNS AMER
Director



Muhammad Saqib Ehsan
Chief Financial Officer

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