



ALLAWASAYA

TEXTILE & FINISHING MILLS LIMITED



FINANCIAL STATEMENTS

(AUDITORS' REVIEWED)

For the Six Month Period Ended

December 31, 2019



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 |
| Mian Anis Ahmad Sheikh | - Member |
| Mrs. Nusrat Jamil | - Member |

CHIEF FINANCIAL OFFICER

Mr. Sohail Nadeem

COMPANY SECRETARY

Mr. Muhammad Ismail

HEAD OF INTERNAL AUDIT

Ch. Javed Akhtar

AUDITORS

Deloitte Yousuf Adil Chartered Accountants, Multan.

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.



DIRECTORS' REVIEW

Dear Shareholders,

On behalf of the Board of Directors of your Company, I am pleased to present before you the unaudited condensed Financial Statements for the first half year ended December 31, 2019 duly reviewed by the statutory auditors of the Company.

Your Management is pleased to report that BMR carried out and the expansion/ extension to the plant and machinery stand completed and has started bearing its fruit. This has resulted in reduction of cost of Production and increase in volume of better quality Yarn. Hence, by the grace of Almighty Allah, the overall performance of your Company during the period under report was better than its performance for the same period last year.

During the six months period under report the total sales for the period have been Rs.1,397,481,821/- as compared to Rs.997,250,801/- for the same period last year. The gross profit for the period was Rs.101,029,906/- as compared to Rs.36,503,344/- last year. The net Profit after providing for tax amounted to Rs.18,987,657/- for the six month period ended December 31, 2019 as compared to net Loss after tax of (Rs.20,757,994/-) of the same period last year.

Currently the Textile Industry is under continuous pressure due to the power tariffs and is operating in a most challenging and unpredictable environment. However, it is learnt today that APTMA has convinced the Govt. to take the necessary immediate corrective measures and apply the fix tariff of electricity @ 7.5 Cent per unit, all-inclusive, and adjust the excess amount already paid until now. It is believed that directions for the implementation of Notification of flat rate of 7.5 Cent per unit of electricity shall be issued immediately. The future performance of your Company in the remaining period of the current financial year to end on June 30, 2020 and subsequently shall depend heavily on the same.

Sd/-

Mrs. Nusrat Jamil
Chairperson

Place: Multan

Dated: 27.02.2020

ڈائریکٹران کا جائزہ

محترم حصص داران،

میں نہایت مسرت کے ساتھ کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے کمپنی کے آڈیٹرز سے محدود پیمانے پر جائزہ شدہ مالیاتی نتائج برائے پہلی ششماہی مدت ستمبر 31 2019ء پیش کرتی ہوں۔

ملز کی انتظامیہ یہ بتاتے ہوئے خوشی محسوس کرتی ہے کہ کمپنی کے پلانٹ و مشینری کی توسیع مکمل ہو چکی ہے اور اس کے فوائد حاصل ہونا شروع ہو گئے ہیں۔ نتیجتاً نہ صرف فی یونٹ پیداواری لاگت میں کمی واقع ہوئی ہے بلکہ بہتر کوالٹی یارن کے حجم میں بھی اضافہ ہوا ہے۔ اللہ تعالیٰ کی مہربانی سے آپ کی کمپنی کی کارکردگی موجودہ پہلی ششماہی کے دوران پچھلے سال کی نسبت بہتر رہی ہے۔ کمپنی کی موجودہ ششماہی مدت کے دوران کل فروخت مبلغ 1,397,481,821/- روپے رہی جو کہ پچھلے سال اسی مدت کے لیے مبلغ 997,250,801/- روپے تھی۔ ابتدائی منافع مبلغ 101,029,906/- روپے تھا جو کہ پچھلے سال مبلغ 36,503,344/- روپے تھا۔ حتمی منافع بعد از ٹیکس منہائی مبلغ 18,987,657/- روپے تھا جبکہ پچھلے سال حتمی خسارہ بعد از ٹیکس منہائی مبلغ 20,757,994/- روپے تھا۔

موجودہ دور میں ٹیکسٹائل انڈسٹری تو انائی کے محصولات کی وجہ سے شدید دباؤ کا شکار ہے اور انتہائی غیر متوقع حالات میں کام کر رہی ہے۔ تاہم ترین اطلاعات کے مطابق آل پاکستان ٹیکسٹائل ملز ایسوسی ایشن (ایچا) نے حکومت کو بجلی کے بلوں کی ادائیگی کا فکسڈ ٹیرف بشرح 7.50 سنٹس بشمول تمام محصولات مقرر کرنے اور اب تک حتمی اضافی رقم ادا کی گئی ہے اس کو بھی ایڈجسٹ کرنے کے لیے قائل کر لیا ہے۔ امید ہے کہ فلیٹ ریٹ بشرح 7.50 سنٹس کا حکم نامہ فوری طور پر جاری کر دیا جائے گا۔ آپ کی کمپنی کی آئندہ کارکردگی موجودہ سال 30 جون 2020ء تک کی بقایا مدت اور اس کے بعد بھی انہی حکومتی اقدامات پر منحصر ہوگی۔

دستخط

مسز نصرت جمیل۔ چیئر پرسن

ملتان۔ بتاریخ 27 فروری 2020ء



**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ALLAWASAYA TEXTILE & FINISHING MILLS LIMITED**

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Allawasaya Textile & Finishing Mills Limited** (the Company) as at December 31, 2019, and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows and notes to the interim financial statements for the six-month period then ended (herein-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and other comprehensive income for the three-month period ended December 31, 2019 and related comparative information have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended December 31, 2019.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for 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 statements as at December 31, 2019 and for the six-month period then ended, are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Rana M. Usman Khan.

**DELOITTE YOUSUF ADIL
Chartered Accountants**

Engagement Partner:

Rana M. Usman Khan

Multan

Dated: 27.02.2020



ALLAWASAYA TEXTILE & FINISHING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

		<i>(Unaudited)</i> <i>December 31,</i> <i>2019</i> <i>Rupees</i>	<i>(Audited)</i> <i>June 30,</i> <i>2019</i> <i>Rupees</i>
ASSETS			
<i>Non-current assets</i>			
Property, plant and equipment	3	1,431,076,011	1,432,570,929
Long term deposits		2,379,997	2,379,997
		1,433,456,008	1,434,950,926
<i>Current assets</i>			
Stores and spares		22,636,077	26,190,301
Stock in trade		343,243,464	292,168,103
Trade debts		279,090,465	215,316,937
Loans and advances		88,414,076	59,504,034
Trade deposits and prepayments		4,539,553	1,098,779
Tax refunds due from government		23,014,582	37,044,286
Cash and bank balances		5,706,057	19,041,683
		766,644,274	650,364,123
Total assets		2,200,100,282	2,085,315,049
EQUITY AND LIABILITIES			
<i>Share capital and reserves</i>			
Share capital		8,000,000	8,000,000
Surplus on revaluation of property, plant and equipment - net of deferred tax		836,922,947	844,244,390
Tax holiday reserve		2,668,746	2,668,746
General reserve		80,000,000	80,000,000
Unappropriated profits		180,260,855	153,951,755
		1,107,852,548	1,088,864,891
<i>Non-current liabilities</i>			
Long-term financing	4	163,500,000	173,250,000
Deferred tax		130,109,597	149,248,031
		293,609,597	322,498,031
<i>Current liabilities</i>			
Trade and other payables		170,879,381	292,353,386
Accrued markup		21,027,059	18,939,753
Short term borrowings		539,708,105	326,347,623
Current portion of long term financing	4	31,500,000	21,750,000
Unclaimed dividend		664,983	664,983
Provision for taxation		34,858,609	13,896,382
		798,638,137	673,952,127
Contingencies and commitments	5		
Total equity and liabilities		2,200,100,282	2,085,315,049

The annexed notes from 1 to 10 form an integral part of these interim financial statements.

Chief Executive

Director

Chief Financial Officer



ALLAWASAYA TEXTILE & FINISHING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2019

	---- Six month period ended ----		---- Three month period ended ----	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
	----- Rupees -----			
Sales - net	1,397,481,821	997,250,801	742,623,115	395,458,696
Cost of goods sold	(1,296,451,915)	(960,747,457)	(691,311,560)	(400,743,930)
Gross profit / (loss)	101,029,906	36,503,344	51,311,555	(5,285,234)
Distribution and marketing expenses	(10,686,548)	(5,772,453)	(6,295,681)	(920,858)
Administrative expenses	(28,826,598)	(28,908,341)	(13,647,019)	(13,140,195)
Operating expenses	(2,436,743)	(548,688)	(1,518,990)	658,767
Finance cost	(38,268,567)	(9,566,221)	(21,421,425)	(5,896,728)
	(80,218,456)	(44,795,703)	(42,883,115)	(19,299,014)
Profit / (loss) before taxation	20,811,450	(8,292,359)	8,428,440	(24,584,248)
Taxation	(1,823,793)	(12,465,635)	7,999,088	(6,447,714)
Profit / (loss) for the period	18,987,657	(20,757,994)	16,427,528	(31,031,962)
Earnings per share - basic and diluted	23.73	(25.95)	20.53	(38.79)

The annexed notes from 1 to 10 form an integral part of these interim financial statements.

Chief Executive

Director

Chief Financial Officer



ALLAWASAYA TEXTILE & FINISHING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2019

	<i>...Six month period ended ...</i>		<i>...Three month period ended ...</i>	
	<i>December 31, 2019</i>	<i>December 31, 2018</i>	<i>December 31, 2019</i>	<i>December 31, 2018</i>
	----- Rupees -----			
Profit / (loss) for the period	18,987,657	(20,757,994)	16,427,528	(31,031,962)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>18,987,657</u>	<u>(20,757,994)</u>	<u>16,427,528</u>	<u>(31,031,962)</u>

The annexed notes from 1 to 10 form an integral part of these interim financial statements.

Chief Executive

Director

Chief Financial Officer



ALLAWASAYA TEXTILE & FINISHING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2019

	----- Six month period ended -----	
	December 31, 2019 Rupees	December 31, 2018 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	20,811,450	(8,292,359)
Adjustments for non cash items:		
Depreciation on property, plant and equipment	23,773,127	14,700,711
Provision for staff retirement benefits - gratuity	8,626,996	4,516,579
Finance cost	38,268,567	9,566,221
Operating cash flows before movement in working capital	91,480,140	20,491,152
Increase / (decrease) in current assets		
Stores and spares	3,554,224	(2,241,611)
Stock in trade	(51,075,361)	(55,499,322)
Trade debts	(63,773,528)	14,937,524
Loans and advances	(25,456,942)	(55,335,754)
Trade deposits and prepayments	(3,440,774)	(1,915,711)
Sales tax refundable	14,029,704	(2,587,368)
Increase / (decrease) in current liabilities		
Trade and other payables	(113,384,513)	22,912,153
	(239,547,190)	(79,730,089)
Net cash used in operations	(148,067,050)	(59,238,937)
Income tax paid	(3,453,100)	(20,983,050)
Staff retirement benefits - gratuity paid	(16,716,488)	(7,340,250)
Finance cost paid	(36,181,261)	(8,119,117)
	(56,350,849)	(36,442,417)
Net cash used in operating activities	(204,417,899)	(95,681,354)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(22,278,209)	(2,350,000)
Additions to capital work in progress	-	(108,370,214)
Net cash used in investing activities	(22,278,209)	(110,720,214)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term financing	-	96,100,000
Short term borrowings - net	213,360,482	87,793,624
Dividend paid	-	(2,756,908)
Net cash generated from financing activities	213,360,482	181,136,716
Net (decrease) in cash and cash equivalents (A+B+C)	(13,335,626)	(25,264,852)
Cash and cash equivalents at beginning of the period	19,041,683	26,033,472
Cash and cash equivalents at end of the period	5,706,057	768,620

The annexed notes from 1 to 10 form an integral part of these interim financial statements.

Chief Executive

Director

Chief Financial Officer



ALLWASAYA TEXTILE & FINISHING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2019

Share Capital	Reserves				Total	
	Capital		Revenue			
	Surplus on revaluation of property, plant and equipment	Tax holiday reserve	General reserve	Unappropriated profits		
----- Rupees -----						
Balance as at July 01, 2018 - Audited	8,000,000	555,466,212	2,668,746	80,000,000	181,999,407	828,134,365
Loss for the six month period ended December 31, 2018	-	-	-	-	(20,757,994)	(20,757,994)
Other comprehensive income for the six month period ended December 31, 2018	-	-	-	-	-	-
Total comprehensive income for the six month period ended December 31, 2018	-	-	-	-	(20,757,994)	(20,757,994)
Transaction with shareholders:						
Dividend for the year ended June 30, 2018	-	-	-	-	(3,000,000)	(3,000,000)
Transfer from surplus on revaluation of property plant and equipment on account of incremental depreciation (net of deferred tax)	-	(5,579,046)	-	-	5,579,046	-
Balance as at December 31, 2018 - Unaudited	<u>8,000,000</u>	<u>549,887,166</u>	<u>2,668,746</u>	<u>80,000,000</u>	<u>163,820,459</u>	<u>804,376,371</u>
Balance as at July 01, 2019 - Audited	8,000,000	844,244,390	2,668,746	80,000,000	153,951,755	1,088,864,891
Profit for the six month period ended December 31, 2019	-	-	-	-	18,987,657	18,987,657
Other comprehensive income for the six month period ended December 31, 2019	-	-	-	-	-	-
Total comprehensive income for the six month period ended December 31, 2019	-	-	-	-	18,987,657	18,987,657
Transfer from surplus on revaluation of property plant and equipment on account of incremental depreciation (net of deferred tax)	-	(7,321,443)	-	-	7,321,443	-
Balance as at December 31, 2019	<u>8,000,000</u>	<u>836,922,947</u>	<u>2,668,746</u>	<u>80,000,000</u>	<u>180,260,855</u>	<u>1,107,852,548</u>

Chief Executive

Director

Chief Financial Officer

ALLAWASAYA TEXTILE & FINISHING MILLS LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2019

1. LEGAL STATUS AND OPERATIONS

- 1.1** Allawasaya 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 Act, 2017). Its shares are quoted on Pakistan Stock Exchange (PSX) in Pakistan. It is principally engaged in the manufacturing and sale of yarn. The registered office and mill of the Company is situated at Allawasaya Square, Mumtazabad Industrial Area, Vehari Road, Multan in the province of Punjab.
- 1.2** These interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim 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.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed. These interim financial statements are unaudited but subject to limited scope review by auditors and is being submitted to the shareholders as required under Section 237 of the Act.

- 2.2** These interim financial statements do not include all information required for full annual financial statements and should be read in conjunction with annual audited financial statements for the year ended June 30, 2019. Comparative interim statement of financial position has been extracted from annual audited financial statements for the year ended June 30, 2019 whereas comparative condensed interim statement of profit or loss and condensed interim statement of comprehensive income, comparative condensed interim statement of changes in equity and comparative condensed interim statement of cash flows have been extracted from un-audited interim financial statements for the six month period ended December 31, 2018.

2.3 Changes in accounting standards, interpretations and amendments

2.3.1 Standards, interpretations & amendments to published approved accounting standards that are effective and relevant

The Securities and Exchange Commission of Pakistan (SECP) has adopted new IFRS - 16 "Leases". Impact of this standard on these interim financial statements are explained in note 2.4.

There are other new standards, amendments to standards and interpretations that became effective during the period and are mandatory for accounting periods of the Company beginning on or after July 01, 2019 but are considered not to be relevant or not to have any significant effect on the Company's operations and are, therefore, not disclosed in these interim financial statements.

2.3.2 Standards, interpretations & amendments to published approved accounting standards that are not yet effective

The other new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2019 are considered not to be relevant for the Company's financial statements and hence have not been detailed here.

2.4 Accounting policies and methods of computation

The accounting policies and methods of computation followed in the preparation of these interim financial statements are the same as those applied in the preparation of the published audited financial statements for the year ended June 30, 2019 except the following:

- The Company has adopted IFRS 16, "Leases" which replaces existing guidance on accounting for leases, including IAS 17 'Leases', IFRIC 4 'Determining whether an arrangement contains a Lease', SIC-15 'Operating Leases - Incentive and SIC-27 'Evaluating the substance of transactions involving the legal form of a Lease'. IFRS 16 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right-of-use of the underlying asset and a lease liability representing its obligations to make lease payments. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases.

This change related to IFRS 16 standards were mandatory for the six month period ended December 31, 2019 are considered to have no impact for the Company's financial statements and hence have not been disclosed here.

2.5 Financial risk management

The Company's risk management objectives and policies are consistent with those objectives and policies which were disclosed in financial statements of the Company as at and for the year ended June 30, 2019.

	<i>Note</i>	<i>(Unaudited) December 31, 2019 Rupees</i>	<i>(Audited) June 30, 2019 Rupees</i>
3. PROPERTY, PLANT AND EQUIPMENT			
Operating assets	3.1	1,431,076,011	1,432,570,929
Capital work-in-progress	3.2	-	-
		1,431,076,011	1,432,570,929
3.1 Operating assets			
Opening book value		1,432,570,929	851,124,734
Additions during the period/year			
-Plant and machinery		18,504,838	244,712,201
-Building		3,757,171	45,533,063
-Electric Installation		-	3,600,000
-Weighing scales		-	33,000
-Furniture & Fixture		16,200	-
		22,278,209	293,878,264
Revaluation Adjustment		-	330,302,771
Book value of assets disposed-off during the period / year		-	(13,392,923)
Depreciation charge for the period/year		(23,773,127)	(29,341,917)
Closing book value		1,431,076,011	1,432,570,929
3.2 Capital Work in progress			
Opening carrying value		-	-
Additions during the period / year			
Building		3,757,171	-
Plant and machinery		18,504,838	108,370,214
		22,262,009	108,370,214
Capitalized during the period		(22,262,009)	(108,370,214)
Closing carrying value		-	-

	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>December 31,</i>	<i>June 30,</i>
	<i>2019</i>	<i>2019</i>
	<i>Rupees</i>	<i>Rupees</i>
4. LONG-TERM BORROWINGS		
<i>From banking companies - secured</i>		
Bank Al Habib Limited		
Term Finance (TF)	195,000,000	195,000,000
Less: current portion	<u>(31,500,000)</u>	<u>(21,750,000)</u>
	<u>163,500,000</u>	<u>173,250,000</u>

This finance has been obtained from Bank Al-Habib Limited for BMR. The loan is repayable in 20 equal quarterly installments commencing from October 10, 2019 with 1 year grace period. It carries markup at 6 months KIBOR plus 1.5%. The finance is secured against first mortgage charge over present and future fixed assets excluding assets under specific charge amounting to Rs. 790.5 million.

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There is no material change in the status of contingencies as disclosed in the published annual financial statements of the Company for the year ended June 30, 2019.

5.2 Commitments

Commitments outstanding at the end of the period in respect of letters of guarantee are Rs. 31.40 million (June 30, 2019: Rs. 27.10 million).

6. COST OF GOODS SOLD

	<i>(Unaudited)</i>			
	<i>----- Six month period ended -----</i>		<i>--- Three month periods ended ---</i>	
	<i>December 31,</i>		<i>December 31,</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>----- Rupees -----</i>			
Raw material consumed	1,004,371,409	723,504,438	546,426,208	298,895,644
Salaries, wages and benefits	121,671,343	91,741,023	61,305,973	30,928,108
Stores and spares consumed	23,026,756	9,399,598	14,426,696	1,748,723
Packing materials consumed	16,983,126	11,331,753	9,621,849	4,281,098
Fuel and power	173,854,684	126,039,799	100,365,293	46,427,873
Repairs and maintenance	1,255,320	826,480	680,910	368,984
Insurance expenses	2,598,165	2,255,087	1,299,082	1,127,543
Depreciation	22,294,735	12,765,956	11,112,872	6,294,852
	<u>1,366,055,538</u>	<u>977,864,134</u>	<u>745,238,883</u>	<u>390,072,825</u>
Work in process				
Opening stock	<u>14,000,222</u>	11,799,401	<u>15,195,874</u>	13,821,248
Closing stock	<u>(16,470,877)</u>	(10,795,071)	<u>(16,470,877)</u>	(10,795,071)
	<u>(2,470,655)</u>	1,004,330	<u>(1,275,003)</u>	3,026,177
Cost of goods manufactured	<u>1,363,584,883</u>	<u>978,868,464</u>	<u>743,963,880</u>	<u>393,099,002</u>
Finished goods				
Opening stock	<u>18,514,925</u>	46,570,576	<u>32,995,573</u>	72,336,511
Closing stock	<u>(85,647,893)</u>	(64,691,583)	<u>(85,647,893)</u>	(64,691,583)
	<u>(67,132,968)</u>	(18,121,007)	<u>(52,652,320)</u>	7,644,928
Cost of goods sold	<u>1,296,451,915</u>	<u>960,747,457</u>	<u>691,311,560</u>	<u>400,743,930</u>

7. RELATED PARTY TRANSACTIONS

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

----- (Unaudited) -----			
----- Six month period ended -----		--- Three month period ended ---	
December 31,		December 31,	
2019	2018	2019	2018
----- Rupees -----			

Nature of transactions
Key management personnel

Remuneration of chief executive officer, directors and executives	10,625,000	8,400,000	5,312,500	4,200,000
Utilities	1,960,970	1,433,739	980,485	716,870

8. FAIR VALUE MEASUREMENT

IFRS 13 requires fair value measurement disclosures using following three level fair value hierarchy that reflects the significance of the inputs used in measuring fair value of financial instruments.

Information about fair value hierarchy and asset classified under the hierarchy are as follows:

- Level 1; Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derive from prices).
- Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

8.1 Fair value of property, plant and equipment

The Company's Freehold Land, Building on Freehold Land, Plant & Machinery, Electric Installation and Power house are carried at revalued amounts, being fair value at the date of revaluation, less any subsequent depreciation and subsequent impairment losses, if any. The fair value measurement of below stated assets was performed by an independent valuer M.Y.K Associates (Private) Limited on June 30, 2019 on the basis of depreciated replacement value. The valuer is listed on the panel of Pakistan Banks Association and possesses appropriate qualification and experience in the fair value measurements.

	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
As at December 31, 2019				
Land- Freehold	-	569,800,000	-	569,800,000
Building on freehold land	-	158,849,923	-	158,849,923
Plant & machinery	-	590,553,374	-	590,553,374
Power house				
- Building on freehold land	-	6,983,130	-	6,983,130
- Generators	-	74,524,891	-	74,524,891
- Electric installation	-	6,717,377	-	6,717,377
As at June 30, 2019				
Land- Freehold	-	569,800,000	-	569,800,000
Building on freehold land	-	159,114,000	-	159,114,000
Plant & machinery	-	586,928,488	-	586,928,488
Power house				
- Building on freehold land	-	7,162,185	-	7,162,185
- Generators	-	76,435,786	-	76,435,786
- Electric installation	-	7,262,029	-	7,262,029



There were no transfer between levels of fair value hierarchy occurred during the period / year.

The carrying values of all other financial assets and liabilities reflected in these interim financial statements approximate their fair values.

9. DATE OF AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue on February 27, 2020 by the Board of Directors of the Company.

10. GENERAL

Figures have been rounded-off to the nearest rupee except stated otherwise.

Chief Executive

Director

Chief Financial Officer



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