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COMPANY INFORMATION

Board of Directors

Mr. Mohammad Aslam Parekh
Mr. Abdul Kader Haji Adam
Mr. Mohammad Yasin Siddik
Mr. Mohammad Ali Jaliawala
Mr. Mohammad Tufail
Mr. Khizer Yousuf Sattar
Mr. Tanzeel Abdul Sattar (NIT Nominee)

Chairman
Chief Executive
Executive Director
Director
Director
Director
Director

Company Secretary

Iqbal Chappra

Share Registrar

FD Registrar Services (SMC-Pvt) Ltd.
17th floor, Saima Trade Tower _A
I.I.Chundrigar Road, Karachi
Phone: 0213-2271905-6

Managing Director

Mr.Zaid Siddik

Technical Director

Mr.Ashraf Aziz

Chief Financial Officer

Ms.Shenila Parekh

Bankers

Bank Al- Habib limited
Bank Al- Falah limited
Meezan Bank Limited
Habib Bank Limited

Head of Internal Audit

Mr.S.Wasif Hussain Naqvi

Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

Audit Committee

Mr. Mohammad Tufail	Chairman
Mr.Mohammad Ali Jaliawala	Member
Mr Khizer Yousuf Sattar	Member

Registered office

1st floor, Haji Adam Chambers,
Altaf Hussain Road, New Challi, Karachi
Phone : 0213-2400405-8
Email: premhead@premiumtextile.com

Human Resources & Remuneration Committee

Mr. Mohammad Ali Jaliawalla	Chairman
Mr. Mohammad Tufail	Member
Mr. Khizer Yousuf Sattar	Member

Mill

Plot 58,60,61 &76,77,78 Main Super
Highway, Nooriabad, Distt. Dadu (Sindh),
Pakistan. Phone : (025) 4007463-9

Website

www.premiumtextile.com

DIRECTOR'S REPORT
FOR THE 3rd QUARTER ENDED MARCH 31st 2020

Dear Members,

The Directors would like to present the accounts of the Company for The Third Quarter ended March 31,2020.

The Overall Performance of the company is summarized below:

	<u>March 2020</u>	<u>March 2019</u>
Operating Profit	770,592,386	637,303,660
Financial & Others	<u>(457,483,796)</u>	<u>(247,538,104)</u>
Profit before Taxation	313,108,590	389,765,556
Taxation	(69,597,024)	(76,157,758)
Profit after Taxation	243,511,566	313,607,798
Earnings per share	39.51	50.89
Gross Margin %	14.72%	13.44%
Operating Profit %	11.20%	10.25%

OPERATING RESULT

During the period under review, the company has made a profit of Rs. 243.512 million as compared to Rs.313.608 million during the same period of last year. Although there is an increase in the Gross Margin by Rs.177.552 million or 21.25% and about Rs.133.289 million or 20.91% increase in Operating Profit there is a reduction in Profit after Tax by 22.35% mainly due to increase in financial charges by 68.22%. The average sales price per bag has enhanced to Rs.17,018 as compared to Rs. 16,351 same period last year while the no. of bags sold increased to 407,162 bags as compared to 384,193 bags in the corresponding period last year depicting an increase in Sales Revenue by 10.67% as compared to the previous year.

FUTURE OUTLOOK

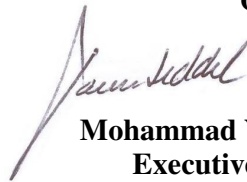
I am writing this outlook under the most uncertain conditions I have seen in my life, on the one hand the number of deaths due to COVID19 keep increasing on a daily basis and on the other hand due to lock downs around the world retail chains are closed and some of them are also going bankrupt.

Going forward whether new orders will be coming or not and if so at what pace is still to be seen. Nevertheless Premium Textile has a few export orders which the buyers still want us to ship and some of our local buyers are also back into operation. So overall, we are cautiously optimistic

ACKNOWLEDGEMENT

We are grateful to almighty Allah, who helped us to come up to the expectation of our valued shareholders, who had reposed their confidence in us and are also pleased to record our appreciation for a dedicated hard working management, staff members & workers without which it could not have been possible for us to deliver these results. Your Board would also like to thank our valued customers, bankers for their continued Trust in the company.

On behalf of Board of Directors.



Mohammad Yasin Siddik
Executive Director

Karachi: 29th April, 2020

ڈائریکٹرز رپورٹ

برائے اختتامِ تیسری سہ ماہی 31 مارچ 2020

معزز مخلص داران،

ڈائریکٹرز انتہائی مسرت کے ساتھ تیسری سہ ماہی 31 مارچ 2020 کے اختتام پر اکاؤنٹس کی تفصیلات پیش کر رہی ہے۔ کہنی کی مجموعی طور پر کارکردگی کی

تفصیلات درج ذیل ہیں۔

2019 مارچ	2020 مارچ	آپریٹنگ نتیجہ
637,303,660	770,592,386	آپریٹنگ منافع
(247,538,104)	(457,483,796)	مالیاتی و دیگر
389,765,556	313,108,590	منافع قبل از محصول
(76,157,758)	(69,597,024)	محصول
313,607,798	243,511,566	منافع بعد از محصول
50.89	39.51	فی شخص آمدنی
13.44%	14.72%	مجموعی مارژن
10.25%	11.20%	آپریٹنگ منافع

آپریٹنگ نتیجہ:

زیر چارہ مدت کے دوران کہنی نے 243.512 ملین منافع حاصل کیا اگر اس کا پچھلے سال سے موازنہ کریں تو اسی عرصے کے دوران وہ 313.608 ملین تھا تاہم اگرچہ 177.552 ملین 21.25 فیصد کے حساب سے مجموعی مارژن میں اضافہ ہوا ہے اور آپریٹنگ منافع میں تقریباً 133.289 ملین یا 20.91 فیصد اضافے سے کہنی کے بعد منافع میں 22.35 فیصد کمی واقع ہوئی ہے جس کی بنیاد یہ ہے کہ مالی چارٹرز میں 68.22 فیصد اضافہ ہے۔ فی ایک کے مقابلے میں اوسط فروخت کی قیمت 17.018 روپے ہو گئی ہے جبکہ اس کے مقابلے میں پچھلے سال اسی عرصے میں 16.351 روپے پچھلے سال کے اسی عرصے کے دوران فروخت شدہ بیگزنی قیمت 407.162 تھی جو کہ 384.193 تھی اور اس سے پچھلے سال کے مقابلے میں بلڈ ریوٹ میں 10.67 اضافہ ہوا۔

مستقبل کا متحفظ:

میں اس نظریے کا اپنی زندگی میں انتہائی غیر یقینی صورتحال کے تحت گھبراہوں ایک طرف تو COVID-19 کی وجہ سے اسماٹ کی تعداد روزانہ کی بنیاد پر بدلتی ہی جا رہی ہے اور دوسری طرف دنیا بھر میں لاک ڈاؤن کی وجہ سے خوردہ زنجیریں بند ہیں۔ دوران میں سے کچھ دیا گیا ہے جو کہ ہے۔ آگے جا رہے ہیں کہ آگے کے نئے امکانات آ رہے ہیں لائیں اور اگر ہے تو پھر کس رفتار سے دیکھنا ہے۔ اس کے باوجود یہ یقین رکھنا ہے کہ کچھ ایکسپورٹ آرڈرز اور ہمارے کچھ مقامی خریدار بھی دوبارہ کام میں آگئے ہیں اب ہمارا مقصد یہ ہے کہ امیدیں۔

مزاد:

ہم اللہ تعالیٰ کے شکر گزار ہیں، جنہوں نے ہماری مخلص داروں کی توقع پر پورا اترنے میں ہماری مدد کی، جنہوں نے ہم پر اپنے اعتماد کا اظہار کیا اور ہمارے ریکارڈ کی تعریف ہوا خوش آمد ہے جس کا سہارا ہماری انتظامیہ اسٹاف، مہرزاد اور ورکرز کو جاتا ہے کہ جن کے بغیر اتنا اچھا نتیجہ ممکن نہیں تھا۔ پورا ہمارے سٹریٹجک پارٹنرز اور اداکاروں کے ساتھ ہے جنہوں نے مسلسل ہم پر اپنا اعتماد رکھا۔



بورڈ ڈائریکٹرز کی جانب سے
محمد اسحاق صدیق
ایگزیکٹو ڈائریکٹر

29 اپریل 2020ء کراچی

Premium Textile Mills Limited



BALANCE SHEET (Un-audited) AS AT MARCH 31, 2020

	(Un-Audited) 31-Mar-20 Rupees	(Audited) 30-Jun-19 Rupees
Property Plants' and Equipment	4,231,016,681	3,312,870,055
Long Term Deposits	2,149,100	1,999,100
CURRENT ASSETS:		
Stores and spares	95,114,070	122,917,143
Stock-in-trade	3,099,406,448	2,500,820,603
Trade debts (unsecured considered good)	1,803,392,866	1,656,744,400
Tax refunds due from government	188,742,578	224,418,647
Advances, Trade deposit, prepayment & other receivables	41,162,013	33,085,745
Cash & bank balances	15,375,901	12,839,392
	5,243,195,876	4,550,825,930
	9,476,361,657	7,865,695,085
SHARE CAPITAL		
Authorised Capital:	70,000,000	70,000,000
7,000,000 ordinary shares of Rs. 10/-		
Issued Subscribed and Paid-up Capital		
6,163,000 ordinary shares of Rs. 10/-	61,630,000	61,630,000
Surplus on revaluation of fixed assets	3,372,330	3,645,762
Un-appropriated profit brought forward	2,168,743,598	2,063,626,100
	2,233,745,928	2,128,901,862
Long Term Loan	2,324,126,088	1,586,434,250
Deferred Liabilities		
Staff Gratuity	22,266,164	24,942,312
Taxation	43,277,879	15,689,987
	65,544,043	40,632,299
CURRENT LIABILITIES:		
Trade and other payables	990,557,524	870,403,239
Unclaimed Dividend	6,816,251	6,115,281
Accrued Markup	139,003,647	102,415,706
Short term finance	3,542,997,928	3,056,510,666
Current portion of Long term loans	173,570,248	74,281,782
	4,852,945,598	4,109,726,674
Contingencies & commitments	-	-
	9,476,361,657	7,865,695,085

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

Karachi: 29th April, 2020

Chief Executive Director

C.F.O.

Premium Textile Mills Limited



PROFIT AND LOSS ACCOUNT (Un-audited) FOR THE THIRD QUARTER ENDED MAR,31, 2020

	NINE MONTHS JUL-MAR		3RD QUARTER JAN-MAR	
	2019-20	2018-19	2020	2019
	Rupees	Rupees	Rupees	Rupees
Sales	6,882,260,069	6,218,509,794	2,318,666,457	2,252,292,073
Cost of Sales	(5,868,997,277)	(5,382,799,418)	(2,003,288,896)	(1,921,664,066)
Gross Profit	1,013,262,782	835,710,376	315,377,561	330,628,007
Operating Expenses				
Administration & General	(121,327,629)	(97,874,668)	(42,521,744)	(37,192,366)
Distribution Costs	(105,320,994)	(81,712,278)	(26,408,497)	(33,737,763)
Other operating expenses	(16,021,773)	(18,819,780)	-	-
	(242,670,396)	(198,406,716)	(68,930,241)	(70,930,129)
Operating Profit	770,592,386	637,303,660	246,447,320	259,697,878
Financial Charges & Others	(442,278,730)	(262,911,621)	(160,089,816)	(101,829,952)
Other Income / (Loss)	(15,205,066)	15,373,517	9,633,136	(22,033,022)
	(457,483,796)	(247,538,104)	(150,456,680)	(123,862,974)
Profit/(Loss) before taxation	313,108,590	389,765,566	95,990,640	135,834,904
Taxation				
Current	(42,009,132)	(76,157,758)	(24,304,471)	(34,841,402)
Deferred	(27,587,892)	-	838,736	-
	(69,597,024)	(76,157,758)	(23,465,735)	(34,841,402)
Profit/(Loss) after taxation	243,511,566	313,607,798	72,524,905	100,993,502
Earning per share of Rs.10 each	39.51	50.89	11.77	16.39

Appropriation have been reflected in the statement of changes in equity.

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

Karachi: 29th April, 2020

Chief Executive Director

C.F.O.

Premium Textile Mills Limited



CASH FLOW STATEMENT (Un-audited) FOR THE THIRD QUARTER ENDED MAR 31, 2020

	Nine Month Ended	
	Mar 31, 2020	Mar 31, 2019
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	313,108,590	389,765,556
Adjustments for non cash items:		
Depreciation	267,100,493	221,237,176
Financial cost	442,278,730	262,911,621
Provision of Workers Profit Participation Fund	11,609,980	13,637,522
Provision of Workers Welfare Fund	4,411,793	5,182,258
Provision of Gratuity	17,832,339	19,349,550
(Gain) / Loss on Disposal of Fixed Assets	12,866,610	(487,981)
Exchange Loss / (Gain) on export debtors	2,338,485	(14,895,536)
	758,435,401	506,944,610
Operating profit before working capital changes	1,071,546,991	896,710,166
Changes in Working Capital:		
(Increase) / Decrease in current assets		
Stores and spares	27,803,073	(86,946,398)
Stock in trade	(998,587,845)	(1,380,433,705)
Trade debts	(148,986,922)	(237,677,435)
Advances, Trade deposit, prepayment & other receivables	(8,076,268)	(5,583,792)
Sales Tax refundable	54,304,937	(18,077,980)
Increase / (Decrease) in current liabilities:		
Trade and other payables	132,668,462	140,397,201
Changes in Working Capital:	(540,874,573)	(1,588,332,119)
Cash generated from operations	530,672,418	(691,621,953)
Taxes (paid)/refund	(55,118,675)	(50,967,681)
Staff gratuity (paid)	(20,508,487)	(17,148,115)
Payment of W.P.P.F. and W.W.F.	(44,763,314)	(27,602,376)
Long term deposits	(150,000)	-
Financial charges (paid)	(389,463,415)	(198,744,703)
	(510,003,891)	(294,462,875)
Net cash from operating activities	20,668,527	(986,084,828)
CASH FLOW FROM INVESTING ACTIVITIES		
Insurance claim receivable	-	457,900
Proceed from sale of fixed assets	9,919,000	3,068,000
Acquisition of property, plant & equipment	(1,213,552,054)	(623,106,978)
Net cash (outflow) from investing activities	(1,203,633,054)	(625,580,078)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend (paid)	(137,966,630)	(137,865,441)
Loan obtained	1,031,717,335	346,220,000
Loan (paid)	(194,737,031)	(99,257,968)
Net cash from (used in) financing activities	699,013,774	109,106,591
Increase/(Decrease) in cash	(483,950,753)	(1,502,568,315)
Cash and cash equivalent as at July 1,	(3,043,671,274)	(1,601,629,028)
Cash and cash equivalent as at Mar 31,	(3,527,622,027)	(3,104,187,343)
CASH & CASH EQUIVALENT		
Cash & bank balance	15,375,901	29,172,749
Short term unexpired finance	(3,542,997,928)	(3,133,360,092)
	(3,527,622,027)	(3,104,187,343)

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

Karachi: 29th April, 2020

Chief Executive

Director

C.F.O.



Premium Textile Mills Limited

STATEMENT OF OTHER COMPREHENSIVE INCOME (Un-audited) FOR THE THIRD QUARTER ENDED MAR,31, 2020

	NINE MONTHS JUL-MAR 2019-20 Rupees	NINE MONTHS JUL-MAR 2018-19 Rupees
Profit after taxation	243,511,566	313,607,798
Others Comprehensive income		
- Actuarial (loss) on defined benefits	-	-
Total Comprehensive Income for the period	243,511,566	313,607,798

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

Karachi: 29th April, 2020

Chief Executive Director

C.F.O.

**STATEMENT OF CHANGES IN EQUITY (Un-audited)
FOR THE THIRD QUARTER ENDED MAR 31, 2020**

Particulars	Paid-up Capital	Unappropriated Profit	Surplus on revaluation	Total
Balance as at July 2018	61,630,000	1,756,083,953	4,050,847	1,821,774,800
Total Comprehensive Income				
Profit / (Loss) for the period (Jul'18 to Mar'19)		313,607,798	-	313,607,798
Others Comprehensive income		-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit		303,814	(303,814)	-
Final Dividend @25% for Jun 30, 2018		(138,667,500)	-	(138,667,500)
Balance as at 31st Mar 2019- un-audited	61,630,000	1,931,338,065	3,747,033	1,996,715,098
Effect of adoption of new accounting standard		(1,946,866)		(1,946,866)
Total Comprehensive Income				
Profit / (Loss) for the period (Apr'19 to Jun'19)		148,047,676	-	148,047,676
Others Comprehensive income		(13,914,046)	-	(13,914,046)
Transfer from surplus on revaluation of assets to unappropriated profit		101,271	(101,271)	-
Balance as at 30th June 2019- audited	61,630,000	2,063,626,100	3,645,762	2,128,901,862
Total Comprehensive Income				
Profit / (Loss) for the period (Jul'19 to Mar'20)		243,511,566	-	243,511,566
Others Comprehensive income		-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit		273,432	(273,432)	-
Final Dividend @25% for Jun 30, 2019		(138,667,500)	-	(138,667,500)
Balance as at 31st Mar 2020- un-audited	61,630,000	2,168,743,598	3,372,330	2,233,745,928

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



Karachi: 29th April, 2020

Chief Executive

Director

C.F.O.

EARNING PER SHARE (Un-audited)
FOR THE THIRD QUARTER ENDED MAR.31, 2020

	NINE MONTH ENDED	
	March 31, 2020	March 31, 2019
	Rupees	Rupees
Net profit after tax for the period	243,511,566	100,993,502
Number of Ordinary shares	6,163,000	6,163,000
Earning per share	Rs. 39.51	Rs. 16.39

SELECTED EXPLANATORY NOTES TO THE ACCOUNTS FOR THE THIRD QUARTER ENDED MAR.31, 2020

1) THE COMPANY & ITS OPERATION

Premium Textile Mills Limited (the Company) was incorporated in Pakistan on March 03, 1987 as a public limited company under Companies Ordinance, 1984 (the Ordinance) [now Companies Act, 2017] and is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is the manufacturing and sale of Cotton Yarn and Polyester Yarn.

The geographical location and address of company's business units, including plant are as under:

- The registered office of the Company is located at 1st Floor, Haji Adam Chambers, Altaf Hussain Road, Naw Chelli, Karachi.

- The Company's manufacturing plant / mill is located at plot 58, 60, 61 & 76, 77, 78 Main Super Highway, Nواباد, District Dadu (Sindh), Pakistan.

2) BASIS OF PREPARATION

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for Financial reporting. The accounting and reporting standards as applicable in Pakistan for financial reporting comprise of:

International Accounting Standard (IAS), Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017

3) These accounts are unaudited and are being submitted to shareholders in accordance with the requirements of Section 237 of the Companies Act, 2017.

4) ACCOUNTING POLICIES

The accounting policies adopted and method of computation followed for the preparation of these financial statements are the same as those applied in preparing the preceding published annual financial statements of the Company.

5) PROPERTY, PLANT AND EQUIPMENT	Note	(Un-audited)	(Audited)
		31-Mar-20	30-Jun-19
		Rupees	Rupees
Operating Fixed assets	5.1	3,708,625,721	3,148,769,819
Capital work in progress		522,390,960	164,100,236
		<u>4,231,016,681</u>	<u>3,312,870,055</u>

5.1 Major additions and disposals are as follows :	NINE MONTH ENDED		YEAR ENDED	
	Mar.31,2020		June 30,2019	
	RUPEES			
	Additions	Disposals (At NBV)	Additions/ transfers	Disposals (At NBV)
Freehold land	-	-	7,658,000	-
Building and godown on free hold land	6,666,741	-	84,198,701	-
Plant and machinery	667,373,213	4,393,105	528,863,020	-
Office,tools,fire fighting and laboratory equipment	-	-	-	-
Furniture & Fixtures	9,534,549	-	343,800	-
Computer and allied equipment	1,385,500	-	177,000	-
Vehicles	6,584,297	1,070,443	11,048,799	2,826,516
Electrical instruments and installation	163,707,029	22,841,390	28,969,265	-
	<u>855,261,329</u>	<u>28,304,938</u>	<u>661,258,605</u>	<u>2,826,516</u>

	NINE MONTH ENDED		THIRD QUARTER ENDED	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	Rupees	Rupees	Rupees	Rupees
6) COST OF SALES				
Opening finished stock	357,187,284	186,511,788	423,078,073	438,645,272
Cost of goods manufactured	6,026,887,747	5,547,741,865	2,107,967,938	1,836,303,839
Trading Cost	13,290,212	12,089,470	698,274	10,258,660
Purchase of Yam/Waste	19,936,208	-	19,848,785	-
	<u>6,417,301,451</u>	<u>5,746,343,123</u>	<u>2,551,593,070</u>	<u>2,285,207,771</u>
Closing finished stock	(548,304,174)	(363,543,705)	(548,304,174)	(363,543,705)
	<u>5,868,997,277</u>	<u>5,382,799,418</u>	<u>2,003,288,896</u>	<u>1,921,664,066</u>
6.1 Cost of goods manufactured				
Raw material consumed	4,531,808,372	4,403,159,908	1,589,857,577	1,481,844,459
Stores, spares and packing materials	256,190,241	190,685,268	102,516,901	30,500,729
Salaries, wages and other benefits	431,873,989	382,055,079	153,550,578	134,068,992
Fuel and power	484,814,150	336,203,041	149,454,779	105,934,209
Water charges	8,269,275	7,972,125	2,749,425	2,677,500
Vehicles running and maintenance	8,554,742	6,241,694	2,928,370	2,069,002
Repairs and maintenance	28,114,537	7,016,561	3,041,123	2,514,736
Insurance	16,776,715	18,606,277	5,590,768	7,070,674
Depreciation	259,462,265	211,641,960	94,987,373	71,096,502
Other manufacturing expenses	19,777,469	16,179,617	9,758,262	5,995,253
	<u>6,045,641,755</u>	<u>5,579,761,530</u>	<u>2,114,435,156</u>	<u>1,843,772,066</u>
Work in process				
Opening	68,933,015	42,812,626	81,219,805	67,364,074
Closing	(87,687,023)	(74,832,291)	(87,687,023)	(74,832,291)
	<u>(18,754,008)</u>	<u>(32,019,665)</u>	<u>(6,467,218)</u>	<u>(7,468,217)</u>
	<u>6,026,887,747</u>	<u>5,547,741,865</u>	<u>2,107,967,938</u>	<u>1,836,303,839</u>
6.2 Raw material consumed				
Opening stock	1,982,587,682	1,209,918,680	1,979,117,553	2,610,886,617
Purchases	4,804,238,938	5,543,818,356	1,853,166,334	1,219,704,160
	<u>6,786,826,620</u>	<u>6,753,737,036</u>	<u>3,832,283,887</u>	<u>3,830,590,777</u>
Trading Cost	(13,290,212)	(12,089,470)	(698,274)	(10,258,660)
Closing Stock	(2,241,728,036)	(2,338,487,658)	(2,241,728,036)	(2,338,487,658)
	<u>4,531,808,372</u>	<u>4,403,159,908</u>	<u>1,589,857,577</u>	<u>1,481,844,459</u>

7) AUTHORISATION FOR ISSUE

These accounts have been authorised for issue on 29th April, 2020 by the Board of Directors of the Company.

8) Figures have been rounded off to the nearest rupee.



Karachi: 29th April, 2020 Chief Executive Director C.F.O.