

QUARTERLY REPORT

SEPTEMBER 30,

2018



J. A. Textile Mills Limited

COMPANY INFORMATION

Board of Directors

Chair Person:	Mrs. Rukhsana Begum
Chief Executive:	Mr. Imran Zahid
Directors:	Mr. Zahid Anwar
	Mrs. Rukhsana Begum
	Ms. Quratul-Ain Zahid
	Mr. Muhammad Yousaf
	Mr. Muhammad Ali
	Mr. Muhammad Anwar-ul-Haq

Audit Committee:

Chairman:	Mr. Muhammad Ali
Member:	Mr. Muhammad Anwar-ul-Haq
Member:	Ms. Quratul-Ain Zahid

Human Resources & Remuneration (HR&R) Committee:

Chairman:	Mr. Muhammad Anwar-ul-Haq
Member:	Mr. Imran Zahid
Member:	Mr. Muhammad Yousaf

Company Secretary: Mr. Ajmal Shabab

Chief Financial Officer: Mr. Zeeshan Ahmad

Head of Internal Audit: Mr. Muhammad Umer Farooq

Auditors: Kreston Hyder Bhimji & Company, Chartered Accountants

Banks: Al Baraka Islamic Bank B.S.C. (E.C.)
Dubai Islamic Bank Pakistan Limited
JS Bank Limited
National Bank of Pakistan
United 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 (Private) Limited
1st Floor, H.M House, 7-Bank Square, Lahore.

Mills: 29-KM, Shekhupura Road, Faisalabad

Web Site: www.jatml.com

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Board of Directors is pleased to present un-audited accounts for the 1st quarter ended September 30, 2018.

Financial Results

Operating Indicators	1 st Quarter Ended Sep 30, 2018 Rupees in Million	1 st Quarter Ended Sep 30, 2017 Rupees in Million
Sales	249.416	267.690
Gross profit	4.673	0.470
Pretax profit/(loss)	1.996	(1.820)
Taxation	2.558	2.761
Loss per share	(0.04)	(0.36)

During the period ended, the company has improved its profitability as compare to corresponding period of last year despite of persistent economic and political crisis and higher prices of raw cotton.

The management of the company is making strenuous efforts, optimal production strategies and effective cost control to improve the profitability of the company. The management positively looks forward to counter all challenges and is firmly committed to deliver the best possible results and will continue to meet our objectives and goals. Based upon these aspects and continuing financial support from directors and associates, the financial statements have been prepared on going concern basis.

There is no material change in position of ongoing litigation and other matters related to court as reported in the Directors' report to the shareholders for the year ended June 30, 2018.

We would like to express our appreciation for the dedication and hard work put in by the entire team at J. A. Textile Mills Limited and all its partners within the country and all across the world.

For and on behalf of the Board of Directors

FAISALABAD
OCTOBER 29, 2018


IMRAN ZAHID
Chief Executive

ڈائریکٹرز رپورٹ برائے حصص یافتگان

آپ کے بورڈ آف ڈائریکٹرز کو پہلی سرمایہ 30 ستمبر 2018 کو ختم ہونے والے عرصہ کے کھتی کے غیر آڈٹ شدہ مالیاتی اسٹیٹمنٹ پیش کرتے ہوئے نہایت سرت محسوس ہو رہی ہے۔

مالیاتی نتائج

سرمایہ اختتام	سرمایہ اختتام	آپریٹنگ تفصیلات
30 ستمبر 2017	30 ستمبر 2018	
روپے	روپے	
267,690	249,416	فروخت
0.470	4.673	مجموعی منافع
(1.820)	1.996	قبل از ٹیکس منافع اخسارہ
2.761	2.558	ٹیکس کیلئے پر دین
(0.36)	(0.04)	خسارہ نی شیئر

اس عرصہ کے دوران اقتصادی اور سیاسی بحران اور خام کپاس کی بڑھتی قیمتوں کے باوجود کھتی کے گزشتہ سال کے اسی عرصہ کی نسبت منافع میں بہتری ہوئی ہے۔

کھتی کے منافع کو بہتر بنانے کیلئے کھتی کی انتظامیہ مسلسل کوشش کر رہی ہے۔ پیداوار بڑھانے کی حکمت عملی اور الاگت کنٹرول کرنے کے موثر طریقوں پر عمل کیا جا رہا ہے۔ کھتی کی انتظامیہ مثبت انداز میں آنے والے تمام چیلنجوں کا مقابلہ کرنے کیلئے تیار ہے۔ اور ممکنہ بہترین نتائج فراہم کرنے کیلئے پختہ ارادہ رکھتی ہے۔ اور اپنے مقاصد و اہداف کو پورا کرنے کیلئے کوششیں جاری رہیں گی۔ ان پہلوؤں کو ڈائریکٹرز اور ایسوسی ایشن کی مسلسل مالی امداد کی بنیاد پر یہ مالیاتی رپورٹ گونگ کنسرن بنیادوں پر بتائی گئی ہیں۔

30 جون 2018 کو ختم ہونے والے سال کی ڈائریکٹرز رپورٹ برائے حصص یافتگان میں جو مقدمات اور دیگر امور رپورٹ کے گئے ان میں کوئی تبدیلی نہیں ہوئی ہے۔

ہم سب سے ٹیکسٹائل ملز لمیٹڈ کی پوری ٹیم اور اسکے تمام شراکت داروں ملک کے اندر اور دنیا بھر میں کی انتھک محنت کی تعریف کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے

29 اکتوبر 2018

فیصل آباد

عمران زاہد
چیف ایگزیکٹو آفیسر

J A TEXTILE MILLS LIMITED

CHAIRMAN'S REVIEW

We are pleased to present the financial result of the company, we are confident that our business will continue adding to sustainable growth to achieve better results during the current year and rise in other avenues of business will further add value to the net worth of the company.

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

In these days I would like to appreciate the board of directors for their commitment for working and continued efforts towards the improvement of the company.

For and on behalf of the Board of Directors



RUKHSANA BEGUM
Chairperson BOD

FAISALABAD
OCTOBER 29, 2017

جے اے نیگیشنل ٹول میٹنگ

تیز رفتاری سے جانور پر چڑھتے

ہم بھڑکائی گئی تھی، لیکن ڈاکٹر نے کہا ہے۔

ہم اس بات پر حیران ہیں کہ کھلی اس سال ترقی کی جانب کاموں سے جی اور اس سال ہیر ٹیگ حاصل کرنے کے لیے ۱۰۰۰ کے بجائے ۱۰۰ کے طریقے اختیار کریں گے۔

شخصیات آپ کی کھلی کی مال کو اور بھی بڑھانے کے لیے ہمیں پتہ چلا ہے، لیکن ان کے پاس ہیر ٹیگ حاصل کرنے کی صلاحیت اور صلاحیت ہے۔

۱۰۰ میں ہیر ٹیگ ڈاکٹر کے ۱۰۰ کے خلاف صورت اور کھلی کی ہیر ٹیگ حاصل کرنے کی ہیر ٹیگ کی طرف لائی ہے۔

بورڈ آف ڈائریکٹرز کی طرف سے

رہنما تیم

ڈائریکٹر جنرل، بورڈ آف ڈائریکٹرز

29 اکتوبر 2018

فیصل آباد

J. A. TEXTILE MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2018

	Note	Unaudited	Audited
		September 30, 2018	June 30, 2018
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	393,809,775	398,352,788
Long term deposits		17,427,380	17,427,380
		<u>411,237,155</u>	<u>415,780,168</u>
CURRENT ASSETS			
Stores and spares		6,460,359	9,125,475
Stock in trade		52,760,702	90,766,858
Trade debts		5,311,365	6,056,856
Advances, prepayments and other receivables		3,943,731	1,365,323
Short term investment		341,529	341,529
Tax refunds due from Government		9,602,686	6,838,519
Cash and bank balances		23,886,009	3,012,176
		<u>102,306,381</u>	<u>117,506,738</u>
		<u>513,543,536</u>	<u>533,286,906</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
20,000,000 ordinary shares of Rs.10 each		<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid up capital			
12,601,160 ordinary shares of Rs. 10 each, fully paid in cash		126,011,600	126,011,600
Accumulated loss		(210,954,920)	(209,641,063)
Surplus on remeasurement of investments available for sale to fair value		(30,951)	(30,951)
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
loan from related parties	5	203,231,433	204,986,679
		<u>123,649,730</u>	<u>125,926,743</u>
		<u>251,906,892</u>	<u>247,253,008</u>
NON CURRENT LIABILITIES			
Deferred liabilities		66,229,885	66,789,618
		<u>66,229,885</u>	<u>66,789,618</u>
CURRENT LIABILITIES			
Trade and other payables		193,963,039	214,800,560
Unclaimed Dividend		443,720	443,720
Short term borrowings		-	-
Current Portion Of Long Term Financing		1,000,000	4,000,000
		<u>195,406,759</u>	<u>219,244,280</u>
CONTINGENCIES AND COMMITMENTS			
	6	-	-
		<u>513,543,536</u>	<u>533,286,906</u>

The annexed notes 1 to 10 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

J. A. TEXTILE MILLS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (Un-Audited)

	Quarter ended	
	September 30, 2018	September 30, 2017
	----- Rupees -----	
Sales-net	249,416,084	267,690,459
Cost of sales	244,742,558	267,220,138
Gross profit	<u>4,673,526</u>	<u>470,321</u>
Operating expenses		
Distribution cost	46,505	-
Administrative expenses	2,627,290	2,278,428
Finance costs	3,373	11,385
	<u>2,677,168</u>	<u>2,289,813</u>
	<u>1,996,358</u>	<u>(1,819,492)</u>
Other operating income	-	-
Profit / (loss) before taxation	<u>1,996,358</u>	<u>(1,819,492)</u>
Taxation	<u>2,557,968</u>	<u>2,760,957</u>
Loss for the period	<u>(561,610)</u>	<u>(4,580,449)</u>
Loss per share - Basic	<u>(0.04)</u>	<u>(0.36)</u>

The annexed notes 1 to 10 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

J. A. TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (Un-Audited)

	Quarter ended	
	September 30, 2018	September 30, 2017
	----- Rupees -----	
Loss for the period	(561,610)	(4,580,449)
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	<u>(561,610)</u>	<u>(4,580,449)</u>

The annexed notes 1 to 10 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

J. A. TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (Un-Audited)

	Quarter ended	
	September 30, 2018	September 30, 2017
	----- Rupees -----	
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit /(loss) before taxation	1,996,358	(1,819,492)
Adjustments for non cash and other items:		
Depreciation	4,543,013	4,720,177
Finance costs	3,373	11,385
Profit on deposits	-	-
Balances written back	-	-
Operating cash flows before working capital changes	6,542,744	2,912,070
Changes in working capital		
Decrease/(increase) in current assets		
Stores and spares	2,665,116	(2,128,716)
Stock in trade	38,006,156	(6,754,331)
Trade debts	745,491	52,256
Advances, prepayments and other receivables	(2,578,406)	843,544
Tax refunds due from Government	(2,764,167)	(127,975)
(Decrease)/increase in current liabilities		
Trade and other payables	(23,345,014)	7,525,691
Cash used in operations	12,729,176	(589,531)
Finance cost paid	19,271,920	2,322,539
Taxes paid	(3,373)	(11,385)
Net cash used in operating activities	16,150,846	(1,775,180)
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	-	-
Long term deposits	-	(5,000)
Profit on deposits	-	-
Net cash generated from/(used in) investing activities	-	(5,000)
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term loan	(3,000,000)	
Received from related parties	7,722,987	(4,623,984)
Net cash used in financing activities	4,722,987	(4,623,984)
Net Decrease in cash and cash equivalents (a+b+c)	20,873,833	2,843,804
Cash and cash equivalents at the beginning of the period	3,012,176	3,777,508
Cash and cash equivalents at the end of the period	23,886,009	6,621,312

The annexed notes 1 to 10 form an integral part of these financial statements.

 **CHIEF EXECUTIVE**
 **DIRECTOR**

 **CHIEF FINANCIAL OFFICER**

J. A. TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (Un-Audited)

	Share capital	Accumulated loss	Surplus on re-measurement of investments available for sale to fair value	Surplus revaluation of property, plant and equipment	Loan from related parties	Total
	----- Rupees -----					
Balance as at July 01, 2017	126,011,600	(247,875,140)	128,989	-	-	(121,734,551)
Total comprehensive loss for the year						
Loss for the period	-	(4,580,449)	-	-	-	(4,580,449)
Remeasurement of investments available for sale to fair value	-	-	-	-	-	-
Incremental depreciation on revalued property, plant and equipment for the period	-	(4,580,449)	-	-	-	(4,580,449)
Tax effect on incremental depreciation	-	2,549,604	-	-	-	2,549,604
	-	(764,881)	-	-	-	(764,881)
Balance as at September 30, 2017	126,011,600	(250,670,866)	128,989	-	-	(124,530,277)
Balance as at July 01, 2018	126,011,600	(209,641,063)	(30,951)	204,986,679	125,926,743	247,253,008
Total comprehensive profit for the year						
Profit for the period	-	(561,610)	-	-	-	(561,610)
Remeasurement of investments available for sale to fair value	-	-	-	-	-	-
Incremental depreciation on revalued property, plant and equipment for the period	-	(561,610)	-	-	-	(561,610)
Tax effect on incremental depreciation	-	-	-	2,507,493	-	-
Received loan during the period	-	(752,247)	-	(752,247)	-	(752,247)
	-	-	-	-	7,722,987	7,722,987
Balance as at September 30, 2018	126,011,600	(210,954,920)	(30,951)	203,231,433	133,649,730	251,906,892

The annexed notes 1 to 10 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

J. A. TEXTILE MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (Un-Audited)

1. THE COMPANY AND ITS OPERATIONS

J. A. Textile Mills Limited (the Company) was incorporated in Pakistan on 25 May, 1987 under the Companies Ordinance, 1984. The shares of the company are listed on Pakistan Stock Exchange. 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. The principal business activity of the Company is manufacturing and sale of yarn.

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 is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 2017.

These condensed interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2018. Comparative figures of the balance sheet are extracted from annual audited financial statements for the year ended June 30, 2018, whereas comparative profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed financial statements for the quarter ended September 30, 2017.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, related judgments, estimates and assumptions adopted for the preparation of this condensed interim financial statements are the same as those applied in the preparation of the audited financial statements for the preceding year ended June 30, 2018.

		<u>Unaudited</u> <u>September 30,</u> <u>2018</u>	<u>Audited</u> <u>June 30,</u> <u>2018</u>
	Note	----- Rupees -----	
4. Property, plant and equipment			
Operating fixed assets	4.1	393,809,775	398,352,788
Capital work in progress		-	-
		<u>393,809,775</u>	<u>398,352,788</u>
4.1 Operating fixed assets			
Opening book value		398,352,788	400,980,487
Addition during the period / year	4.1.1	-	1,816,215
Revaluation surplus Addition during the period / year	4.1.2	-	14,744,807
		<u>398,352,788</u>	<u>417,541,509</u>
Depreciation charged for the period / year		<u>(4,543,013)</u>	<u>(19,188,721)</u>
		<u>393,809,775</u>	<u>398,352,788</u>
4.1.1 Addition during the period / year			
Plant and machinery/Electric Installation		-	1,816,215
4.1.2 Deletion during the period / year			
Vehicles		-	-

	Unaudited September 30, 2018	Audited June 30, 2018
Note	Rupees	
5. Surplus on revaluation of property, plant and equipment		
Balance as on July 01,	204,986,679	201,952,923
Add: surplus arisen on revaluation of property, plant and equipment	-	35,299,130
Less: Related effect of deferred tax liability	-	(10,589,739)
	-	24,709,391
Less: Impairment of revalued property, plant and equipment	-	(20,554,324)
Add: Related effect of deferred tax liability	-	6,166,297
	-	(14,388,027)
Less: Incremental depreciation on revalued property, plant and equipment transferred to accumulated loss	2,507,493	10,410,869
Add: Related effect of deferred tax liability	(752,247)	(3,123,261)
	1,755,246	7,287,608
Balance as on September 30, / June 30,	203,231,433	204,986,679

This represents surplus on revaluation of freehold land, building on freehold land, plant and machinery, power generators, electric installations and factory equipments. Revaluation of freehold land on market value, building on freehold land, plant and machinery, power generators, electric installations and factory equipments on depreciated replacement values was carried out by M/S Yousaf Adil Saleem & Co. Chartered Accountants as on September 30, 1990 and by M/S Nizamy Associates as on June 30, 2007 and June 30, 2012 and M/S Amir Evaluators & Consultants as on 31st December, 2017.

6. Contingencies and commitments

There has been no significant change in the contingencies and commitments since the last audited financial statements as on June, 30, 2018.

7. Related Party Transactions

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

Nature of transactions	Party	Quarter ended	
		September 30, 2018	September 30, 2017
Rupees			
Company's contribution to provident fund	Provident fund	1,040,000	631,417
Loan received from CEO/directors/members	CEO/directors/members	7,935,000	7,935,000

8. Taxation

Provision for taxation has been made on turnover basis under Section 113(1) of the Income Tax Ordinance, 2001.

9. Authorized for issue

These condensed interim financial statements were authorized for issue on **OCTOBER 29, 2018** by the Board of Directors of the Company.

10. General

Figures have been rounded off to the nearest Rupee.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER