

QUARTERLY REPORT

**SEPTEMBER 30,
2019**

UN-AUDITED



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 Ali
	Mr. Riaz Ahmad
	Mr. Liaqat Ali Qamar

Audit Committee:

Chairman:	Mr. Riaz Ahmad
Member:	Mr. Muhammad Ali
Member:	Ms. Quratul-Ain Zahid

Human Resources & Remuneration (HR&R) Committee:

Chairman:	Mr. Muhammad Ali
Member:	Mr. Imran Zahid
Member:	Mr. Liaqat Ali Qamar

Company Secretary: Mr. Ajmal Shabab

Chief Financial Officer: Mr. Zia Ullah Khan Dilawar

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, Sheikhpura 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, 2019.

Financial Results

Operating Indicators	1 st Quarter Ended Sep 30, 2019 Rupees in Million	1 st Quarter Ended Sep 30, 2018 Rupees in Million
Sales	82.625	249.416
Gross (Loss)/profit	(7.680)	4.673
Pretax (Loss)/profit	(10.389)	1.996
Taxation	0.512	2.558
Loss per share	(0.87)	(0.04)

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

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, 2019.

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, 2019


IMRAN ZAHID
Chief Executive

ڈائریکٹرز رپورٹ برائے حصص یافتگان

آپ کے بورڈ آف ڈائریکٹرز کو پہلی سرمایہ 30 ستمبر 2019 کو ختم ہونے والے عرصہ کے کمپنی کے غیر آڈٹ شدہ مالیاتی اسٹیٹمنٹ پیش کرتے ہوئے نہایت مسرت محسوس ہو رہی ہے۔

مالیاتی نتائج

سرمایہ اختتام	سرمایہ اختتام	آپریٹنگ تفصیلات
30 ستمبر 2018	30 ستمبر 2019	
روپے	روپے	
249,416	82,625	فروخت
4.673	(7.680)	مجموعی خسارہ 1 منافع
1.996	(10.389)	قبل از ٹیکس خسارہ 1 منافع
2.558	0.512	ٹیکس کیلئے پروویژن
(0.04)	(0.87)	خسارہ فی شیئر

اس عرصہ کے دوران اقتصادی اور سیاسی بحران اور خام کپاس کی بڑھتی قیمتوں کی وجہ سے کمپنی کے گزشتہ سال کے اسی عرصہ کی نسبت منافع میں کمی ہوئی ہے۔

کمپنی کے منافع کو بہتر بنانے کیلئے کمپنی کی انتظامیہ مسلسل کوشش کر رہی ہے۔ پیداوار بڑھانے کی حکمت عملی اور لاگت کنٹرول کرنے کے موثر طریقوں پر عمل کیا جا رہا ہے۔ کمپنی 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 و ڈائریکٹرز اور ایسوسی ایشن کی مسلسل مالی امداد کی بنیاد پر یہ مالیاتی رپورٹ گونگ کنٹریں بنیادوں پر بنائی گئی ہیں۔

30 جون 2019 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 بچے 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 2019

فیصل آباد

عمران زہرا
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 the end, I would like to appreciate the board of directors for their commitment, hardworking and continued efforts towards the improvement of the company.

For and on behalf of the Board of Directors



FAISALABAD
OCTOBER 29, 2019

RUKHSANA BEGUM
Chairperson BOD

جے اے ٹیکسٹائل ملز لمیٹڈ

چیئر پرسن کا جائزہ

ہم بعد خوشی کھتی کے مالی نتائج پیش کر رہے ہیں۔

ہم اس بات پر پرامید ہیں کہ کھتی اس سال ترقی کی جانب گامزن رہے گی اور اس سال بہتر نتائج حاصل کرنے کیلئے کاروبار کے بہترین طریقے اختیار کریں گے

انتظامیہ اس سلسلے میں پرعزم ہے کہ آپ کی کھتی کی مالی کارکردگی کو برقرار رکھنے کے معاملے پر خصوصی توجہ مرکوز رکھے گی۔ ہم اپنے حصص یافتگان، کسٹمرز، بینکوں اور سٹاف کے شکرگزار ہیں جنکی مدد اور اعتماد کھتی کو حاصل رہا۔

آئرس، میں بورڈ آف ڈائریکٹرز کا بھی شکریہ ادا کرنا چاہتی ہوں جن کی طرف سے اعلیٰ صحت، قیمتی شراکت اور راہنمائی فراہم کی جاتی رہی۔

بورڈ کی طرف سے



29 اکتوبر 2019

فیصل آباد۔

رخسانہ بیگم

چیئر پرسن، بورڈ آف ڈائریکٹرز

J. A. TEXTILE MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2019

	Note	Unaudited	Audited
		September 30, 2019	June 30, 2019
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	378,890,358	383,178,999
Long term deposits		17,427,380	17,427,380
		396,317,738	400,606,379
CURRENT ASSETS			
Stores and spares		5,357,931	5,649,937
Stock in trade		70,049,759	74,365,382
Trade debts		-	47,622,654
Advances, prepayments and other receivables		8,409,980	8,201,394
Short term investment		302,521	302,521
Tax refunds due from Government		6,908,391	7,627,329
Cash and bank balances		16,878,701	42,755,000
		107,907,283	186,524,217
		504,225,021	587,130,596
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
20,000,000 ordinary shares of Rs.10 each		200,000,000	200,000,000
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			
Surplus on remeasurement of investments available for sale to fair value		(211,804,501)	(202,562,192)
		(69,959)	(69,959)
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
loan from related parties	5	196,206,653	197,865,399
		133,070,324	133,203,264
		243,414,117	254,448,112
NON CURRENT LIABILITIES			
Deferred liabilities		67,258,070	67,985,263
		67,258,070	67,985,263
CURRENT LIABILITIES			
Trade and other payables		193,109,114	263,858,431
Unclaimed Dividend		443,720	443,720
Short term borrowings		-	-
Provision For Taxation		-	395,070
		193,552,834	264,697,221
CONTINGENCIES AND COMMITMENTS			
	6	-	-
		504,225,021	587,130,596

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


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

J. A. TEXTILE MILLS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED SEPTEMBER 30, 2019 (Un-Audited)

	Quarter ended	
	September 30, 2019	September 30, 2018
	----- Rupees -----	
Sales-net	82,625,378	249,416,084
Cost of sales	90,305,552	244,742,558
Gross (loss)/profit	(7,680,174)	4,673,526
Operating expenses		
Distribution cost	-	46,505
Administrative expenses	2,705,444	2,627,290
Finance costs	3,249	3,373
	2,708,693	2,677,168
	(10,388,867)	1,996,358
Other operating income	-	-
(Loss) /Profit before taxation	(10,388,867)	1,996,358
Taxation	512,188	2,557,968
Loss for the period	(10,901,055)	(561,610)
Loss per share - Basic	(0.87)	(0.04)

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

		
CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER	DIRECTOR

J. A. TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2019 (Un-Audited)

	Quarter ended	
	September 30, 2019	September 30, 2018
	----- Rupees -----	
Loss for the period	(10,901,055)	(561,610)
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	<u>(10,901,055)</u>	<u>(561,610)</u>

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


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

J. A. TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2019 (Un-Audited)

	Quarter ended	
	September 30, 2019	September 30, 2018
	----- Rupees -----	
a) CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) /Profit before taxation	(10,388,867)	1,996,358
Adjustments for non cash and other items:		
Depreciation	4,288,641	4,543,013
Finance costs	3,249	3,373
Profit on deposits	-	-
Operating cash flows before working capital changes	<u>(6,096,977)</u>	<u>6,542,744</u>
Changes in working capital		
Decrease/(increase) in current assets		
Stores and spares	292,006	2,665,116
Stock in trade	4,315,623	38,006,156
Trade debts	47,622,654	745,491
Advances, prepayments and other receivables	(208,586)	(2,578,406)
Tax refunds due from Government	718,938	(2,764,167)
(Decrease)/increase in current liabilities		
Trade and other payables	(70,749,317)	(23,345,014)
Cash used in operations	<u>(18,008,682)</u>	<u>12,729,176</u>
Finance cost paid	(24,105,659)	19,271,920
Taxes paid	(3,249)	(3,373)
Net cash used in operating activities	<u>(1,634,451)</u>	<u>(3,117,701)</u>
	<u>(25,743,359)</u>	<u>16,150,846</u>
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	-	-
Long term deposits	-	-
Profit on deposits	-	-
Net cash generated from/(used in) investing activities	-	-
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term loan	-	(3,000,000)
Received from related parties	(132,940)	7,722,987
Net cash used in financing activities	<u>(132,940)</u>	<u>4,722,987</u>
Net Decrease in cash and cash equivalents (a+b+c)	<u>(25,876,299)</u>	<u>20,873,833</u>
Cash and cash equivalents at the beginning of the period	<u>42,755,000</u>	<u>3,012,176</u>
Cash and cash equivalents at the end of the period	<u>16,878,701</u>	<u>23,006,009</u>

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


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

J. A. TEXTILE MILLS LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2019 (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, 2018	126,011,600	(209,641,063)	(30,951)	204,986,679	125,926,743	247,253,008
Total comprehensive loss for the year						
Loss 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	-	(752,247)	-	2,507,493	-	-
Received loan during the period	-	-	-	(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
Balance as at July 01, 2019	126,011,600	(202,562,192)	(69,959)	197,865,399	133,203,264	254,448,112
Total comprehensive profit for the year						
Profit for the period	-	(10,901,055)	-	-	-	(10,901,055)
Remeasurement of investments available for sale to fair value	-	-	-	-	-	-
Incremental depreciation on revalued property, plant and equipment for the period	-	(10,901,055)	-	-	-	(10,901,055)
Tax effect on incremental depreciation	-	2,369,638	-	2,369,638	-	4,739,276
Received loan during the period	-	(710,892)	-	(710,892)	-	(710,892)
	-	-	-	-	(132,940)	(132,940)
Balance as at September 30, 2019	126,011,600	(211,804,501)	(69,959)	196,206,653	133,070,324	243,414,117

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


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

J. A. TEXTILE MILLS LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2019 (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, 2019. Comparative figures of the balance sheet are extracted from annual audited financial statements for the year ended June 30, 2019, 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, 2018.

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, 2019.

		<u>Unaudited</u> <u>September 30,</u> <u>2019</u>	<u>Audited</u> <u>June 30,</u> <u>2019</u>
	Note	----- Rupees -----	
4. Property, plant and equipment			
Operating fixed assets	4.1	378,890,358	383,178,999
Capital work in progress		-	-
		<u>378,890,358</u>	<u>383,178,999</u>
4.1 Operating fixed assets			
Opening book value		383,178,999	398,352,788
Addition during the period / year	4.1.1	-	3,227,547
Revaluation surplus Addition during the period / year	4.1.2	-	(178,367)
		<u>383,178,999</u>	<u>401,401,968</u>
Depreciation charged for the period / year		<u>(4,288,641)</u>	<u>(18,222,969)</u>
		<u>378,890,358</u>	<u>383,178,999</u>
4.1.1 Addition during the period / year			
Plant and machinery/Electric Installation		-	<u>3,227,547</u>
4.1.2 Deletion during the period / year			
Vehicles		-	<u>(178,367)</u>

	Note	Unaudited	Audited
		September 30, 2019	June 30, 2019
		----- Rupees -----	
5. Surplus on revaluation of property, plant and equipment			
Balance as on July 01,		197,865,399	204,986,679
Add: surplus arisen on revaluation of property, plant and equipment		-	-
Less: Related effect of deferred tax liability		-	-
		-	-
Less: Impairment of revalued property, plant and equipment		-	-
Add: Related effect of deferred tax liability		-	-
		-	-
Less: Incremental depreciation on revalued property, plant and equipment transferred to accumulated loss		2,369,638	10,029,970
Add: Related effect of deferred tax liability		(710,892)	(2,908,690)
		1,658,746	7,121,280
Balance as on September 30, / June 30,		<u>196,206,653</u>	<u>197,865,399</u>

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, 1998 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, 2019.

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, 2019	September 30, 2018
		----- Rupees -----	
Company's contribution to provident fund	Provident fund	968,249	1,040,000
Loan received from CEO/directors/members	CEO/directors/members	-	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, 2019** by the Board of Directors of the Company.

10. General

Figures have been rounded off to the nearest Rupee.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR