

ALLAWASAYA
TEXTILE & FINISHING MILLS LIMITED
MULTAN



FINANCIAL STATEMENTS
(AUDITORS' REVIEWED)

For the half year ended

December 31, 2012



Allawasaya Textile & Finishing Mills Limited

COMPANY PROFILE

BOARD OF DIRECTORS

Mian Muhammad Jamil	– Chairman
Mian Tanvir Ahmad Sheikh	– Chief Executive/M.D
Mrs. Nusrat Jamil	– Director
Mian Anis Ahmad Sheikh	– Director
Mian Sarfraz Ahmad Sheikh	– Director
Mian Tauqir Ahmad Sheikh	– Director
Mian Muhammad Bilal Ahmad Sheikh	– Director
Mian Muhammad Alamgir Jamil Khan	– Director

AUDIT COMMITTEE

Mian Muhammad Jamil	– Chairman
Mian Tanvir Ahmad Sheikh	– Member
Mian Muhammad Alamgir Jamil Khan	– Member

COMPANY SECRETARY

Muhammad Ismail

CHIEF FINANCIAL OFFICER

Muhammad Ismail

AUDITORS

M. Yousuf Adil Saleem & Co.,
Chartered Accountants, Lahore.

BANKERS

M/s Habib Bank Limited
M/s Bank Al Habib Limited
M/s United Bank Limited
M/s Habib Metropolitan Bank Limited

REGISTERED OFFICE

Allawasaya Square,
Mumtazabad Industrial Area,
Vehari Road, Multan, Pakistan.
Ph: (061) 4233624-26
Fax: (061) 6525202
Website: www.allawasaya.com
E-mail: atm@allawasaya.com



DIRECTORS' REVIEW

Dear Shareholders,

Your Directors are pleased to present before you the Auditors' Reviewed Financial Statements of your Company for the half year ended December 31, 2012.

By the grace of Almighty Allah, the overall performance of your Company remained satisfactory during the period. The energy crisis loomed large on the Industry and severe gas curtailments and electricity shutdowns including complete electricity & gas shutdown for continuous Eight (08) days effected the production of the Company during the period under report. However, under the circumstances, your Company earned pre-tax profit of Rs. 52,757,215/- which after provision for tax netted to Rs. 33,373,284/- for the half year ended December 31, 2012 under report compared to Profit of Rs. 2,545,896/- for the same period last year. Your Company has been successful to achieve the above results through better management and marketing efforts.

Your Directors are quite hopeful that, by the grace of Almighty Allah, your Company will achieve still better financial results for the remaining period of the current financial year to end on June 30, 2013.

On behalf of the Board

Sd/-

Mian Muhammad Jamil
Chairman

Place: Multan

Dated: 27.02.2013



Allawasaya Textile & Finishing Mills Limited

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

INTRODUCTION

We have reviewed the accompanying condensed interim balance sheet of ALLAWASAYA TEXTILE & FINISHING MILLS LIMITED (the Company) as at December 31, 2012, and the related condensed interim profit and loss account, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the six-month period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and fair presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed profit and loss account for the quarters ended December 31, 2012 and December 31, 2011 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2012.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of the person responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

M. YOUSUF ADIL SALEEM & CO.,
Chartered Accountants

Engagement Partner:
Talat Javed

Dated: 27.02.2013
Lahore



CONDENSED INTERIM BALANCE SHEET

	(Un-Audited) December 31, 2012	(Audited) June 30, 2012
Note	Rupees	Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital 1,000,000 (June 30, 2012: 1,000,000) ordinary shares of Rs. 10 each	10,000,000	10,000,000
Issued, subscribed & paidup capital 800,000 (June 30, 2012: 800,000) ordinary shares of Rs. 10/- each	8,000,000	8,000,000
Reserves	82,668,746	82,668,746
Unappropriated profit	123,926,055	96,956,670
	214,594,801	187,625,416
SURPLUS ON REVALUATION OF PROPERTY, PLANT & EQUIPMENT	32,975,449	34,771,550
NON-CURRENT LIABILITIES		
Long-term financing	28,648,736	45,954,802
Deferred tax	58,667,884	58,852,470
	87,316,620	104,807,272
CURRENT LIABILITIES		
Trade and other payables	90,684,035	67,788,967
Mark-up accrued on loans	7,020,807	9,606,595
Short-term borrowings	226,488,756	89,855,760
Current portion of long-term financing	34,612,132	34,612,132
Provision for taxation	29,837,604	28,473,683
	388,643,334	230,337,137
CONTINGENCIES AND COMMITMENTS 6	—	—
TOTAL EQUITY AND LIABILITIES	723,530,204	557,541,375

The annexed selected notes 1 to 10 form an integral part of this condensed interim financial information.

Sd/-
Mian Muhammad Jamil
Chairman

Sd/-
Mian Tanvir Ahmad Sheikh
Chief Executive



AS AT DECEMBER 31, 2012

	(Un-Audited) December 31, 2012	(Audited) June 30, 2012
Note	Rupees	Rupees
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	243,470,431	254,327,265
Long term investments	518,752	518,752
Long term deposits	2,109,237	2,109,237
	246,098,420	256,955,254
CURRENT ASSETS		
Stores, spares and loose tools	9,388,795	11,271,339
Stock-in-trade	347,919,962	139,417,902
Trade debts	106,189,131	117,830,300
Loans and advances	3,955,827	17,911,383
Trade deposits and prepayments	126,868	564,569
Other receivables	-	28,845
Sales tax refundable	7,880,428	6,428,884
Current portion of long term investments	109	578,700
Cash and bank balances	1,970,664	6,554,199
	477,431,784	300,586,121
TOTAL ASSETS	723,530,204	557,541,375

Sd/-
Mian Anis Ahmad Sheikh
Director

Sd/-
Mian Muhammad Alamgir Jamil Khan
Director

Sd/-
CFO



Allwasaya Textile & Finishing Mills Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) For the six months period ended December 31, 2012

 Six months ended Three months ended	
	December 31 2012	December 31 2011	December 31 2012	December 31 2011
 Rupees			
Sales	1,001,567,657	1,004,917,728	530,246,096	474,546,791
Cost of goods sold	(901,894,669)	(944,475,218)	(478,734,214)	(443,452,513)
Gross profit	99,672,988	60,442,510	51,511,882	31,094,278
Other operating income	35,658	40,445	—	—
	99,708,646	60,482,955	51,511,882	31,094,278
Distribution Cost - Commission	(3,494,808)	(3,491,561)	(1,641,715)	(452,859)
Administrative expenses	(24,211,012)	(18,914,583)	(13,229,970)	(9,701,614)
Other operating expenses	(4,077,451)	(1,087,393)	(2,102,765)	(614,486)
Finance cost	(15,168,160)	(24,394,345)	(8,424,175)	(14,111,065)
	(46,951,431)	(47,887,882)	(25,398,625)	(24,880,024)
Profit before taxation	52,757,215	12,595,073	26,113,257	6,214,254
Provision for taxation	(19,383,931)	(10,049,177)	(10,058,546)	(4,745,468)
Profit after taxation	33,373,284	2,545,896	16,054,711	1,468,786
Other comprehensive income	—	—	—	—
Total Comprehensive income	33,373,284	2,545,896	16,054,711	1,468,786
Earnings per share - Basic and diluted	41.72	3.18	20.07	1.84

The annexed selected notes 1 to 10 form an integral part of this condensed interim financial information.

Sd/- Mian Muhammad Jamil Chairman	Sd/- Mian Tanvir Ahmad Sheikh Chief Executive	Sd/- Mian Anis Ahmad Sheikh Director	Sd/- Mian Muhammad Alamgir Jamil Khan Director	Sd/- CFO
---	---	--	--	-------------



Allwasaya Textile & Finishing Mills Limited

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) For the six months period ended December 31, 2012

Six months ended.....	
	December 31, 2012	December 31, 2011
	Rupees	Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	52,757,215	12,595,073
Adjustments for non cash items:		
Depreciation on property, plant and equipment	13,597,044	14,563,342
Provision for staff retirement benefits - gratuity	3,650,549	3,149,169
Profit on long term investment	(35,658)	(40,445)
Finance cost	15,168,160	24,394,345
Operating cash flows before movement in working capital	85,137,310	54,661,484
Decrease / (Increase) in current assets		
Stores, spares and loose tools	1,882,544	2,213,316
Stock-in-trade	(208,502,060)	(214,651,629)
Trade debts	11,641,169	(21,659,650)
Loans and advances	18,753,684	344,865
Trade deposits and prepayments	437,701	(1,155,424)
Sales tax refundable	(1,451,544)	744,739
Other receivables	28,845	86,061
(Decrease) / increase in current liabilities		
Trade and other payables	26,907,890	(2,830,438)
	(150,301,771)	(236,908,160)
Cash used in operations	(65,164,461)	(182,246,676)
Income tax paid	(23,002,724)	(10,083,554)
Staff retirement benefits - gratuity paid	(8,016,921)	(4,686,665)
Finance cost paid	(17,753,948)	(24,592,440)
Net cash used in operating activities	(113,938,054)	(221,609,335)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(2,740,210)	(2,692,750)
Proceeds on redemption of long-term investment	578,591	578,596
Profit on long term investment	35,658	40,445
Net cash used in investing activities	(2,125,961)	(2,073,709)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing repaid	(17,306,066)	(17,306,066)
Short term borrowings - net	136,632,996	245,106,094
Dividend paid	(7,846,450)	(8,200,000)
Net cash from financing activities	111,480,480	219,600,028
Net decrease in cash and cash equivalents (A+B+C)	(4,583,535)	(4,083,016)
Cash and cash equivalents at beginning of the period	6,554,199	6,528,607
Cash and cash equivalents at end of the period	1,970,664	2,445,591

The annexed selected notes 1 to 10 form an integral part of this condensed interim financial information.

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Mian Muhammad Jamil	Mian Tanvir Ahmad Sheikh	Mian Anis Ahmad Sheikh	Mian Muhammad Alamgir Jamil Khan	
Chairman	Chief Executive	Director	Director	CFO



Allwasaya Textile & Finishing Mills Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) For the half year ended December 31, 2012

	Reserves				Total
	Capital	Revenue		Total	
	Other reserve	General reserve	Unappropriated Profit		
Share Capital					
..... R U P E E S					
Balance as at July 1, 2011	8,000,000	2,668,746	80,000,000	59,565,634	150,234,380
Profit for the period	—	—	—	2,545,896	2,545,896
Other comprehensive income for the period	—	—	—	—	—
Total comprehensive income for the period ended December 31, 2011	—	—	—	2,545,896	2,545,896
Transactions with owners:					
Dividend for the year ended June 30, 2011 @ Rs. 10.25 / share	—	—	—	(8,200,000)	(8,200,000)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation	—	—	—	2,006,947	2,006,947
Balance as at December 31, 2011	8,000,000	2,668,746	80,000,000	55,918,477	146,587,223
Balance as at July 1, 2012	8,000,000	2,668,746	80,000,000	96,956,670	187,625,416
Profit for the period	—	—	—	33,373,284	33,373,284
Other comprehensive income for the period	—	—	—	—	—
Total comprehensive income for the period ended December 31, 2012	—	—	—	33,373,284	33,373,284
Transactions with owners:					
Dividend for the year ended June 30, 2012 @ Rs. 10.25 / share	—	—	—	(8,200,000)	(8,200,000)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation	—	—	—	1,796,101	1,796,101
Balance as at December 31, 2012	8,000,000	2,668,746	80,000,000	123,926,055	214,594,801

The annexed selected notes 1 to 10 form an integral part of this condensed interim financial information.

Sd/- Mian Muhammad Jamil Chairman	Sd/- Mian Tanvir Ahmad Sheikh Chief Executive	Sd/- Mian Anis Ahmad Sheikh Director	Sd/- Mian Muhammad Alamgir Jamil Khan Director	Sd/- CFO
---	---	--	--	-------------



**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
For the six months period ended December 31, 2012**

1. LEGAL STATUS AND NATURE OF BUSINESS

Allwasaya Textile & Finishing Mills Limited (the Company) was incorporated in Pakistan on December 03, 1958 as a Private Limited Company. It was converted into a public limited Company in 1965 under the Companies Act 1913 (now Companies Ordinance, 1984). Its shares are quoted on all Stock Exchanges in Pakistan. It is principally engaged in the manufacture and sale of yarn. The registered office and mill of the Company is situated in Multan (province of Punjab).

2. BASIS OF PREPARATION

2.1 This condensed interim financial information of the Company for the six-months period ended December 31, 2012 has been prepared in accordance with the requirements of the International Accounting Standard 34- Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

3. BASIS OF MEASUREMENT

3.1 These financial statements have been prepared under the historical cost convention as modified by the revaluation of operating fixed assets and certain financial instruments at fair value and recognition of certain employee retirement benefits at present value.

3.2 This condensed interim financial information is unaudited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under listing regulations of Karachi, Lahore and Islamabad Stock Exchange and section 245 of the Companies Ordinance, 1984. They do not include all of the information required for the annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended as at June 30, 2012.



3.3 Presentation and functional currency

The condensed interim financial information are presented in Pak Rupees, which is the Company's functional and presentation currency.

3.4 Accounting estimates and judgments

The preparation of the condensed interim financial information in conformity with approved accounting standards as applicable in Pakistan for interim financial reporting requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experiences and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key source of estimation and uncertainty were the same as those that applied to the annual audited financial statements as at and for the year ended June 30, 2012.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended June 30, 2012.



Allwasaya Textile & Finishing Mills Limited

	(Un-Audited) December 31, 2012 Rupees	(Audited) June 30, 2012 Rupees
5. PROPERTY, PLANT AND EQUIPMENT		
Opening book value	254,327,265	274,479,790
Additions during the period/year:		
Plant and machinery	—	4,821,000
Vehicles	2,740,210	4,588,265
	2,740,210	9,409,265
Book value of assets disposed-off during the period / year	—	(136,017)
Depreciation charge for the period / year	(13,597,044)	(29,425,773)
	<u>243,470,431</u>	<u>254,327,265</u>

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no material change in the status of contingencies as disclosed in the published annual audited financial statements for the year ended June 30, 2012.

6.2 Commitments

Guarantees issued by commercial banks on behalf of the Company outstanding as at December 31, 2012 were Rs. 86 million (June 30, 2012 Rs. 86 million).

7. RELATED PARTY TRANSACTIONS

7.1 The related parties comprise associated undertakings, directors and key personnel. The Company in normal course of business carries out transactions with various related parties. Transactions with related parties are as follows:



Allwasaya Textile & Finishing Mills Limited

Unaudited			
 Six months ended Three months ended	
	December 31 2012	December 31 2011	December 31 2012	December 31 2011
Transactions with directors and key personnel	Rupees	Rupees	Rupees	Rupees
Remuneration of chief executive officer, directors and executives	3,313,232	3,313,232	1,656,616	1,656,616

There has been no transactions with associated undertakings related to sale and purchase of goods during this period of six months ended December 31, 2012.

8. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2012.

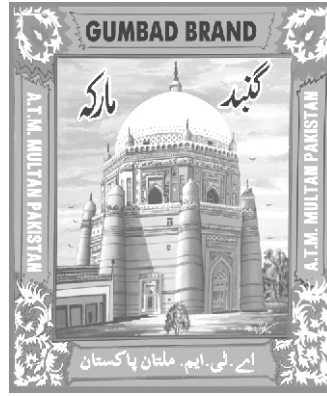
9. DATE OF AUTHORIZATION FOR ISSUE

The condensed interim financial information were authorised for issue on February 27, 2013 by the Board of Directors of the Company.

10. GENERAL

Figures in the condensed interim financial information have been rounded-off to the nearest rupee except stated otherwise.

Sd/- Mian Muhammad Jamil Chairman	Sd/- Mian Tanvir Ahmad Sheikh Chief Executive	Sd/- Mian Anis Ahmad Sheikh Director	Sd/- Mian Muhammad Alamgir Director	Sd/- Jamil Khan CFO
---	---	--	---	---------------------------



GUMBAD BRAND™
www.allawasaya.com

ALLAWASAYA TEXTILE & FINISHING MILLS LIMITED

Allawasaya Square, Mumtazabad Industrial Area,
Vehari Road, Multan, Pakistan.

Phone: (061) 4233624-26

Fax: (061) 6525202

Website: www.allawasaya.com

E-mail: atm@allawasaya.com