

QUARTERLY ACCOUNTS FINANCIAL STATEMENTS March 31, 2016



ALI ASGHAR TEXTILE MILLS LTD.



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VISION STATEMENT

*To strive for excellence through
Commitment, Integrity,
Honesty and Team work*

MISSION STATEMENT

*Operate state of the art spinning
machinery capable of producing high
quality cotton and blended yarn for
knitting and weaving*

**COMPANY INFORMATION****Board of Directors**

Mr. Nadeem Ellahi Shaikh	(Chief Executive)
Mr. Abdullah Moosa	(Non-Executive Director & Chairman)
Mr. Munawar Hussain	(Non-Executive Director)
Mr. Muhammad Suleman	(Non-Executive Director)
Mr. Raja Ghanzafar Ali	(Non-Executive Director)
Mr. Sultan Mehmood	(Non-Executive Director)
Mr. Muhammad Azad Khan	(Independent Director)

Audit Committee	Mr. Muhammad Azad Khan	Chairman
	Mr. Sultan Mehmood	Member
	Mr. Raja Ghanzafar Ali	Member

Human Resources & Remuneration (HR&R) Committee	Ms. Munawar Hussain	Chairman
	Mr. Raja Ghanzafar Ali	Member
	Mr. Muhammad Azad Khan	Member

CFO & Company Secretary Mr. Muhammad Suleman

Auditor M/s. Mushtaq & Co. Chartered Accountants

Banker Habib Bank Limited
Habib Metropolitan Bank Limited
Bank Al-Habib Ltd
National Bank of Pakistan

Shares Registrar C. & K. Management Associates (Pvt) Ltd
404- Trade Tower, Abdullah Haroon Road
Metropole Hotel, Karachi-75530
Phone: 35687839, 3568593

Registered Office Plot No. 6, Sector No. 25, Korangi Industrial Area,
Karachi. 74900

Website www.aatml.com.pk
Mills Plot 6, Sector No. 25 Korangi Industrial Area Karachi
74900



DIRECTOR REPORT

The director are pleased to present the report for the period ended March 2016

The loss for the period January to March 2016 was 3.95 million compared to loss of 5.44 million in SPLY.

The textile sector in Pakistan is now showing signs of life as the energy situation has improved. The advent of RLNG into the system has enabled gas supply to the textile sector on 7 days a week basis after almost 8 years.

Keeping this in view management is pleased to inform shareholders that it is working on revival plan for the unit and has started approaching financial institutions for funding. It is obvious logic that due to non availability of energy management hands were tied. We will keep shareholders updated on progress in this development

On behalf of the Board

NADEEM ELLAHI SHAIKH
CHIEF EXECUTIVE

KARACHI

Dated 26th April 2016

ALI ASGHAR TEXTILE MILLS LTD.
Quarterly Account 2016



ALI ASGHAR TEXTILE MILLS LIMITED
Condensed Interim Balance Sheet
As at March 31, 2016

	Note	Un-Audited 31-Mar-16 Rupees	Audited 30-Jun-15 Rupees
Assets			
Non Current Assets			
PP&E	5	375,828,708	377,353,491
Long term Investment		13,054	1,263,054
Long term Deposits		2,510,096	2,472,446
		378,351,858	381,088,991
Current Assets			
Inventories		941,269	941,269
Trade Debts		-	-
Loans and advances		7,426,957	10,813,728
Trade deposits and short term prepayments		1,931,630	2,222,030
Other Receivables		21,798,879	21,860,971
Tax refunds and due from govt.		14,771,733	14,687,476
Cash and bank balances		1,022,048	302,924
		47,892,516	50,828,399
Total Assets		426,244,374	431,917,390
Equity and Liabilities			
Share capital and reserves			
Authorised share capital		250,000,000	250,000,000
Issued and paid up capital		222,133,470	222,133,470
Unappropriated loss		(213,831,928)	(201,478,715)
		8,301,542	20,654,755
Surplus on revaluation of PPE		260,405,114	261,206,317
Non-Current liabilities			
Long term financing		90,615,966	78,835,116
long term deposits		833,850	839,925
Deferred liabilities		1,329,000	1,329,000
		92,778,816	81,004,041
Current liabilities			
Trade and other payables		30,396,980	33,486,311
Accrued interest		4,930,250	4,930,250
Bank overdraft		10,170,720	10,124,765
Current portion of non current liabilities		8,652,448	9,902,448
Provision for taxation		10,608,504	10,608,503
		64,758,902	69,052,277
Contingencies and commitments	6	-	-
Total equity and Liabilities		426,244,374	431,917,390

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


NADEEM E. SHAIKH
 CHIEF EXECUTIVE


ABDULLAH MOOSA
 DIRECTOR

ALI ASGHAR TEXTILE MILLS LTD.**Quarterly Account 2016****ALI ASGHAR TEXTILE MILLS LIMITED**

Condensed Interim Profit and Loss Accounts (Un-Audited)

For the Nine Months Period and Quarter ended March 31, 2016

	Nine months period ended		Quarter Ended	
	31-Mar 2016 Rupees	31-Mar 2015 Rupees	31-Mar 2016 Rupees	31-Mar 2015 Rupees
Sales	-	-	-	-
Cost of Sales	(5,210,057)	(8,661,373)	(2,143,940)	(2,545,390)
Gross Loss	(5,210,057)	(8,661,373)	(2,143,940)	(2,545,390)
Administrative Expenses	(8,579,494)	(11,998,908)	(1,805,171)	(4,100,000)
Other Income	655,904	2,972,109	-	1,220,000
	(7,923,590)	(9,026,799)	(1,805,171)	(2,880,000)
Loss from Operation	(13,133,647)	(17,688,172)	(3,949,111)	(5,425,391)
Finance Cost	(15,388)	(20,490)	(3,703)	(15,105)
Loss before Taxation	(13,149,035)	(17,708,662)	(3,952,814)	(5,440,495)
Taxation				
Current	(5,381)	-	-	-
Deferred	-	-	-	-
	(5,381)	-	-	-
Loss After Taxation	(13,154,416)	(17,708,662)	(3,952,814)	(5,440,495)
(Loss)/Earning per share - basic and diluted	(0.30)	(0.40)	(0.09)	(0.11)

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


NADEEM E. SHAIKH
 CHIEF EXECUTIVE


ABDULLAH MOOSA
 DIRECTOR

ALI ASGHAR TEXTILE MILLS LTD.
Quarterly Account 2016



ALI ASGHAR TEXTILE MILLS LIMITED

Condensed Interim Statement of Comprehensive Income (Un-Audited)
For the Nine Months Period and Quarter ended March 31, 2016

	Nine Months Period Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rupees	Rupees	Rupees	Rupees
Loss after taxation	(13,154,416)	(17,708,662)	(3,952,814)	(5,440,495)
Other comprehensive income	-	-	-	-
Total comprehensive income	(13,154,416)	(17,708,662)	(3,952,814)	(5,440,495)

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

NADEEM E. SHAIKH
NADEEM E. SHAIKH
CHIEF EXECUTIVE

ABDULLAH MOOSA
ABDULLAH MOOSA
Director

ALI ASGHAR TEXTILE MILLS LTD.

Quarterly Account 2016



ALI ASGHAR TEXTILE MILLS LIMITED
Condensed Interim Statement of Cash Flows (Un-Audited)
For the Nine Months Periods Ended March 31, 2016

	March 31, 2016	March 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(13,149,035)	(17,708,662)
Adjustments for:		
Depreciation	1,294,775	4,833,587
Staff retirement benefits-gratuity	15,388	141,288
Finance cost	-	5,385
Gain on disposal of PPE	1,310,163	4,980,260
Loss before working capital changes	(11,838,872)	(12,728,402)
(Increase)/decrease in current assets		
Inventory	-	-
Trade debts	-	-
Loan and advances	3,386,771	(1,234,281)
Trade deposits and short term prepayments	290,400	-
Other receivables	62,092	108,529
Increase in current liabilities	3,739,263	(1,125,752)
Trade and other payables	(3,094,711)	1,062,000
Cash used in operation	(11,194,320)	(12,792,154)
Finance cost paid	(15,388)	(5,385)
Taxes refund/(paid)	(84,257)	(74,069)
Staff retirement benefits gratuity paid	(99,645)	(79,454)
Net cash used in operating activities	(11,293,665)	(12,871,608)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of PPE	-	(13,054)
Long term investments	(37,650)	(52,027)
Fixed capital expenditure	230,008	(116,650)
Net cash flows from investing activities	1,442,358	(181,731)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans received from directors and sponsors	13,034,600	8,700,000
Loan repaid	(2,503,750)	(1,507,500)
Deposits received	(6,075)	(82,000)
Book overdraft	45,955	4,026,131
Net cash flow from financing activities	10,570,730	11,136,631
Net increase in Cash and Cash equivalents	719,124	(1,916,708)
Cash and cash equivalent at the beginning of the period	302,924	1,706,022
Cash and cash equivalent at the end of the period	1,022,048	(210,686)

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

NADEEM E. SHAIKH
CHIEF EXECUTIVE

ABDULLAH MOOSA
Director



ALI ASGHAR TEXTILE MILLS LIMITED

Condensed Interim Statement of Changes in Equity
 For the Nine Months Periods Ended March 31, 2016

	Share Capital	Unappropriated Loss	Total Equity
	Rupees		
Balance as at June 30, 2014 (Audited)	222,133,470	(179,299,479)	42,833,991
Total comprehensive loss for the nine months periods ended March 31, 2015	-	(17,708,662)	(17,708,662)
Transfer from surplus on revaluation-incremental	-	300,400	300,400
Balance as at March 31, 2015 (Un-Audited)	222,133,470	(196,707,741)	25,425,729
Total comprehensive loss for the remaining period	-	(5,605,379)	(5,605,379)
Transfer from surplus on revaluation - incremental	-	834,405	834,405
Balance as at June 30, 2015 (Audited)	222,133,470	(201,478,715)	20,654,755
Total comprehensive loss for the nine months periods ended March 31, 2016	-	(13,154,416)	(13,154,416)
Transfer from surplus on revaluation-incremental	-	801,203	801,203
Balance as at March 31, 2016 (Un-Audited)	222,133,470	(213,831,928)	8,301,542

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

NADEEM E. SHAIKH
 CHIEF EXECUTIVE

ABDULLAH MOOSA
 DIRECTOR

ALI ASGHAR TEXTILE MILLS LTD.

Quarterly Account 2016



Notes to the Condensed Interim Financial Information (Un-Audited) For the Nine Months Period ended March 31, 2016

1 THE COMPANY AND IT'S OPERATIONS

- 1.1 Ali Asghar Textile Mills Limited (the Company) was incorporated in Pakistan on February 9, 1967 under the Companies Act, 1913 (Now Companies Ordinance, 1984) as a public limited company having its registered office at Uri Towers, I. I. Chundrigar Road, Karachi in the province of Sindh. Its shares are quoted on Karachi Stock Exchange (Guarantee) Limited. The principal activity of the Company is to manufacture and sale of yarn. The manufacturing facilities of the Company are located at Korangi Industrial Area, Karachi in the province of Sindh.
- 1.2 The Company has closed its operation in September, 2011 and has sold a substantial portion of its property plant and equipment. The Company has accumulated losses of Rs. 213.83 million as at March 31, 2016. Current liabilities exceeds its current assets by Rs. 16.86 million.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information of the Company for the nine months period March 31, 2016 is un-audited and has been prepared in accordance with the requirements of the International Accounting Standard IAS 34 "Interim Financial Reporting" and provisions of and directives issued by the Securities and Exchange Commission of Pakistan under the Companies Ordinance, 1984 (the Ordinance). 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 the company for the year ended June 30, 2015. This interim financial information is being submitted to the shareholders as required by the Listing Regulations of Karachi Stock Exchange and section 245 of the Ordinance.

2.2 Accounting Convention

These financial statements have been prepared under the historical cost convention except for measurement of certain financial assets and financial liabilities at fair value and recognition of employee benefits at present value.

2.3 Functional and presentation currency

These financial information are presented in Pakistan Rupees which is also the Company's functional currency. All financial information presented in Pakistan Rupees has been rounded off to the nearest rupee.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended June 30, 2015.

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this 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 recognised prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2015. The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended June 30, 2015.

5 ACQUISITION AND DISPOSAL OF PROPERTY PLANT AND EQUIPMENTS

The cost of additions and disposals to operating fixed assets during the nine months period ended, March 31, 2016 were as follows:

	March 31, 2016 (Un-Audited)		June 30, 2015 (Audited)	
	Additions	Disposals	Additions	Disposals
	(Cost in Rupees)		(Cost in Rupees)	
Plant and Machinery	-	-	-	-
Generator	-	-	103,000	-
Vehicle	43,000	(1,333,650)	73,500	-
Furniture & Fixture	-	-	6,000	-
Office Equipment	84,900	-	145,150	-
	<u>127,900</u>	<u>(1,333,650)</u>	<u>327,650</u>	<u>-</u>

ALI ASGHAR TEXTILE MILLS LTD.

Quarterly Account 2016



6 CONTINGENCIES AND COMMITMENTS

Contingencies

- 6.1 The Bank of Punjab has filed suit 62 of 12 before Honorable Banking Court NO. V, Karachi against the company for recovery of Rs. 42.35 million (Principal Rs. 17.1 million alongwith Markup Rs. 25.241 million) as outstanding dues against the leasing facilities provided by the bank. The company has filed an application for leave to defend on 07.02.2013. The company has also provided liabilities amounting to Rs. 18.77 million along with markup Rs. 4.93 million. The management believes that there wont be any outflow of economic benefit more than what it has already recorded and disclosed. In the opinion of Legal advisors of the company, the aforementioned amount of Rs. 42.35 million is exaggerated and is not supported by the statement of account filed by the Bank of Punjab before the learned banking court.
- 6.2 The company has suit No. B-102 of 13. First Dawood Investment Bank Versus Ali Asghar Textile Mills Limited pending before Honorable Highcourt of Sindh at Karachi. The company trying to settle its TFCs amounting to Rs. 89.609 million with First Dawood Bank Limited. The First Dawood Investment Bank has filed suit for the recovery of 89.609 million against lease finance which was converted to TFCs. The company has counter filed case against First Dawood Investment and defending the case and in the opinion of Legal advisor, the management of the company is trying to settle its TFCs with First Dawood Bank Limited at its earliest and is taking all the steps to conclude the aforementioned case.
- 6.3 The company has CP no. D-1009 of 12. Ali Asghar Textile Mills Limited Versus Fed. of Pakistan pending before Honorable Highcourt of Sindh at Karachi. The company trying to settle it at its earliest and in the opinion of Legal advisor, The merits of the case pending are in the favor of the company as it is taking all the steps to conclude the aforementioned case.

Note	March 31, 2016	June 30, 2015 (Audited)
	Rupees	Rupees
6.3 Guarantees issued by banks on behalf of the Company	1,611,230	1,611,230

Commitments

There are no commitments of the company as at March 31, 2016.

7 TRANSACTION WITH RELATED PARTY

The related parties comprise associated companies (due to common directorship), wholly owned subsidiary, directors and key management personnel. Amounts due to/from related parties are shown in the relevant notes to the financial statements. The Company in the normal course of business carries out transactions with various related parties. Significant balances and transactions with related parties are as follows.

Nature of transaction	Nature of Relationship	March 31, 2016 Rupees	March 31, 2015 Rupees
<u>Rent and other expenses</u>			
Gulnar Humayun	Significant Influence	468,270	312,180
<u>Loan received from directors & Sponsors</u>			
Directors	Control and Significant influence	15,786,600	4,950,000
Sponsors	Significant Influence	14,650,000	3,750,000
		30,436,600	8,700,000

8 GENERAL

The figures have been rounded off to the nearest Rupee.

9 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 26 April 2016 by the board of directors of the Company.



NADEEM E. SHAIKH
CHIEF EXECUTIVE



ABDULLAH MOOSA
DIRECTOR

BOOK POST

PRINTED MATTER



If undelivered please return to:-

ALI ASGHAR TEXTILE MILLS LTD.

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I.I.Chundrigar Road, Karachi.