

3RD QUARTERLY ACCOUNTS

March 31, 2024



MAHMOOD TEXTILE MILLS



Directors' Review to Shareholders

We are pleased to present the Director's report along with the unaudited financial results of Mahmood Textile Mills Limited for the 3rd Quarter ended on 31st March 2024.

We are grateful for the continuous blessings of ALMIGHTY ALLAH, as the Company achieved a net profit of Rs. 177 million compared to Rs. 127 million for the corresponding period. Despite challenges faced by the textile sector, particularly higher power and finance costs, our performance reflects resilience and strategic management.

The textile sector is vital for Pakistan's economic growth. One of the key areas of focus should be the formulation of a concrete cotton policy. We believe that engaging all stakeholders in this process will lead to more effective policies that benefit the entire value chain.

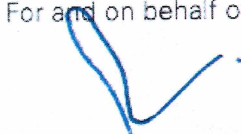
Furthermore, rationalizing finance and energy costs will be instrumental in improving the industry's competitiveness. By reducing finance costs and equalizing energy cost we can achieve better results and contribute significantly to economic growth.

We remain committed to transparency, efficiency, and value creation for our shareholders. Your continued support and trust are invaluable as we navigate through challenges and capitalize on opportunities in the textile sector.

Acknowledgment

The directors would like to extend their heartfelt appreciation to all employees of the company for their commitment and efficiency at all levels. They also express gratitude to shareholders, banks, customers, and suppliers for their collaboration and support. The directors look forward to continuing to receive their steadfast support in the future.

For and on behalf of the board



(KHAWAJA MUHAMMAD YOUNUS)
Chief Executive Officer



(KHAWAJA MUHAMMAD ILYAS)
Chairman

Multan:

Dated: 30th April 2024

Condensed Interim Statement of Financial Position (Un-audited)

As at March 31, 2024

	31 March 2024 Rupees	30 June, 2023 Rupees
ASSETS		
Non-current assets		
Property, plant and equipment	18,137,603,312	17,654,660,879
Investment Property	162,687,000	162,687,000
Intangible Asset	3,755,739	4,846,115
Long term investments	5,680,558,439	5,538,760,850
Long term deposits	53,639,110	53,814,135
	24,038,243,601	23,414,768,979
Current assets		
Stores, spares and loose tools	788,999,199	1,357,140,105
Stock in trade	20,242,930,521	17,736,240,320
Trade debts	5,146,605,263	6,144,970,571
Loans and advances	1,157,838,228	925,347,505
Other receivables	348,786,166	256,095,983
Short term investments	21,945,476	24,795,100
Tax refunds due from the Government	737,120,114	1,476,972,686
Cash and bank balances	50,596,837	34,613,661
	28,494,821,804	27,956,175,931
TOTAL ASSETS	52,533,065,404	51,370,944,910
EQUITY AND LIABILITIES		
Equity		
Authorized share capital 50,000,000 ordinary shares of Rs.10 each	500,000,000	300,000,000
Issued, subscribed and paid-up share capital	300,000,000	300,000,000
Capital reserves:		
Capital reserve	7,120,600	7,120,600
Surplus on revaluation of property, plant and equipment	2,433,102,120	2,508,051,120
Fair value gain on long term investment	-	-
Revenue reserve - Unappropriated profit	11,191,750,988	10,939,496,770
	13,931,973,708	13,754,668,490
Liabilities		
Non-current liabilities		
Long term financing	9,257,445,174	9,063,680,537
Lease liabilities	24,530,112	29,870,840
Deferred liabilities	579,207,175	585,511,779
Current liabilities		
Trade and other payables	7,254,018,055	6,350,162,198
Unclaimed dividends	3,680,033	3,699,840
Contract Liabilities - Advances from Customers	84,318,016	126,477,024
Accrued mark-up	1,133,770,539	1,220,860,266
Short term borrowings	18,037,857,501	17,654,509,982
Current maturity of long term liabilities	1,469,148,601	1,811,821,166
Taxation	757,116,492	769,682,788
	28,739,909,236	27,937,213,264
Total liabilities	38,601,091,697	37,616,276,420
TOTAL EQUITY AND LIABILITIES	52,533,065,404	51,370,944,910
Contingencies and commitments		

Kh. Muhammad Ilyas
Chairman

Kh. Muhammad Younus
Director

Yasir Ghaffar
Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Un-audited)

For The Quarter Ended March 31, 2024

	Quarter Ended		Nine Month Ended	
	Jan - Mar	Jan - Mar	Jul - Mar	Jul - Mar
	31 Mar, 2024 Rupees	31 Mar, 2023 Rupees	31 Mar, 2024 Rupees	31 Mar, 2023 Rupees
Sales - net	18,473,943,111	14,131,087,765	52,452,804,111	37,841,404,765
Cost of sales	(16,824,338,088)	(12,179,203,312)	(45,895,168,088)	(33,024,798,312)
Gross profit	1,649,605,022	1,951,884,453	6,557,636,022	4,816,606,453
Distribution cost	(205,435,947)	(264,061,043)	(660,213,947)	(829,282,043)
Administrative expenses	(387,688,271)	(202,477,205)	(1,257,298,271)	(852,591,205)
Other Income	647,098	(92,958,328)	59,442,098	49,422,672
Other Expense	(10,816,431)	30,034,076	(59,638,431)	(62,843,924)
Profit from operations	1,046,311,471	1,422,421,953	4,639,927,471	3,121,311,953
Finance cost	(1,005,519,960)	(1,232,533,175)	(4,341,796,960)	(2,696,971,175)
Share of profit of associates	9,714,498	87,231,000	403,805,498	261,693,000
Profit before taxation	50,506,010	277,119,778	701,936,010	686,033,778
Taxation	(131,876,792)	(260,410,962)	(524,630,792)	(559,127,962)
Profit after taxation	(81,370,783)	16,708,816	177,305,218	126,905,816
Earnings per share	(2.71)	0.89	5.91	6.77


Kh. Muhammad Ilyas
Chairman


Kh. Muhammad Younus
Director


Yasir Ghani
Chief Financial Officer

Condensed Interim Statement of Other Comprehensive Income (Un-audited)

For The Quarter Ended March 31, 2024

	Quarter Ended		Nine Month Ended	
	Jan - Mar 31 Mar, 2024 Rupees	Jan - Mar 31 Mar, 2023 Rupees	Jul - Mar 31 Mar, 2024 Rupees	Jul - Mar 31 Mar, 2023 Rupees
Profit after taxation	(81,370,783)	16,708,816	177,305,218	126,905,816
Other comprehensive income				
Total comprehensive income for the year	(81,370,783)	16,708,816	177,305,218	126,905,816


Kh. Muhammad Ilyas
Chairman


Kh. Muhammad Younus
Director


Yasir Ghaffar
Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Un-audited)

For The Quarter Ended March 31, 2024

	Share capital	Capital reserves			Revenue reserve	Total
		Capital reserve	Surplus on revaluation of property, plant and equipment	Fair value gain on long term investment	Unappropriated profit	
----- Rupees -----						
Balance as at June 30, 2022	187,500,000	7,120,600	2,529,956,267	-	9,926,512,816	12,651,089,683
Total Comprehensive income for the year						
Transactions with the owners						
100 % cash dividend for the year ended June 30, 2022	-	-	-	-	(187,500,000)	(187,500,000)
Bonus shares issued during the period	112,500,000				(112,500,000)	-
Profit for the year	-	-	-	-	1,201,948,807	1,201,948,807
Other comprehensive income for the year	-	-	89,130,000	-	-	89,130,000
	-	-	89,130,000	-	1,201,948,807	1,291,078,807
Transfer from revaluation surplus on property, plant and equipment on account of incremental depreciation	-	-	(111,035,147)	-	111,035,147	-
Balance as at June 30, 2023	300,000,000	7,120,600	2,508,051,120	-	10,939,496,770	13,754,668,490
Total Comprehensive income for the year						
Transactions with the owners						
100 % cash dividend for the year ended June 30, 2023	-	-	-	-	-	-
Profit for the period	-	-	-	-	177,305,218	177,305,218
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	-	-	177,305,218	177,305,218
Transfer from revaluation surplus on property, plant and equipment on account of incremental depreciation	-	-	(74,949,000)	-	74,949,000	-
Balance as at March 31, 2024	300,000,000	7,120,600	2,433,102,120	-	11,191,750,988	13,931,973,708

NOTES TO THE ACCOUNTS

1. These accounts are un-audited and are being presented to Members as required under Section 237 of the Companies Act 2017
2. Accounting Policies have been adopted are the same applied in the preparation of Annual Accounts for the year ended 30-06-2023
3. Figures are re-arranged where ever necessary for the proposes of comparison and figures are rounded off to the nearest rupee


Kh. Muhammad Ilyas
Chairman


Kh. Muhammad Younus
Director


Yasir Ghaffar
Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)

For The Quarter Ended March 31, 2024

	Jul - Mar 31 Mar, 2024 Rupees	Jul - Mar 31 Mar, 2023 Rupees
Cash flows from operating activities		
Profit for the year - before taxation and share of profit of associates	298,130,512	424,340,778
Adjustments for non-cash charges and other items:		
Depreciation	1,326,183,587	840,764,213
Amortization	1,090,376	1,253,909
Gain on disposal of operating fixed assets - net	(2,793,966)	(8,886,428)
Gain on sale of short term investments	(2,572,822)	(8,997,739)
Dividend Income and Markup on TFC's	-	(30,531,131)
Government grant recognised	(43,909,212)	-
Finance cost	4,341,796,960	2,696,971,175
Profit before working capital changes	5,917,925,435	3,914,914,777
Effect on cash flows due to working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	568,140,906	(318,792,037)
Stock in trade	(2,506,690,201)	(3,843,419,598)
Trade debts	998,365,308	(3,022,731,748)
Loans and advances	(232,490,723)	20,674,716
Other receivables	(92,690,183)	(68,933,090)
Sales tax refunds	522,277,736	(651,021,038)
Increase / (decrease) in trade and other payables	861,696,849	(1,067,253,411)
	118,609,692	(8,951,476,206)
Cash used in operations	6,036,535,127	(5,036,561,429)
Income tax paid - net	(325,926,856)	(431,763,654)
Net cash used in operating activities	5,710,608,271	(5,468,325,083)
Cash flows from investing activities		
Fixed capital expenditure	(1,840,214,028)	(1,650,933,762)
Sale proceeds of operating fixed assets	33,881,967	71,704,101
Short term investments - net	5,422,446	43,901,576
Long term deposits	175,025	(388,676)
Dividends received	262,007,909	293,479,416
Net cash used in investing activities	(1,538,726,681)	(1,242,237,345)
Cash flows from financing activities		
Long term finances - net	(104,998,716)	1,202,741,618
Lease liabilities	(5,340,728)	17,071,819
Dividend paid	(19,807)	(186,851,936)
Short term borrowings - net	383,347,519	8,013,313,751
Finance cost paid	(4,428,886,687)	(2,351,725,928)
Net cash generated from / (used in) financing activities	(4,155,898,419)	6,694,549,324
Net increase / (decrease) in cash and cash equivalents	15,983,171	(16,013,104)
Cash and cash equivalents - at beginning of the year	34,613,665	46,905,744
Cash and cash equivalents - at end of the year	50,596,837	30,892,640

Kh. Muhammad Ilyas
Chairman

Kh. Muhammad Younus
Director

Yasir Ghaffar
Chief Financial Officer

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Printed Matter

UNDER POSTAL CERTIFICATE

To,



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