

ALLAWASAYA

TEXTILE & FINISHING MILLS LTD
MULTAN



FINANCIAL STATEMENTS (UN-AUDITED)

For the First Quarter Ended
September 30, 2020



BOARD OF DIRECTORS

1. Mrs. Nusrat Jamil - Chairperson
2. Mian Tanvir Ahmad Sheikh - Chief Executive Officer
3. Mian Muhammad Jamil
4. Mian Tauqir Ahmed Sheikh
5. Mian Anis Ahmad Sheikh
6. Mian Muhammad Bilal Ahmed Sheikh
7. Mr. Mohammad Alamgir Jamil Khan
8. Mr. Muhammad Umar Farooq Sheikh
9. Mr. Javed Musarrat
10. Mr. Abdul Rehman Qureshi
11. Mr. Imran Hussain

AUDIT COMMITTEE

- | | |
|------------------------|------------|
| Mr. Javed Musarrat | - Chairman |
| Mrs. Nusrat Jamil | - Member |
| Mian Anis Ahmad Sheikh | - Member |

CHIEF FINANCIAL OFFICER

Sohail Nadeem

COMPANY SECRETARY

Muhammad Ismail

HEAD OF INTERNAL AUDIT

Ch. Javed Akhtar

BANKERS

- M/s Habib Bank Limited
- M/s Bank AL Habib Limited
- M/s Habib Metropolitan Bank Limited
- M/s United Bank Limited

REGISTERED OFFICE

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

SHARES REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7- Bank Square, Lahore.
Ph: (042)37235081-82
Fax: (042)37358817
E-Mail: info@hmaconsultants.com



DIRECTORS' REVIEW

Dear Shareholders,

On behalf of the Board of Directors of the Company, it is my privilege to present before you the Un-Audited Financial Statements of your Company for the First Quarter of current financial year ended on September 30, 2020 as required under Notification No. SRO 764(I)/2001 dated 05-11-2001 of the SECP and in accordance with the requirements of International Accounting Standard No. 34 "Interim Financial Reporting".

Despite challenges at internal as well as external fronts, especially owing to the outbreak of coronavirus pandemic, decreasing production of cotton crop in the country due to non-availability of good quality seeds, disparity between the comparative prices of raw material (cotton & polyester) and yarn alongwith the substantial increase in financial cost effected the financial net results of the Company for the quarter. Your Directors, however, adopted the prudent strategy to put the company back on growth as is evident from the Company's financial indicators. The performance of your Company during the quarter was satisfactory and earned Net After Tax Profit for the First Quarter ended on September 30, 2020 at Rs.10,377,480/- as compared to the Net After Tax Profit of Rs.2,560,129/- for the same period last year.

Your Directors hope that cotton crop of Pakistan will improve in coming years for which the government must take effective measures to control issues of domestic cotton production by improving seed quality and technology to avoid cotton leaf curl virus, pink boll worm, white fly etc.

Your Directors hope that, by the grace of Almighty Allah, your Company will achieve better financial results for the remaining period of the current financial year to end on June 30, 2021.

On behalf of the Board

Place: Multan
Dated: 28.10.2020

Sd/-
Mrs. Nusrat Jamil
CHAIRPERSON

ڈائریکٹران کا جائزہ

محترم حصص داران،

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ ایس آر او 2001/764(I) تاریخ 05 نومبر 2001ء اور بین الاقوامی اکاؤنٹنگ کے معیار نمبر 34 "اطلاع برائے معیادی مدت کے مالیاتی نتائج" کے مطابق آپ کے ڈائریکٹران کی جانب سے کمپنی کے پہلی سرمایہ معیتمہ 30 ستمبر 2020ء کے غیر آڈٹ شدہ مالیاتی نتائج پیش کرتی ہوں۔

بے شمار اندرونی و بیرونی چیلنجز کے باوجود، بالخصوص کرونا وائرس، کپاس کی پیداوار میں کمی، خام مال (کپاس اور پولیسٹر) اور دھماگے کے تقابلی نرخوں میں فرق اور فنانس لاگت میں اضافے کی وجہ سے، کمپنی کے پہلی سرمایہ کے حتمی مالیاتی نتائج متاثر ہوئے۔ تاہم آپ کے ڈائریکٹران نے بہترین حکمت عملی اپناتے ہوئے کمپنی کو ترقی کی راہ پر گامزن کیا۔ نتیجتاً آپ کی کمپنی کی پہلی سرمایہ معیتمہ 30 ستمبر 2020ء میں بعد از ٹیکس منافع مبلغ -/10,377,480 روپے تھا جو کہ پچھلے سال بعد از ٹیکس منافع مبلغ -/2,560,129 روپے تھا۔

آپ کے ڈائریکٹران امید کرتے ہیں کہ آنے والے دنوں میں کپاس کی فصل کی پیداوار میں بہتری کے لئے حکومت پاکستان موزوں اقدامات اٹھائے گی۔ جس سے نہ صرف بیج کے معیار، کپاس کی کٹائی و مقدار میں بہتری آئے گی۔ نتیجتاً اچھی، غیر آلودہ اور کیتروں سے پاک کپاس ملکی سطح پر دستیاب ہوگی۔

آپ کے ڈائریکٹران امید کرتے ہیں کہ اللہ تعالیٰ کی مہربانی سے آپ کی کمپنی 30 جون 2021ء میں اختتام ہونے والے مالیاتی سال کے بقایا مدت میں بہتر نتائج حاصل کرے گی۔

بحکم بورڈ آف ڈائریکٹرز

دستخط

مسز نصرت جمیل۔ چیئر پرسن

ملتان۔ تاریخ 28 اکتوبر 2020ء



BALANCE SHEET AS AT SEPTEMBER 30, 2020

	UN - AUDITED	AUDITED	UN - AUDITED	AUDITED
	September 30, 2020 RUPEES	June 30, 2020 RUPEES	September 30, 2020 RUPEES	June 30, 2020 RUPEES
EQUITY AND LIABILITIES				
Share capital and reserves				
Share capital	8,000,000	8,000,000		
Surplus on revaluation of property, plant and equipment	826,148,338	829,601,503		
Tax holiday reserve	2,668,746	2,668,746		
General reserve	80,000,000	80,000,000		
Unappropriated Profits	197,251,469	183,420,824		
	1,114,068,553	1,103,691,073		
NON - CURRENT LIABILITIES				
Long Term Loan	191,929,905	178,875,000		
Deferred tax	120,188,914	117,517,432		
	312,118,819	296,392,432		
CURRENT LIABILITIES				
Trade & other payables	179,577,286	352,821,241		
Accrued markup	11,904,361	18,322,913		
Short term borrowings	281,609,293	514,201,659		
Current portion of long term loan	58,500,000	30,625,000		
Unclaimed dividend	664,983	664,983		
Provision for taxation	51,787,996	39,860,820		
	584,043,919	956,496,616		
	<u>2,010,231,291</u>	<u>2,356,580,121</u>		
			<u>2,010,231,291</u>	<u>2,356,580,121</u>
ASSETS				
NON - CURRENT ASSETS				
Property, plant and equipment			1,412,850,420	1,423,479,920
Long term deposits			2,379,997	2,379,997
			1,415,230,417	1,425,859,917
CURRENT ASSETS				
Stores and spares			28,141,072	19,101,066
Stock in trade			268,640,373	537,897,226
Trade Debts			203,369,237	247,918,150
Loans and advances			54,295,499	49,793,601
Trade deposits and prepayments			13,376,726	10,352,939
Tax refunds due from government			21,157,112	41,217,467
Cash & bank balances			6,020,855	24,439,755
			595,000,874	930,720,204

Chief Executive

Director

Chief Financial Officer



PROFIT & LOSS ACCOUNT - UNAUDITED
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020 RUPEES	September 30, 2019 RUPEES
Revenue from contracts	795,145,042	654,858,706
Cost of goods sold	<u>(732,930,397)</u>	<u>(605,140,355)</u>
Gross Profit	62,214,645	49,718,351
Distribution and marketing expenses	(5,096,266)	(4,390,867)
Administrative expenses	(15,933,010)	(15,179,579)
Other expenses	(1,857,418)	(917,753)
Finance cost	(14,351,813)	(16,847,142)
	(37,238,507)	(37,335,341)
Profit before taxation	24,976,138	12,383,010
Provision for Taxation	(14,598,658)	(9,822,881)
Profit for the period	<u>10,377,480</u>	<u>2,560,129</u>
earnings per share - Basic and diluted	<u><u>12.97</u></u>	<u><u>3.20</u></u>

*Chief Executive**Director**Chief Financial Officer*



STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020 RUPEES	September 30, 2019 RUPEES
Profit for the period	10,377,480	2,560,129
Other comprehensive income		
Transfer from deferred tax due to change rate on opening revaluation surplus	-	699,450
Total comprehensive income for the period	10,377,480	3,259,579

Chief Executive

Director

Chief Financial Officer



Cash Flow Statement - unaudited
For the First quarter ended September 30, 2020

	September 30, 2020 Rupees	September 30, 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	24,976,138	12,383,010
Adjustments for :		
Depreciation on property, plant and equipment	11,495,599	11,899,427
Provision for staff retirement benefits - gratuity	4,502,550	4,292,500
Finance cost	14,351,813	16,847,142
	30,349,962	33,039,069
Operating cash flows before movement in working capital	55,326,100	45,422,079
Decrease / (increase) in current assets		
Stores, spares and loose tools	(9,040,006)	496,061
Stock in trade	269,256,853	146,717,828
Trade debts	44,548,913	26,153,693
Loans and advances (excluding advance income tax)	2,242,476	2,559,310
Trade deposits and prepayments	(3,023,787)	(4,763,556)
Tax refunds due from government	20,060,355	6,893,550
(Increase) / decrease in current liabilities		
Trade and other payables	(176,966,735)	(172,687,667)
	147,078,069	5,369,220
Cash generated from operations	202,404,169	50,791,297
Income taxes paid	(6,744,373)	(1,520,111)
Staff retirement benefits - gratuity paid	(779,770)	(16,487,088)
Finance cost paid	(20,770,365)	(19,327,191)
Net cash generated from operations	174,109,661	13,456,908
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(866,100)	(12,175,280)
Cash used in investing activities	(866,100)	(12,175,280)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term financing	40,929,905	-
Short term borrowings - net	(232,592,366)	(18,886,273)
Net cash used in financing activities	(191,662,461)	(18,886,273)
Net decrease in cash and cash equivalents	(18,418,900)	(17,604,645)
Cash and cash equivalents at the beginning of the period	24,439,755	19,041,683
Cash and cash equivalents at end of the period	<u>6,020,855</u>	<u>1,437,038</u>

Chief Executive

Director

Chief Financial Officer



STATEMENT OF CHANGES IN EQUITY - UNAUDITED

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Reserves					Total
	Capital		Revenue			
	Surplus on revaluation of property, plant and equipment	Tax holiday reserve	General reserve	Accumulated Profit		
Share Capital	RUPEES					
Balance as at July 1, 2019 (audited)	8,000,000	844,244,390	2,668,746	80,000,000	153,951,755	1,088,864,891
Profit for the period	-	-	-	-	2,560,129	2,560,129
Other comprehensive income for the period	-	699,450	-	-	-	699,450
Total comprehensive Income for the period	-	699,450	-	-	2,560,129	3,259,579
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation (net of deferred tax)	-	(2,483,050)	-	-	2,483,050	-
Balance as at September 30, 2019	8,000,000	842,460,790	2,668,746	80,000,000	158,994,934	1,092,124,470
Balance as at July 01, 2020 (audited)	8,000,000	829,601,503	2,668,746	80,000,000	183,420,824	1,103,691,073
Profit for the period	-	-	-	-	10,377,480	10,377,480
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive Income for the period	-	-	-	-	10,377,480	10,377,480
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation (net of deferred tax)	-	(3,453,165)	-	-	3,453,165	-
Balance as at September 30, 2020	8,000,000	826,148,338	2,668,746	80,000,000	197,251,469	1,114,068,553

NOTES TO THE ACCOUNTS

- 1) These un-audited accounts are being presented to the shareholders as required under SECP notification No. 764(I)/2001 dated 05-11-2001 and in accordance with the requirements of International Accounting Standard-34 “Interim Financial Reporting”. As notified under the Companies Act, 2017 and Directives issued under the Act.
- 2) Accounting Policies adopted for the preparation of these quarterly accounts are the same as adopted in the preceding annual accounts.
- 3) Figures from previous year have been re-arranged for the purpose of comparison wherever necessary.
- 4) Figures in these accounts have been rounded off to the nearest rupee.

Chief Executive

Director

Chief Financial Officer



www.allawasaya.com

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