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**DIRECTOR'S REPORT**  
**FOR THE 3rd QUARTER ENDED MARCH 31st 2022**

**Dear Members,**

The Directors would like to present the accounts of the Company for the 3<sup>rd</sup> quarter ended March 31st, 2022.

The overall Performance of the company is summarized below:

	<b>March 2022 Rupees</b>	<b>March 2021 Rupees</b>
<b>Net Turnover</b>	14,912,106,637	8,253,353,052
<b>Gross profit</b>	4,614,934,709	1,418,663,261
<b>Operating Profit</b>	4,006,749,155	1,122,638,420
<b>Financial &amp; Others</b>	<u>(220,570,397)</u>	<u>(325,427,769)</u>
<b>Profit before Taxation</b>	3,786,178,758	797,210,651
<b>Taxation</b>	(152,812,898)	(89,967,135)
<b>Profit after Taxation</b>	3,633,365,860	707,243,476
<b>Earnings per share</b>	589.55	114.76
<b>Gross Margin %</b>	30.95%	17.19%
<b>Operating Profit %</b>	26.87%	13.60%
<b>Profit after Tax %</b>	24.37%	8.57%

**OPERATING RESULT**

During the period under review, the company has made a profit of Rs. 3,633.366 million as compared to Rs.707.243 million during the same period of last year . Net Turnover showed an increase of 6,658.753 million due to increase in sales by 80.68%. There is increase in gross profit by 13.76% due to higher increase in selling prices as compared to the cost of sales. The net profit after tax has increased from 8.57% to 24.37% due to increased sales volume. The financial charges have increased due to increase in kibar/sbp rates. Other income has also increased by 422.52% mainly due to exchange gain in export debtors and gain on sale of Contracts of imported cotton.

**FUTURE OUTLOOK**

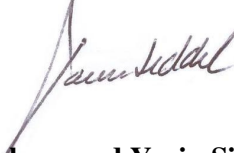
The future looks extremely uncertain with the Russia / Ukraine war and the EU threatening to stop purchase of Russian Gas and other items while Russia threatening to ban export of wheat (whilst being the largest supplier of wheat to the world). On the other hand today Indonesia announced that it is going to put a ban on exports of edible oil. The world seems to be heading towards extreme food shortage and possible famine. Now in a time of extreme food inflation and shortage will the farmer prefer to sow food or cotton is the million \$ question. There is one thing for sure that atleast in the near future prices of cotton do not seem to be going down. On the other hand , there is going to be demand destruction for clothing as the major portion of disposable income will go towards food and other essentials.

## **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 thanks our valued customers, bankers for their continued Trust in the company.

**On behalf of Board of Directors**



**Mohammad Yasin Siddik**  
**Executive Director**

Karachi: 28<sup>th</sup> April, 2022

ڈائریکٹر ہفت  
 17 اگست 2022ء

معزز ممبران

ڈائریکٹری جانب سے تقریباً 17 سالہ 2003ء تک کے کٹن ڈھانچا کو دوبارہ اپنی ڈھانچا میں شامل کرنے کا فیصلہ ہے۔

کٹن کے ایلیٹی ٹیکسٹائل ہونے کی وجہ سے یہ شامل ہے۔

پ.ا	پ.ا	
۲۰۲۲	۲۰۲۱	
14,912,106,637	8,253,353,052	مائیڈل ۱۰۰
4,814,934,709	1,418,883,281	پہلی سائٹ
4,006,749,155	1,122,838,420	آپ جیکس سائٹ
(220,570,397)	(325,427,769)	ایلیٹ ۱۰۰
3,786,178,758	797,210,651	سائٹ ٹیکسٹائل
(152,812,898)	(89,967,135)	ٹیکسٹائل
3,633,365,860	707,243,476	سائٹ ایلیٹ
		نی ممبر ٹیکسٹائل
589.55	114.76	
30.95 %	17.19 %	پہلی ایشن %
28.87 %	13.80 %	آپ جیکس سائٹ %
24.37 %	8.57 %	سائٹ ایلیٹ %

**آپ جیکس سائٹ**

ڈیپٹمنٹ کے ۱۰۰ سالہ کٹن سائٹ 3,633,366 ٹیکسٹائل 8.57% میں اضافہ ہوا ہے، جبکہ 707,243 ٹیکسٹائل 8.57% میں اضافہ ہوا ہے۔ سائٹ ایلیٹ کے 80.88% میں اضافہ ہوا ہے جبکہ 3,633,366 ٹیکسٹائل 8.57% میں اضافہ ہوا ہے۔ سائٹ ایلیٹ کے 80.88% میں اضافہ ہوا ہے جبکہ 3,633,366 ٹیکسٹائل 8.57% میں اضافہ ہوا ہے۔

**سائٹ ٹیکسٹائل**

ڈیپٹمنٹ کے ۱۰۰ سالہ سائٹ ٹیکسٹائل 797,210,651 ٹیکسٹائل 13.80% میں اضافہ ہوا ہے، جبکہ 3,633,366 ٹیکسٹائل 8.57% میں اضافہ ہوا ہے۔ سائٹ ٹیکسٹائل کے 13.80% میں اضافہ ہوا ہے جبکہ 3,633,366 ٹیکسٹائل 8.57% میں اضافہ ہوا ہے۔

**ایلیٹ**

ڈیپٹمنٹ کے ۱۰۰ سالہ ایلیٹ 707,243 ٹیکسٹائل 8.57% میں اضافہ ہوا ہے، جبکہ 3,633,366 ٹیکسٹائل 8.57% میں اضافہ ہوا ہے۔ ایلیٹ کے 8.57% میں اضافہ ہوا ہے جبکہ 3,633,366 ٹیکسٹائل 8.57% میں اضافہ ہوا ہے۔

تمام ڈیپٹمنٹس کی طرف سے

محمد سعید  
 ڈائریکٹر

۱۷ اگست ۲۰۲۲ء



**BALANCE SHEET(un-audited)  
AS AT MARCH 31, 2022**

	<i>(Un-audited)</i> <b>31-Mar-22</b> <b>Rupees</b>	<i>(Audited)</i> <b>30-Jun-21</b> <b>Rupees</b>
<b>Property Plants' and Equipment</b>	7,073,585,755	6,788,402,075
<b>Long Term Deposits</b>	2,768,255	2,768,255
<b>CURRENT ASSETS:</b>		
Stores and spares	178,972,940	175,261,221
Stock-in-trade	5,914,493,132	3,665,535,551
Trade debts (unsecured considered good)	4,203,283,497	2,199,212,480
Tax refunds due from government	146,137,890	159,768,633
Advances, Trade deposit, prepayment & other receivables	542,207,542	171,421,043
Cash & bank balances	227,211,990	93,950,542
	<b>11,212,306,991</b>	<b>6,465,149,470</b>
	<b>18,288,661,001</b>	<b>13,256,319,800</b>
<b>SHARE CAPITAL</b>		
<u>Authorised Capital:</u>	<b>70,000,000</b>	<b>70,000,000</b>
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	2,731,587	2,953,067
Un-appropriated profit brought forward	6,325,276,602	3,307,989,262
	<b>6,389,638,189</b>	<b>3,372,572,329</b>
<b>Long Term Loan</b>	4,552,796,812	4,309,884,273
<b>Deferred Liabilities</b>		
Staff Gratuity	63,101,280	40,210,560
GDIC (Gas Infrastructure Develop.Cess)	314,968,227	334,158,798
Deferred Income Government Grant	531,604,939	580,483,209
Deferred Taxation	39,477,616	22,053,581
	<b>949,152,062</b>	<b>976,906,148</b>
<b>CURRENT LIABILITIES:</b>		
Trade and other payables	1,308,979,648	945,328,902
Unclaimed Dividend	9,795,974	7,084,759
Accrued Markup	177,491,673	96,507,924
Short term finance	4,393,780,555	3,097,913,612
Current portion of Long term loans	507,026,088	450,121,853
	<b>6,397,073,938</b>	<b>4,596,957,050</b>
<b>Contingencies &amp; commitments</b>	-	-
	<b>18,288,661,001</b>	<b>13,256,319,800</b>

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



Director



Director



Chief Financial Officer

**PROFIT AND LOSS ACCOUNT (un-audited)  
FOR THE THIRD QUARTER ENDED MARCH,31, 2022**

	NINE MONTH ENDED MAR 31, 2022 Rupees	NINE MONTH ENDED MAR 31, 2021 Rupees	THIRD QUARTER JAN'22-MAR'22 2022 Rupees	THIRD QUARTER JAN'21-MAR'21 2021 Rupees
Sales	14,912,106,637	8,253,353,052	5,870,387,654	2,961,846,773
Cost of Sales	(10,297,171,928)	(6,834,689,791)	(3,973,089,876)	(2,288,422,125)
<b>Gross Profit</b>	<b>4,614,934,709</b>	<b>1,418,663,261</b>	<b>1,897,297,778</b>	<b>673,424,648</b>
<b>Operating Expenses</b>				
Administration & General	(197,268,884)	(130,851,911)	(79,358,194)	(42,159,426)
Distribution Costs	(260,042,502)	(140,197,178)	(67,114,458)	(56,517,360)
Other operating expenses	(150,874,168)	(24,975,752)	-	-
	(608,185,554)	(296,024,841)	(146,472,652)	(98,676,786)
<b>Operating Profit</b>	<b>4,006,749,155</b>	<b>1,122,638,420</b>	<b>1,750,825,126</b>	<b>574,747,862</b>
Financial Charges & Others	(565,006,853)	(391,345,649)	(196,220,712)	(117,844,601)
Other Income / (Loss)	344,436,456	65,917,880	195,866,365	3,315,726
	(220,570,397)	(325,427,769)	(354,347)	(114,528,875)
<b>Profit/(Loss) before taxation</b>	<b>3,786,178,758</b>	<b>797,210,651</b>	<b>1,750,470,779</b>	<b>460,218,987</b>
<b>Taxation</b>				
Current	(135,388,863)	(81,472,977)	(52,761,342)	(30,035,553)
Deferred	(17,424,035)	(8,494,198)	(8,577,658)	(5,948,935)
	(152,812,898)	(89,967,175)	(61,339,000)	(35,984,488)
<b>Profit/(Loss) after taxation</b>	<b>3,633,365,860</b>	<b>707,243,476</b>	<b>1,689,131,779</b>	<b>424,234,499</b>
<b>Earning per share of Rs.10 each</b>	<b>589.55</b>	<b>114.76</b>	<b>274.08</b>	<b>68.84</b>

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

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



Director



Director



Chief Financial Officer

**STATEMENT OF OTHER COMPREHENSIVE INCOME (Un-audited)  
FOR THE THIRD QUARTER ENDED MARCH,31, 2022**

	NINE MONTH ENDED MAR 31, 2022 Rupees	NINE MONTH ENDED MAR 31, 2021 Rupees
Profit after taxation	3,633,365,860	707,243,476
<b>Others Comprehensive income</b>		
- Actuarial (loss) on defined benefits	-	-
<b>Total Comprehensive Income for the period</b>	<b>3,633,365,860</b>	<b>707,243,476</b>

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



Director



Director



Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY (Un-audited)  
FOR THE THIRD QUARTER ENDED MARCH,31, 2022**

Particulars	Paid-up Capital	Unappropriated Profit	Surplus on revaluation	Total
<b>Balance as at July 2020</b>	<b>61,630,000</b>	<b>1,985,418,933</b>	<b>3,281,186</b>	<b>2,050,330,119</b>
<b>Total Comprehensive Income</b>				
Profit / (Loss) for the period (Jul'20 to Mar'21)		707,243,476	-	707,243,476
Others Comprehensive income		-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit		246,089	(246,089)	-
Final Dividend @ 80% for Jun 30, 2020		(49,304,000)	-	(49,304,000)
<b>Balance as at 31st Mar.2021- un-audited</b>	<b>61,630,000</b>	<b>2,643,604,498</b>	<b>3,035,097</b>	<b>2,708,269,595</b>
<b>Total Comprehensive Income</b>				
Profit / (Loss) for the period (Oct'20 to Jun'21)		679,015,318	-	679,015,318
Others Comprehensive income		(14,712,584)	-	(14,712,584)
Transfer from surplus on revaluation of assets to unappropriated profit		82,030	(82,030)	-
<b>Balance as at 30th June 2021- audited</b>	<b>61,630,000</b>	<b>3,307,989,262</b>	<b>2,953,067</b>	<b>3,372,572,329</b>
<b>Total Comprehensive Income</b>				
Profit / (Loss) for the period (Jul'21 to Mar'22)		3,633,365,860	-	3,633,365,860
Others Comprehensive income		-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit		221,480	(221,480)	-
Final Dividend @ 500% for Jun 30, 2021		(308,150,000)	-	(308,150,000)
Interim Dividend @ 500% for Jun 30, 2022		(308,150,000)	-	(308,150,000)
<b>Balance as at 31st Mar.2022- un-audited</b>	<b>61,630,000</b>	<b>6,325,276,602</b>	<b>2,731,587</b>	<b>6,389,638,189</b>

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


  
 Director


  
 Director


  
 Chief Financial Officer



**CASH FLOW STATEMENT (Un-audited)  
FOR THE THIRD QUARTER ENDED MARCH,31, 2022**

	<b>Nine Month Ended</b>	
	<b>Mar 31, 2022</b>	<b>Mar 31, 2021</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	<b>3,786,178,758</b>	<b>797,210,651</b>
<b>Adjustments for non cash items:</b>		
Depreciation	527,808,576	375,472,979
Financial cost	565,006,853	391,345,649
Gain on Remeasurement of Provision of GIDC	-	(65,157,149)
Provision of Workers Profit Participation Fund	109,329,107	18,098,371
Provision of Workers Welfare Fund	41,545,061	6,877,381
Provision of Gratuity	29,629,761	20,301,171
(Gain) / Loss on Disposal of Fixed Assets	(11,049,554)	(3,683,414)
Provision of doubtful debts	-	8,967,723
Amortization of Government Grants	(48,878,270)	(5,281,913)
Exchange Loss / (Gain) on import	(235,305,495)	-
Exchange Loss / (Gain) on export debtors	(49,203,137)	8,204,596
	<b>928,882,902</b>	<b>755,145,394</b>
Operating profit before working capital changes	<b>4,715,061,660</b>	<b>1,552,356,045</b>
<b>Changes in Working Capital:</b>		
(Increase) / Decrease in current assets		
Stores and spares	(3,711,719)	(19,961,149)
Stock in trade	(2,248,957,581)	(590,680,003)
Trade debts	(1,954,867,880)	(215,514,988)
Advances, Trade deposit, prepayment & other receivables	(370,786,499)	(50,789,486)
Sales Tax (refundable)/payable	40,809,299	(43,857,932)
<b>Increase / (Decrease) in current liabilities:</b>		
Trade and other payables	334,355,591	9,568,404
<b>Changes in Working Capital:</b>	<b>(4,203,158,789)</b>	<b>(911,235,154)</b>
Cash generated from operations	<b>511,902,871</b>	<b>641,120,891</b>
Taxes (paid)/refund	(121,758,121)	(76,202,609)
Staff gratuity( paid)	(6,739,041)	(12,550,285)
Payment of W.P.P.F. and W.W.F.	(97,366,229)	(17,174,605)
Long term deposits	-	(619,155)
Financial charges (paid)	(457,479,825)	(327,569,634)
	<b>(683,343,216)</b>	<b>(434,116,288)</b>
Net cash from operating activities	<b>(171,440,345)</b>	<b>207,004,603</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Insurance claim receivable	17,275,000	-
Proceed from sale of fixed assets	23,056,800	5,560,000
Acquisition of property, plant & equipment	(744,053,785)	(2,582,765,971)
Net cash (outflow) from investing activities	<b>(703,721,985)</b>	<b>(2,577,205,971)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend (paid)	(530,000,680)	(49,045,619)
Loan obtained	524,384,255	2,292,516,685
Loan (paid)	(281,826,740)	(5,139,802)
Net cash from/(used in) financing activities	<b>(287,443,165)</b>	<b>2,238,331,264</b>
Increase/(Decrease) in cash	<b>(1,162,605,495)</b>	<b>(131,870,104)</b>
<b>Cash and cash equivalent as at Jul 1,</b>	<b>(3,003,963,070)</b>	<b>(3,616,770,613)</b>
<b>Cash and cash equivalent as at Mar 31,</b>	<b>(4,166,568,565)</b>	<b>(3,748,640,717)</b>
<b>CASH &amp; CASH EQUIVALENT</b>		
Cash & bank balance	227,211,990	143,067,943
Short term running finance	<b>(4,393,780,555)</b>	<b>(3,891,708,660)</b>
	<b>(4,166,568,565)</b>	<b>(3,748,640,717)</b>

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



Director



Director



Chief Financial Officer

**EARNING PER SHARE (Un-audited)  
FOR THE THIRD QUARTER ENDED MARCH 31, 2022**

	NINE MONTH ENDED	
	31-Mar 2022	31-Mar 2021
	<u>Rupees</u>	<u>Rupees</u>
Net profit after tax for the period	3,633,365,860	707,243,476
Number of Ordinary shares	6,163,000	6,163,000
Earning per share	<u>Rs. 589.55</u>	<u>Rs. 114.76</u>

**SELECTED EXPLANATORY NOTES TO THE ACCOUNTS FOR THE THIRD QUARTER ENDED MARCH 31, 2022**

**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, New Challi, Karachi.

- The Company's manufacturing plant / mill is located at plot 58, 60, 61 & 76, 77, 78 Main Super Highway, Nooriabad, 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) RELATED PARTY TRANSACTION AND BALANCES**

Related parties comprise companies with common directorship, major shareholders, directors, key management personnel and their close family members. Transactions with related parties, other than remuneration and benefits to key management personnel under the terms of their employment, are as follows:

**PREMIUM KNITS**

Sales of goods during the period

Outstanding balance due as at Mar 31,

**PINNACLE FIBRE (PVT) LTD.**

Purchase of goods during the period

Outstanding balance due as at Mar 31,

NINE MONTH JUL'21-MAR'22	NINE MONTH JUL'20-MAR'21
<u>2022</u>	<u>2021</u>
<u>Rupees</u>	<u>Rupees</u>
<u>146,024,081</u>	<u>47,440,711</u>
<u>154,289,124</u>	<u>42,405,531</u>
<u>399,549,089</u>	<u>208,173,413</u>
<u>61,898,089</u>	<u>9,968,951</u>

**6) AUTHORISATION FOR ISSUE**

These accounts have been authorised for issue on **28th. APRIL, 2022** by the Board of Directors of the Company.

7) **Figures have been rounded off to the nearest rupee.**



\_\_\_\_\_  
Director



\_\_\_\_\_  
Director



\_\_\_\_\_  
Chief Financial Officer