

3RD

QUARTER

REPORT

AN

TEXTILE MILLS LIMITED

(FORMERLY ISHAQ TEXTILE MILLS LIMITED)

MARCH 31, 2019
(UN-AUDITED)

COMPANY INFORMATION

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

DIRECTORS' REVIEW TO THE SHAREHOLDERS

The Directors of the Company are pleased to present their un-audited condensed interim financial information of the Company for the nine months ended March 31, 2019. The comparative financial results of the company are reproduced hereunder:

Half year ended	
31 March 2019	31 March 2018

CONTINUING OPERATIONS:

REVENUE	1,360,471	1,074,348
COST OF SALES	(1,282,966)	(1,032,269)
GROSS PROFIT	77,505	42,079
DISTRIBUTION COST	(1,069)	(1,926)
ADMINISTRATIVE EXPENSES	(30,542)	(25,080)
OTHER EXPENSES	(213)	(2,088)
OTHER INCOME	10,638	9,880
FINANCE COST	(30,288)	(24,152)
PROFIT / (LOSS) BEFORE TAXATION	26,031	(1,287)
TAXATION	(37,245)	(10,998)
LOSS AFTER TAXATION	<u>(11,214)</u>	<u>(12,285)</u>
LOSS PER SHARE - BASIC AND DILUTED (RUPEES)	<u>(1.16)</u>	<u>(1.27)</u>

REVIEW OF OPERATING RESULTS

During the period under review revenue was Rupees 1,360.471 million as compared to Rupees 1,074.348 million of corresponding period. Cost of sales was Rupees 1,282.966 million as compared to Rupees 1,032.269 million of corresponding period. The company earned gross profit of Rupees 77.505 million as compared to Rupees 42.079 million of the corresponding period. However the Company incurred loss after taxation of Rupees 10.982 million as compared to loss after taxation of Rupees 12.985 million of the corresponding period.

FUTURE OUTLOOK

Pakistan Textile industry has been under pressure to compete internationally due to high cost of doing business. The Government support in the form of availability of energy at reduced prices, and release of funds against tax refunds is imperative for industry to compete internationally. Moreover the management of your Company is enhancing its production capacity and every possible effort is being made to curtail and keep its expenses to a minimum level to earn a maximum profitability so that the shareholders can get returns on their investments.

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


(Alzad Amer)

Chief Executive Officer

FAISALABAD
Dated: April 30, 2019

حصص یافتگان کے لئے ڈائریکٹرز کی رپورٹ
 بورڈ آف ڈائریکٹرز انتہائی مسرت کے ساتھ اپنی کمپنی کی غیر آڈٹ شدہ 31 مارچ 2019 کو ختم ہونے والی نو ماہی تک کی مالیاتی
 کارکردگی پیش کر رہے ہیں۔
 مالیاتی نتائج:

31 مارچ 2018	31 مارچ 2019	
(رقم ہزاروں میں)	(رقم ہزاروں میں)	
1,074,348	1,360,471	آمدن
(1,032,269)	(1,282,966)	فروخت کی لاگت
42,079	77,505	مجموعی نفع
(1,926)	(1,069)	تقسیم کی لاگت
(25,080)	(30,542)	انتظامیہ اخراجات
(2,088)	(213)	دیگر اخراجات
9,880	10,638	دیگر آمدن
(24,152)	(30,288)	مالیاتی لاگت
(1,287)	26,031	ٹیکس سے پہلے نفع/(نقصان)
(10,998)	(37,245)	ٹیکس
(12,285)	(11,214)	ٹیکس کے بعد نقصان
(1.27)	(1.16)	نقصان فی حصہ

کارروائی کے نتیجہ کا جائزہ:

دوران جائزہ نو ماہی آمدن مبلغ 1,360.471 ملین میں ہوئی۔ جبکہ اس کے مقابل پچھلے سال کی نو ماہی آمدن مبلغ 1,074.348 ملین تھی فروخت کی لاگت مبلغ 1,282.966 ملین ہے۔ جبکہ اس کے مقابل پچھلے سال کی نو ماہی میں فروخت کی لاگت مبلغ 1,032.269 ملین تھی۔ کمپنی کو اس مالی سال کی پہلی نو ماہی میں 77.505 ملین کا نفع ہوا۔ جبکہ اس کے مقابل پچھلے سال کی نو ماہی میں مبلغ 42.079 ملین کا نفع ہوا تھا۔ تاہم کمپنی کو اس نو ماہی میں ٹیکس کے بعد مبلغ 11.214 ملین کا نقصان جب کہ اس کے مقابل پچھلے سال کی نو ماہی میں مبلغ 12.985 ملین کا نقصان ہوا تھا۔

مستقبل کا خاکہ:

پاکستان کی ٹیکسٹائل انڈسٹری مقابلہ بہت زیادہ دباؤ میں ہے۔ کیونکہ کاروبار کو چلانے کے لیے اس کی لاگت بہت زیادہ آ رہی ہے۔ بین الاقوامی مقابلے کے لیے بہت ضروری ہے کہ گورنمنٹ کم قیمت پر توانائی کی فراہمی میں مدد کرے اور ٹیکس ریفرنڈز میں پھنسی ہوئی رقم واپس کرے۔ مزید برآں، آپ کی کمپنی کی انتظامیہ اپنی پروڈکشن بڑھانے کی صلاحیت میں اضافہ کر رہی ہے اور اخراجات کم کر کے منافع بڑھانے کی ہر ممکن کوشش کر رہی ہے تاکہ حصص داران اپنی سرمایہ کاری کا منافع حاصل کر سکیں۔

اعتراف:

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

منجانب بورڈ آف ڈائریکٹرز
 ایزد عالم
 چیف ایگزیکٹو آفیسر

فیصل آباد

مورخہ 30 اپریل 2019

AN TEXTILE MILLS LIMITED
(formerly Ishaq Textile Mills Limited)
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	NOTE	Un-Audited 31 March 2019 (RUPEES IN THOUSAND)	Audited 30 June 2018 (RUPEES IN THOUSAND)	NOTE	Un-Audited 31 March 2019 (RUPEES IN THOUSAND)	Audited 30 June 2018 (RUPEES IN THOUSAND)
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Authorized share capital						
10,000,000 (30 June 2018: 10,000,000) ordinary shares of Rupees 10 each		100,000	100,000			
Issued, subscribed and paid up share capital		96,600	96,600			
Directors' loans		360,000	360,000			
Capital reserves						
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		278,069	282,631			
Accumulated loss		(60,622)	(53,970)			
Total equity		736,075	747,289			
LIABILITIES						
NON-CURRENT LIABILITIES						
Deferred income tax liability		65,198	43,470			
Staff retirement gratuity		16,502	12,144			
Long term security deposit		4,000	4,000			
		85,700	59,614			
CURRENT LIABILITIES						
Trade and other payables		209,706	141,889			
Unclaimed dividend		742	746			
Accrued mark-up		12,894	8,221			
Short term borrowings		536,257	388,244			
Provision for taxation		15,571	17,364			
		775,170	556,464			
		860,870	616,078			
TOTAL LIABILITIES		1,596,945	1,363,367			
CONTINGENCIES AND COMMITMENTS						
TOTAL EQUITY AND LIABILITIES	5	1,596,945	1,363,367			
The annexed notes form an integral part of this condensed interim financial information.						
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	6	805,822	821,059			
Investment properties		120,381	120,381			
Long term deposits and prepayments		4,224	3,813			
		930,427	945,253			
CURRENT ASSETS						
Stores, spare parts and loose tools		46,980	42,546			
Stock in trade		424,825	189,654			
Trade debts		79,801	68,642			
Loans and advances		74,485	81,767			
Short term deposits and prepayments		2,346	1,539			
Other receivables		21,145	23,141			
Short term investment		6,137	6,061			
Cash and bank balances		10,799	4,764			
		666,518	418,114			
TOTAL ASSETS		1,596,945	1,363,367			

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



ANNS AMER
Director



AIZAD AMER
Chief Executive Officer



Muhammad Saqib Ehsan
Chief Financial Officer

AN TEXTILE MILLS LIMITED
(formerly Ishaq Textile Mills Limited)
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)
FOR THE NINE MONTHS ENDED 31 MARCH 2019

NOTE	Nine months ended		Quarter ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018

------(RUPEES IN THOUSAND)-----

CONTINUING OPERATIONS:

SALES	1,360,471	1,074,348	423,329	373,693
COST OF SALES	(1,282,966)	(1,032,269)	(380,016)	(347,644)
GROSS PROFIT	77,505	42,079	43,313	26,049
DISTRIBUTION COST	(1,069)	(1,926)	(112)	(463)
ADMINISTRATIVE EXPENSES	(30,542)	(25,080)	(10,657)	(8,286)
OTHER EXPENSES	(213)	(2,088)	-	(399)
OTHER INCOME	10,638	9,880	3,644	3,542
FINANCE COST	(30,288)	(24,152)	(14,196)	(9,394)
PROFIT / (LOSS) BEFORE TAXATION	26,031	(1,287)	21,992	11,049
TAXATION	(37,245)	(10,998)	(11,894)	(4,055)
(LOSS) / PROFIT AFTER TAXATION	<u>(11,214)</u>	<u>(12,285)</u>	<u>10,098</u>	<u>6,994</u>
LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	<u>(1.16)</u>	<u>(1.27)</u>	<u>1.05</u>	<u>0.72</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

AN TEXTILE MILLS LIMITED
(formerly Ishaq Textile Mills Limited)
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE NINE MONTHS ENDED 31 MARCH 2019

	Nine months ended		Quarter ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	----- (RUPEES IN THOUSAND) -----			
(LOSS) / PROFIT AFTER TAXATION	(11,214)	(12,285)	10,098	6,994
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to subsequently profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(11,214)	(12,285)	10,098	6,994

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

AN TEXTILE MILLS LIMITED
(formerly Ishaq Textile Mills Limited)
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)
FOR THE NINE MONTHS ENDED 31 MARCH 2019

	SHARE CAPITAL	DIRECTORS' LOANS	RESERVES			REVENUE RESERVE	TOTAL	TOTAL EQUITY
			Share premium	Equity portion of Shareholder's loan	Surplus on revaluation of property, plant and equipment and investment properties - net of deferred income tax			
(RUPEES IN THOUSAND)								
Balance as at 30 June 2017 - (Audited)	96,600	360,000	17,250	44,778	287,053	(53,322)	295,759	752,359
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(4,668)	4,668	-	-
Loss for the nine months ended 31 March 2018	-	-	-	-	-	(12,285)	(12,285)	(12,285)
Other comprehensive income for the nine months ended 31 March 2018	-	-	-	-	-	-	-	-
Total comprehensive loss for the nine months ended 31 March 2018	-	-	-	-	-	(12,285)	(12,285)	(12,285)
Balance as at 31 March 2018 - (Un-audited)	96,600	360,000	17,250	44,778	282,385	(60,939)	283,474	740,074
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(1,330)	1,330	-	-
Impact of change in deferred income tax rate	-	-	-	-	1,594	-	1,594	1,594
Surplus transferred to accumulated loss on account of disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	(18)	18	-	-
Profit for the quarter ended 30 June 2018	-	-	-	-	-	4,682	4,682	4,682
Other comprehensive income for the quarter ended 30 June 2018	-	-	-	-	-	939	939	939
Total comprehensive income for the quarter ended 30 June 2018	-	-	-	-	-	5,621	5,621	5,621
Directors' loans received / revolved during the period	-	-	-	-	-	-	-	-
Balance as at 30 June 2018 - (Audited)	96,600	360,000	17,250	44,778	282,631	(53,970)	290,689	747,289
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation and sale of property, plant and equipment - net of deferred income tax	-	-	-	-	(4,562)	4,562	-	-
Impact of change in deferred income tax rate	-	-	-	-	2,966	-	2,966	2,966
Loss for the nine months ended 31 March 2019	-	-	-	-	-	(11,214)	(11,214)	(11,214)
Other comprehensive income for the nine months ended 31 March 2019	-	-	-	-	-	-	-	-
Total comprehensive loss for the nine months ended 31 March 2019	-	-	-	-	-	(11,214)	(11,214)	(11,214)
Balance as at 31 March 2019 - (Un-audited)	96,600	360,000	17,250	44,778	278,069	(60,622)	279,475	736,075

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

AN TEXTILE MILLS LIMITED
(formerly Ishaq Textile Mills Limited)
CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)
FOR THE NINE MONTHS ENDED 31 MARCH 2019

	NOTE	Nine months ended	
		31 March 2019	31 March 2018
(RUPEES IN THOUSAND)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	7	(82,182)	(101,978)
Finance cost paid		(25,615)	(20,027)
Income tax paid		(16,244)	(9,900)
Staff retirement gratuity paid		(2,958)	(2,843)
Net increase in long term deposits and prepayments		(411)	(175)
Net cash used in operating activities		(127,410)	(134,923)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		138	1,451
Capital expenditure on property, plant and equipment		(14,822)	(24,481)
Profit on long term investments received		121	230
Net cash used in investing activities		(14,563)	(22,800)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(5)	(2)
Short term borrowings - net		148,013	151,784
Net cash from financing activities		148,008	151,782
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		6,035	(5,941)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		4,764	15,729
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		10,799	9,788

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

AN TEXTILE MILLS LIMITED
(formerly Ishaq Textile Mills Limited)
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Un-audited)
FOR THE NINE MONTHS ENDED 31 MARCH 2019

1. THE COMPANY AND ITS OPERATIONS

AN Textile Mills Limited (formerly Ishaq Textile Mills Limited) 'the Company' is a public limited company incorporated in Pakistan under the Companies Act, 1913 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. Its registered office and mills premises are located at 35 Kilometers, Sheikhpura Road, Faisalabad. The principal activity of the Company is manufacturing, sale and trading of yarn and cloth. On 12 April 2019, the name of the Company was changed from Ishaq Textile Mills Limited to AN Textile Mills Limited.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and is being submitted to shareholders as required by the Companies Act, 2017. This condensed interim financial information of the Company for the nine months ended 31 March 2018 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 of the Company for the year ended 30 June 2018.

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 2018.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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 2018.

5. CONTINGENCIES AND COMMITMENTS

a) Contingencies

- i) The Company is contingently liable for Rupees 3.000 million (30 June 2018: Rupees 3.000 million) to Director Excise and Taxation on account of import duty.
- ii) Guarantees of Rupees 32.273 million (30 June 2018: Rupees 26.888 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 Commissioner Inland Revenue (Appeals), dated 07 June 2017 against the demand of Rupees 22.378 million (30 June 2018: Rupees 22.378 million) by the tax department regarding disallowance of minimum tax adjustment for the tax year 2011. The related provision is not made in these condensed interim financial statements in view of favorable outcome of the appeal.
- iv) The Company has filed appeals in Lahore High Court, Lahore dated 29 August 2016 and 10 August 2017 against the charge of Gas Infrastructure Development Cess (GIDC) and Re-Gasified Liquefied Natural Gas (RLNG) respectively, charged by SNGPL. The related provision of Rupees 27.085 million (30 June 2018: Rupees 21.249 million) and Rupees 10.336 million (30 June 2018: Rupees 8.478) is not accounted for in these condensed interim financial statements in view of favorable outcome of the appeals.

- v) An appeal has been filed by the Company before Commissioner Inland Revenue (Appeals), dated 11 June 2018, against the order of Additional Commissioner Inland Revenue for demand of Rupees 6.794 million (30 June 2018: Rupees 14.663 million) by the tax department regarding disallowance of withholding taxes as adopted in income tax return for the tax year 2016. During the year, demand of Rupees 7.869 million was verified from Integrated Tax Management system (ITMS) and tax credit was allowed. However, no provision has been made in these condensed interim financial statements in view of favorable outcome of the appeal.
- vi) The Company has filed an appeal before Commissioner Inland Revenue (Appeals) against the order of Additional Commissioner Inland Revenue for demand of Rupees 114.118 million (30 June 2018: Rupees 14.118 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 condensed interim financial statements in view of favorable outcome of the appeal.
- vii) An appeal has been filed by the Company before Commissioner of Inland Revenue (Appeals), dated 27 October 2018, against the order of Assistant Commissioner Inland Revenue (Withholding Zone) dated 28 September 2018, for demand of Rupees 8.966 million regarding recovery of withholding taxes not deducted along with default surcharge for the tax year 2017. No provision against the aforesaid has been made in these condensed interim financial statements as the management is in the view of favourable outcome.

b) Commitments

- i) Letter of credit for capital expenditure is of Rupees 0.169 million (30 June 2018: Rupees Nil).
- ii) Letters of credit or contracts other than for capital expenditure are of Rupees 48.964 million (30 June 2018: Rupees 28.167 million)

Un-Audited	Audited
31 March 2019	30 June 2018
(RUPEES IN THOUSAND)	

6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 6.1)	805,822	818,372
Capital work-in-progress	-	2,687
	<u>805,822</u>	<u>821,059</u>

6.1 Operating fixed assets

Opening book value	818,372	836,982
Add: Cost of additions during the period / year (Note 6.1.1)	17,508	35,282
	<u>835,880</u>	<u>872,264</u>

Less:

Book value of assets transferred to investment properties	-	11,561
Book value of deletions during the period / year (Note 6.1.2)	89	1,615
	<u>89</u>	<u>13,176</u>

	835,791	859,088
Depreciation charged during the period / year	29,969	40,716
	<u>805,822</u>	<u>818,372</u>

6.1.1 Cost of additions during the period / year

Buildings on freehold land - mills	-	5,202
Plant and machinery	14,170	26,170
Electric installations / appliances	122	423
Lab equipment	-	100
Furniture, fixtures	110	-
Factory equipment	60	-
Office equipment	-	-
Computers	-	101
Vehicles	3,046	3,286
	<u>17,508</u>	<u>35,282</u>

Un-Audited	Audited
31 March	30 June
2019	2018

(RUPEES IN THOUSAND)

6.1.2 Book value of deletions during the period / year

Plant and machinery	-	879
Vehicles	89	736
	<u>89</u>	<u>1,615</u>

Un-audited	
Nine months ended	
31 March	31 March
2019	2018

(RUPEES IN THOUSAND)

7. CASH GENERATED FROM OPERATIONS

Profit / (loss) before taxation	26,031	(1,287)
Adjustments for non-cash charges and other items:		
Depreciation	29,969	30,347
Gain on sale of property, plant and equipment	49	-
Loss on sale of property, plant and equipment	-	120
Provision for staff retirement gratuity	7,315	6,216
Profit on long term investments	(197)	(398)
Finance cost	30,288	24,152
Working capital changes (Note 7.1)	(175,637)	(161,128)
	<u>(82,182)</u>	<u>(101,978)</u>

7.1 Working capital changes

Increase in current assets:

Stores, spare parts and loose tools	(4,434)	(10,355)
Stock in trade	(235,171)	(135,499)
Trade debts	(11,159)	(1,072)
Loans and advances	6,121	(9,235)
Short term deposits and prepayments	(807)	189
Other receivables	1,996	(1,098)
	<u>(243,454)</u>	<u>(157,070)</u>
Increase / (decrease) in trade and other payables	67,817	(4,058)
	<u>(175,637)</u>	<u>(161,128)</u>

8. 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:

Un-audited	
Nine months ended	
31 March	31 March
2019	2018

(RUPEES IN THOUSAND)

i) Transactions

Particulars	Basis of relationship	Nature of transaction		
Associated companies / undertakings				
Blue Moon Filling Station	Director of the Company is partner of the undertaking	Fuel purchased	1,458	1,782
Other related parties				
Short term borrowings	Directors of the Company	Loans obtained / (repaid)	5,500	(7,150)

Un-Audited	Audited
31 March 2019	30 June 2018

(RUPEES IN THOUSAND)

ii) Period end balances

Trade and other payables	13,179	11,722
Short term borrowings	24,703	19,203

9. 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 2018.

10. DATE OF AUTHORIZATION

This condensed interim financial information was approved by the Board of Directors and authorized for issue on 30 April, 2019.

11. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34, 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 statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures of profit and loss account and related notes have been re-arranged due to showing Weaving segment as discontinued operation. Apart from that, no significant re-arrangements have been made.

12. 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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