

ZEPHYR
TEXTILES LIMITED

Zephyr Textiles Limited

Accounts For the Half Year Ended
December 31, 2020

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Company Information

BOARD OF DIRECTORS:	Mr. Mussaid Hanif	CEO
	Mr. Arbab Muhammad Khan	
	Mr. Rana Kamal Ud Din	
	Ms. Tehniyat Mussaid	Chairpreson
	Ms. Sabah Burhan	
	Ms. Sarah Naviwala	
AUDIT COMMITTEE:	Ms. Nuzhat Kamran	Chairperson/Member
	Mr. Rana Kamal Ud Din	Member
	Ms. Tehniyat Mussaid	Member
CHIEF FINANCIAL OFFICER:	Mr. Naveed Aleem	
COMPANY SECRETARY:	Mr. Abdul Jabbar	
AUDITORS:	Azhar Zafar & Company	Chartered Accountants
LEGAL ADVISOR:	Cornelius Lane & Mufti Advocate and Solicitors Nawa-e-Waqt House, 4 Shahrah-e-Fatima Jinnah, Lahore - 54000, Pakistan	
BANKERS TO THE COMPANY:	Habib Bank Limited Allied Bank Limited Askari Bank Limited United Bank Limited Habib Metropolitan Bank Limited Bank Al Habib Limited	National Bank of Pakistan MCB Bank Limited The Bank of Punjab Faysal Bank Limited Meezan Bank Limited Silk Bank Limited
MILLS:	1 km, Balloki Bhai Pheru Road Bhai Pheru. Phone : 0494 - 512007-9, 513103-5 Fax : 0494 - 512011	(Weaving unit & Power plant)
	63 km, Gulshan Adda, Jumber Khurd, District Kasur.	(Towel Unit)
REGISTERED & HEAD OFFICE:	3rd Floor, IEP Building, 97 B/D-I, Gulberg III, Lahore E-mail: info@zephyr.com.pk Website: www.zephyr.com.pk Phone : 042 35782905 - 15 Fax : 042 35753202	

Directors' Report to the Members

The Directors of Zephyr Textiles Limited are pleased to present the Reviewed interim financial statements for the half year ended December 31, 2020. These interim financial statements are presented in accordance with the requirements of the Companies Act, 2017.

Operating Financial Results

During the first half year ended December 31, 2020, the Company earned a gross profit of PKR 352.59 million on sales of PKR 2,916.82 million compared to gross profit of PKR 202.15 million on sales of PKR 2,139.32 million for the corresponding period of previous financial year. During the period under review, the Company recorded a net profit of PKR 121.70 million compared to net profit of PKR 23.58 million in the corresponding period.

Financial Highlights	Half Year ended December 31,			Quarter ended December 31,		
	2020 (Rupees)	2019 (Rupees)	Increase %	2020 (Rupees)	2019 (Rupees)	Increase %
Sales – net	2,916,823,522	2,139,317,462	36.34	1,471,067,886	1,251,602,058	17.53
Gross Profit	352,593,796	202,153,922	74.42	170,208,026	110,864,483	53.53
Profit before tax	154,516,673	43,207,457	257.62	67,043,127	29,488,669	127.35
Profit after tax	121,701,053	23,574,551	416.24	50,261,247	18,506,100	171.59
Gross Profit (%)	12.09%	9.45%	27.94	11.57%	8.86%	30.62
Profit after tax (%)	4.17%	1.10%	278.63	3.42%	1.48%	131.07
Earnings per share (Rs.)	2.05	0.40	416.24	0.85	0.31	171.59

The first half of current financial year has seen a robust sales increase of 36% as compared with the corresponding period of last financial year.

The textile industry in Pakistan eased out of trauma of COVID-19 pandemic very rapidly, whereas, the global textile market was struggling hard especially in Asian countries like China, India and Bangladesh. Pakistan benefitted by this post COVID-19 scenario and major demand shifted to Pakistan from the much-affected countries due to the pandemic. Government played a pivotal role in support and uplifted the textile sector by giving subsidized fuel and power. State Bank of Pakistan allowed delayed repayments of long term loans. No doubt without its support it would have been difficult for the industry to get the momentum in such short time. As a result, Pakistan's textile exports increased by 7.79% to 7.4 billion USD in the period under review.

Future Outlook

It is expected that the global economic activities will resume to normalcy with the availability of COVID-19 vaccines in the coming quarter. Under this assumption, the Company foresees the continuity of revenue growth. The order book is packed for next two quarters and we expect the turnover for the year around six billion Pak Rupees. The cotton production in Pakistan plunged 34% during the current season. Shortages of domestic produce led the textile sector to import cotton worth \$ 2 billion which escalated the raw material cost for the industry.

Despite a surge in demand for value added goods, the manufacturers are struggling to procure raw materials to fulfill the orders and finding it difficult to pass on the cost increase to the customers. If this bullish trend in the commodities continued, the margins of manufacturing industry will be affected adversely.

Acknowledgement

The management would like to place on record its appreciation for the support of Board of Directors, regulatory authorities, shareholders, customers, financial institutions and hard work of the staff and workers.

For and on behalf of the Board of Directors



MUSSAID HANIF
CHIEF EXECUTIVE

Lahore
February 17, 2021



ARBAB MUHAMMAD KHAN
EXECUTIVE DIRECTOR



Independent Auditors' Review Report to the Members on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **ZEPHYR TEXTILES LIMITED** ("the Company") as at December 31, 2020 and the related condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (herein after referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of this condensed 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 this condensed interim financial statements based on our review. The figures of the condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and December 31, 2019 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended December 31, 2020.

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 condensed 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 condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

CHARTERED ACCOUNTANTS

Engagement Partner: Zafar Iqbal

Date: February 17, 2021

LAHORE

Condensed interim statement of financial position

As at December 31, 2020 (Un-audited)

	Notes	Un-Audited December 31, 2020 (Rupees)	Audited June 30, 2020 (Rupees)
Equity and liabilities			
Equity			
Share capital	6	594,267,290	594,267,290
Unappropriated profit		949,224,717	716,441,820
Revaluation reserve		291,448,843	302,531,787
		1,734,941,850	1,613,260,897
Liabilities			
Long term financing - secured	7	365,195,225	350,037,080
Employee benefits	8	112,105,129	118,181,227
Deferred tax liabilities		131,866,881	136,193,068
Non current liabilities		609,167,235	604,411,375
Trade and other payables	9	1,825,116,467	842,381,021
Contract liabilities		12,106,796	28,947,258
Short-term borrowings		1,278,212,388	1,320,186,209
Unclaimed dividend		898,751	4,858,107
Current portion of long term borrowings		212,680,688	65,476,939
Current liabilities		2,531,884,894	2,281,850,534
Contingencies and commitments	10	-	-
Total liabilities		4,005,813,979	4,478,522,806
Assets			
Property plant & equipment	11	2,815,457,815	1,803,438,809
Capital work in progress		24,783,487	63,318,407
Long term advances and deposits		22,485,301	22,465,301
Non current assets		2,862,710,723	1,889,223,517
Stores, spares and loose tools		149,848,373	139,817,517
Stock in trade		1,838,880,388	1,103,928,987
Trade debts		838,076,414	708,670,453
Loans and advances	12	150,567,784	76,737,771
Trade deposits, prepayments & other receivables	13	381,202,586	326,083,520
Short term investments	14	67,898,427	63,076,961
Cash and bank balances		78,551,381	71,785,280
Current assets		2,883,103,247	2,480,298,489
Total assets		4,005,813,979	4,478,522,806

The annexed notes 1 to 18 form an integral part of this condensed interim financial statements.


 CHIEF EXECUTIVE


 CHIEF FINANCIAL OFFICER


 DIRECTOR

Condensed interim statement of comprehensive income

For the half year ended December 31, 2020 (Un-audited)

	Note	Un-audited for half year ended December 31,		Un-audited for quarter ended December 31,	
		2020	2019	2020	2019
		(Rupees)		(Rupees)	
Sales - net		2,916,823,522	2,139,317,482	1,471,987,888	1,251,602,058
Cost of sales	15	2,664,229,726	1,937,163,540	1,300,969,868	1,140,737,575
Gross profit		252,593,796	202,153,922	170,208,020	110,864,483
Other income		14,844,388	11,882,566	13,969,534	7,571,168
Distribution cost		81,845,353	57,131,754	41,818,378	29,988,219
Administrative expenses		53,265,672	44,849,301	30,744,274	24,225,624
Other expenses		25,827,833	3,506,403	18,488,688	2,478,521
		180,838,668	105,487,458	81,827,234	58,702,364
Finance cost		51,882,868	65,341,573	25,307,198	32,244,568
Profit for the period before taxation		154,516,673	43,207,457	67,843,127	29,488,718
Taxation		32,815,628	19,632,906	16,781,888	10,882,568
Profit for the period after taxation		121,701,053	23,574,551	50,261,247	18,506,149
Other comprehensive income:					
Other comprehensive income - net of tax		-	-	-	-
Total comprehensive income		121,701,053	23,574,551	50,261,247	18,506,149
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Earning per share - basic & diluted		2.06	0.40	0.86	0.31

The annexed notes 1 to 18 form an integral part of this condensed interim financial statements.


 CHIEF EXECUTIVE


 CHIEF FINANCIAL OFFICER



 DIRECTOR

Condensed interim statement of cash flows

For the half year ended December 31, 2020 (Un-audited)

	Note	Un-audited For half year ended December 31,	
		2020 (Rupees)	2019 (Rupees)
Net cash from operating activities	16	57,555,244	118,417,618
Cash flow from investing activities			
Long term advances and deposits		-	(58,800)
Proceeds from disposal of property, plant and equipment		-	2,103,541
Capital gains/(loss), income/(loss) from investments and dividends		2,718,702	88,596
Acquisition of property, plant and equipment		(180,128,413)	(92,483,586)
Net cash flow from investing activities		(157,414,711)	(80,368,247)
Cash flow from financing activities			
Availed/repayment of short term borrowings		(41,883,858)	28,342,884
Availed/repayment of long term loans		148,428,327	(88,603,728)
Net cash flow from financing activities		107,524,468	(40,260,845)
Net increase in cash and cash equivalents		7,768,101	(12,211,474)
Cash and cash equivalents at the beginning of the period		71,785,280	55,821,713
Cash and cash equivalents at the end of the period		79,551,381	43,410,240

The annexed notes 1 to 18 form an integral part of this condensed interim financial statements.


 CHIEF EXECUTIVE


 CHIEF FINANCIAL OFFICER


 DIRECTOR

Condensed interim statement of changes in equity

For the half year ended December 31, 2020 (Un-audited)

	Share Capital (Rupees)	Accumulated Profit(Loss) (Rupees)	Revaluation Surplus (Rupees)	Total Equity (Rupees)
Balance as at June 30, 2019 restated - Audited	584,287,298	888,742,822	328,824,212	1,587,054,124
Total comprehensive Income for the period	-	23,574,551	-	23,574,551
Final dividend @ Rs. 0.5 per ordinary share	-	(28,714,385)	-	(28,714,385)
Current period incremental depreciation - net of tax	-	12,188,788	(12,188,788)	-
Balance as at December 31, 2019 - Un-audited	584,287,298	872,799,896	313,857,424	1,580,914,318
Balance as at June 30, 2020 - Audited	584,287,298	718,441,828	382,531,787	1,513,289,897
Total comprehensive Income for the period	-	121,701,053	-	121,701,053
Current period incremental depreciation - net of tax	-	11,081,844	(11,081,844)	-
Balance as at December 31, 2020 - Un-audited	584,287,298	849,224,717	291,448,943	1,734,981,868

The annexed notes 1 to 18 form an integral part of this condensed interim financial statements.


 CHIEF EXECUTIVE


 CHIEF FINANCIAL OFFICER


 DIRECTOR

Notes to the condensed interim financial statement

For the half year ended December 31, 2020 (Un-audited)

1. STATUS AND ACTIVITIES

Zephyr Textiles Limited ("the Company") was incorporated in Pakistan on February 26, 1999 as a private limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). Subsequently on October 04, 2004 it was converted into a public limited company and is listed on Pakistan Stock Exchange Limited (PSX). The Company is principally engaged in the manufacturing, dying and trading of woven cloth which also includes towels. The registered office of the Company is situated at 3rd Floor, IEP Building, 97 B/D-1, Gulberg III, Lahore, Punjab and the manufacturing facilities are located at Bhel Pheru and Jumber, Punjab.

2. BASIS OF PREPARATION

These condensed interim financial statements are un-audited but subject to limited scope review by the statutory auditors and is being submitted to shareholders as required by section 237 of the Companies Act, 2017. These condensed interim financial statements of the Company for the half year ended December 31, 2020 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements should be read in conjunction with the audited annual published financial statements of the Company for the year ended June 30, 2020.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Company for the year ended June 30, 2020.

The new standards, amendments to the approved accounting standards and interpretations that are mandatory for accounting periods beginning on or after July 1, 2020, were either considered not to be relevant to the Company's operations or did not have significant effect on the accounting policies of the Company.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended June 30, 2020.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the financial statements of the Company for the year ended June 30, 2020.

6. SHARE CAPITAL

Authorized share capital

	Un-audited December 31, 2020 (Rupees)	Audited June 30, 2020 (Rupees)
62,500,000 ordinary shares of Rs. 10 each	625,000,000	625,000,000

Issued, subscribed and paid up share capital

51,901,483 Ordinary shares of Rs. 10 each fully paid in cash	519,014,830	519,014,830
7,527,246 Ordinary shares of Rs. 10 each issued as fully paid bonus shares	75,272,460	75,272,460
	594,287,290	594,287,290

Notes to the condensed interim financial statement

For the half year ended December 31, 2020 (Un-audited)

7 LONG TERM FINANCING

Facilities	Note	Repayment commencement	Mark up	Sanctioned limit (Rs. in million)	Number of installments	Un-audited December 31, 2020 (Rupees)	Audited June 30, 2020 (Rupees)
Term Finance	7.1	January - 19	8 Months Kibor + 2%	36	36 monthly	17,599,909	17,500,000
Long Term Finance	7.1	January - 17	SBP Rate + 2.5%	300	20 Quarterly	109,829,828	109,820,828
Term Finance (SBP refinancing scheme S&W)	7.1	January - 21	SBP Rate + 3%	158.77	08 Quarterly	163,779,009	49,775,573
Long Term Finance	7.1	April - 21	SBP Rate + 3%	67	38 Quarterly	32,279,909	-
Term Finance (SBP renewable energy scheme)	7.1	April - 21	SBP Rate + 4%	96.78	38 Quarterly	36,725,909	-
Subtotal - BOP						360,083,826	177,086,301
Demand Finance - III	7.1 & 7.2	Sep - 15	8 Months Kibor + 1%	827.502	28 Quarterly	169,219,999	169,219,999
Frozen Markup	7.1 & 7.3	Sep - 15	Interest free	219.977	28 Quarterly	58,582,289	79,187,750
Subtotal - NBP						217,782,287	238,417,718
						587,875,885	415,514,019
Current portion						(212,699,990)	(85,478,938)
Overdue portion						-	-
						(212,699,990)	(85,478,938)
						365,165,826	350,037,080

7.1 It represents long term financing from commercial banks (stated above) and the amounts claimed by such institutions. Markup is leviable along with installment (except interest free loans) as per schedule stated above. These loans are secured against first ranking pari passu charge over current and fixed assets of the Company executed through the joint pari passu agreement with the lenders of the Company and joint memorandum of deposit of title deeds, equitable mortgage charge on land and personal guarantees of the directors of the Company.

7.2 It represents loan from National Bank of Pakistan which has been restructured on terms agreed between the parties.

7.3 It represents restructured loan converted from mark up payable on the facilities from National Bank of Pakistan till June 30, 2016.

	Un-audited December 31, 2020 (Rupees)	Audited June 30, 2020 (Rupees)
8. EMPLOYEE BENEFITS		
Liability at the beginning of the period	118,181,227	95,309,300
Charge for the period	17,950,284	35,832,028
Benefits paid during the period	(34,028,391)	(12,111,159)
Unrecognized actuarial (gain)/losses	-	(848,942)
	112,103,120	118,181,227
9. TRADE AND OTHER PAYABLES		
Creditors	779,819,410	595,177,229
Accrued liabilities	182,999,799	165,982,066
Accrued mark-up/interest on long term financing	8,419,829	17,076,196
Accrued mark-up/interest on short term borrowings	14,112,839	7,027,236
Income tax withheld	39,996,164	18,871,844
Retention money payable	790,000	790,000
Workers' funds	41,199,487	37,466,646
	1,028,118,487	842,381,021

Notes to the condensed interim financial statement

For the half year ended December 31, 2020 (Un-audited)

10. CONTINGENCIES AND COMMITMENTS

Contingencies

- 10.1 The Company has filed a recovery suit against the Punjab Cotton Mills Limited for Rs. 5.107 million along with interest. The execution was filed which is still pending.
- 10.2 M/s. M. J. Industries had filed a suit against the Company for declaration of Rs. 0.545 million. The case was dismissed by the Honorable Civil Judge, Lahore. M/s. M. J. Industries had filed an application for the restoration of the suit which was also rejected by the Civil Judge, Lahore.
The Company has filed a recovery suit against the M/s M. J. Industries for Rs. 0.545 million. The summons and notices have been issued to the defendant and the case is pending due to non appearance of the defendant before the Honorable Civil Judge, Lahore. The Company is hopeful of settlement of the case in its favor.
- 10.3 The Company has filed a recovery suit against the M/s. Amtex Limited for Rs. 2.917 million. The case is decreed in favour of Zephyr Textiles Limited by the Honorable Judge, High Court, Lahore. The case is pending for execution.
- 10.4 M/s. Sitara Textiles has filed a suit against the Company for recovery of damages against non performance of contract no. LD417 for supply of fabric. According to legal confirmation status, suit is pending for framing of issues.
The Company has filed a suit against M/s. Sitara Textiles Limited for financial loss, cost of sales loss, loss of business and loss due to breach of contract for Rs. 37.680 million. Company is hopeful of settlement of the case in its favor.
M/s. Sitara Textiles has filed an other suit against the Company for financial loss and loss due to breach of contract for Rs. 85.724 million. The case is pending before Supreme Court of Pakistan.
The Company has again filed an other suit against M/s. Sitara Textiles Limited for financial loss and loss due to breach of contract for Rs. 65.724 million. The case is pending before Supreme Court of Pakistan.
- 10.5 The Company has filed suit for recovery of Rs. 34.027 million for unauthorized sale of shares by First Pakistan Limited. The case is pending before Senior Civil Judge, Lahore.
- 10.6 The Company has filed a suit against old tenants for vacation of property purchased by the Company situated at Ek Moria Pull Lahore. The matter is pending for adjudication. Certain suits were filed against the Company regarding the said property which are as under:
- Muhammad Sajid (the plaintiff) has filed a suit for permanent injunctions and declaration against interfering the possession of plaintiff property by pretending that the suit property has been purchased by Zephyr Textiles Limited (the defendant) through registered sales deed bearing distavaz no. 2775 dated 01-09-2010, whereas the purchased property of the defendant is separate and different from the suit property of the plaintiff. The case is dismissed by the court during the year.
- Sh. Zafar Iqbal vs. M/s Zephyr Textiles Limited. Sh. Zafar Iqbal has filed a suit for cancellation of registry with respect to the said property purchased by the Company. The case is pending for adjudication.
The Company is hopeful for settlement of the above stated suits in its favor.
- 10.7 Guarantees issued by various commercial banks, in respect of financial and operational obligations of the Company, to various institutions and corporate bodies aggregate to Rs. 49.976 million (June 30, 2020: Rs. 49.976 million).
- 10.8 Foreign bills purchased by banks amounting to Rs. 273.045 million (June 30, 2020: Rs. 276.246 million).

Commitments

- 10.9 Contracts for capital expenditures are Rs. 18.040 million (June 30, 2020: Rs. 5.667 million).
- 10.10 Letters of credit other than for capital expenditure are Rs. 43.323 million (June 30, 2020: Rs. 16.133 million).
- 10.11 Outstanding foreign currency forward contracts of Rs. 158.851 million (June 30, 2020: Rs. 658.366 million).

11. PROPERTY, PLANT AND EQUIPMENT

	Note	Un-audited December 31, 2020 (Rupees)	Audited June 30, 2020 (Rupees)
Opening written down value		1,983,439,608	1,909,707,867
Additions during the period	11.1	188,858,413	182,591,848
Net book value of assets disposed off during the period	11.2	(2,047,887)	(18,873,743)
Depreciation charge for the period		(84,683,118)	(169,986,383)
		2,015,457,016	1,909,439,609

Notes to the condensed interim financial statement

For the half year ended December 31, 2020 (Un-audited)

	Note	Un-audited December 31, 2020 (Rupees)	Audited June 30, 2020 (Rupees)
11.1 Cost of additions			
Link road		833,480	-
Non factory buildings		-	110,000
Plant and machinery		187,275,798	181,844,790
Furniture and fixtures		323,900	1,090,300
Vehicles		8,823,335	13,858,910
Electric installation		38,500	1,475,098
Office equipments		1,883,480	4,414,748
		198,858,413	182,591,848
11.2 Net book value of depreciable assets			
Plant and machinery		1,746,464	17,336,380
Vehicles		273,348	767,829
Electric installation		-	722,858
Office equipments		28,884	48,872
		2,047,897	18,873,743
12. LOANS AND ADVANCES			
Advances - unsecured but considered good:			
- To suppliers		48,032,213	36,181,797
- To employees		27,883,284	27,610,880
- To suppliers against letter of credit		70,113,997	13,045,084
- To others		4,738,000	-
		150,667,784	76,797,771
13. TRADE DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES			
Prepayments		7,790,881	4,180,783
Advance income tax		32,427,591	42,823,805
Sales tax refundable		206,846,004	193,082,538
Export rebate receivable		15,018,788	6,154,748
Other receivables		128,120,348	80,032,186
		391,202,590	326,063,520
14. SHORT TERM INVESTMENTS			
Investment at fair value through profit and loss account			
- listed securities		1,077,386	214,152
Investment in funds		88,819,828	62,861,808
		89,897,214	63,075,961

Notes to the condensed interim financial statement

For the half year ended December 31, 2020 (Un-audited)

		Un-audited For the half year ended December 31, 2020 (Rupees)	2019
15. COST OF SALES			
Raw materials consumed		1,435,985,057	970,270,966
Salaries, wages and other benefits		212,184,428	182,090,347
Production overheads		722,388,758	567,186,092
		2,370,478,270	1,699,547,407
(Increase) / decrease in work-in-process			
Opening stock		98,888,882	143,175,972
Closing stock		(103,731,815)	(185,118,488)
Adjustment of work-in-process		(10,081,783)	(21,942,516)
(Increase) / decrease in finished goods			
Opening stock		919,085,841	609,111,483
Closing stock		(718,283,432)	(769,844,887)
Adjustment of finished goods		283,812,208	(160,733,524)
		2,864,228,726	1,516,871,367
16. CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the period before taxation		164,518,673	43,207,467
Adjustments for:			
- Depreciation		84,883,110	82,592,551
- Gain on disposal of PPE		(1,857,183)	(702,822)
- Change in fair value of short term investment		(702,153)	(68,596)
- Investment income		(2,011,548)	-
- Provision for staff retirement benefits - gratuity		17,850,284	17,850,284
- Interest of workers' profit participation fund		741,721	592,644
- Unwinding of discount		2,833,538	4,267,734
- Finance cost		61,882,883	65,941,573
		308,147,485	213,181,023
Changes in:			
- Stores, spares and loose tools		(10,130,886)	(27,492,080)
- Stock in trade		73,888,587	(158,053,984)
- Trade debts		(234,205,981)	71,558,476
- Loans and advances		(78,229,983)	39,150,059
- Short Term Investments		(4,820,488)	(68,588)
- Trade deposits, prepayments & other receivables		(76,314,782)	(27,693,481)
- Creditors, accrued and other liabilities		189,386,215	107,939,935
- Contract liabilities		(16,838,482)	3,006,289
Cash generated from operations		186,381,857	221,527,807
Interest paid		(33,333,732)	(82,519,834)
Taxes paid		(23,983,814)	(28,342,347)
Gratuity paid		(24,026,381)	(6,165,858)
Dividend paid		(4,182,386)	(8,081,949)
		87,856,344	118,417,618
17. DATE OF AUTHORIZATION FOR ISSUE			
These condensed interim financial statements were approved by the Board of Directors and authorized for issue on February 17, 2021.			
18. GENERAL			
Figures have been rounded off to the nearest Rupee unless otherwise stated.			


 CHIEF EXECUTIVE


 CHIEF FINANCIAL OFFICER


 DIRECTOR

امریکین کے لیے ڈائریکٹرز کی رپورٹ

دیکھ کر بخلاؤ! جیسے ڈائریکٹرز اور مسرت 31 دسمبر 2020 کو اعلامیہ پر نصف سال کے لئے نظر ثانی شدہ معیاری مالیاتی کھوارے پیش کرتے ہیں۔ یہ معیاری مالیاتی کھوارے سیکٹر ایکٹ 2017 کی ضروریات کے مطابق پیش کیے جاتے ہیں۔

معیاری مالیاتی نتائج

31 دسمبر 2020 کو اعلامیہ پر نصف سال کے دوران کھپی 2,916.82 ملین روپے کی فروخت پر 352.58 ملین روپے مجموعی منافع حاصل کیا جبکہ گزشتہ برس کی اسی مدت کے دوران 2,139.32 ملین روپے کی فروخت پر 202.15 ملین روپے مجموعی منافع حاصل کیا گیا۔ گزشتہ برس اسی مدت میں 23.58 ملین روپے خالص منافع کے مقابلہ میں گزشتہ مدت کے دوران ملین روپے 121.30 ملین روپے خالص منافع ریکارڈ کیا۔

نمائاں مالیاتی تفصیل	اختتام پر نصف سال 31 دسمبر		اختتام پر نصف سال 31 دسمبر		اختتام پر نصف سال 31 دسمبر	
	2020 (روپے)	2019 (روپے)	اضافہ فیصد	2020 (روپے)	2019 (روپے)	اضافہ فیصد
خالص فروخت	2,916,823,522	2,139,317,462	36.34	1,471,067,886	1,251,602,058	17.53
مجموعی منافع	352,593,796	202,153,922	74.42	170,208,026	110,864,483	53.53
نفع قبل از ٹیکس	154,516,673	43,207,457	257.62	67,043,127	29,488,669	127.35
نفع بعد از ٹیکس	121,701,053	23,574,551	416.24	50,261,247	18,506,100	171.59
مجموعی منافع (فیصد)	12.09%	9.45%	27.94	11.57%	8.86%	30.62
نفع بعد از ٹیکس (فیصد)	4.17%	1.10%	278.63	3.42%	1.48%	131.07
فی شخص آمدنی (روپے)	2.05	0.40	416.24	0.85	0.31	171.59

گزشتہ مالی سال کے اسی عرصہ کے مقابلہ میں وہاں سال کی پہلی ششماہی میں فروخت میں 36 فیصد اضافہ دیکھا گیا ہے۔

پاکستان میں ٹیکسٹائل کی صنعت برقی زندگی سے دوپٹی صورتحال (Covid-19) کے سلسلے سے باور رکھ آئی۔ جبکہ عالمی ٹیکسٹائل مارکیٹ خاص طور پر ایشیائی ممالک جیسا کہ چین، ہندوستان اور بنگلہ دیش اس دوپٹی صورتحال سے پار ہونے کے لیے سخت جدوجہد کر رہی ہیں۔ عالمی پاکو دنا مارکیٹ (Covid-19) کے گھبرائے ہوئے پاکستان کے لیے قائم صورتِ حالت ہوئی۔ اور اس دوپٹی صورتحال سے بہت زیادہ متاثر ممالک کے مقابلہ میں پاکستان کو زیادہ تعداد میں فروخت آؤر درمخل ہوئے۔ سہولت شدہ اپریشن اور کٹنگ فراہم کرنے کے کوئی اقدام نے ٹیکسٹائل کے شعبہ کی ترقی میں ایک اہم کردار ادا کیا ہے۔ اس وقت تک آٹ پاکستان نے طویل مدتی قرضوں کی ادائیگی میں تاخیر کرنے کے اجازت فراہم کر دی ہے۔ بلاشبہ اس کوئی وجہ کے بغیر صنعت کا اسے شہریت میں ترقی کی مطلوبہ رفتار حاصل کرنا مشکل ہوتا۔ گزشتہ مدت میں پاکستان کی ٹیکسٹائل کی برآمدات 7.78 بلین ڈالرنے کے ساتھ 7.4 ارب امریکی ڈالرنے تک بڑھ گئیں۔

مستقبل کا نقطہ نظر

آنے والی سہ ماہی میں کووڈ دنا مارکیٹ (Covid-19) کی پیکسوں کی دہرائی کے ساتھ ہی عالمی معاشی سرگرمیاں معمول پر آنے کی توقع کی جا رہی ہے۔ اس سلسلے کے تحت کھپی آمدنی میں اضافہ کے تسلسل کی پیش گوئی کرتی ہے۔ اگلی دو سہ ماہیوں کے لیے کھپی کی فروخت آؤر زبکسہ ہوگی ہے۔ اور ہمیں چاہیے پاکستانی روپے کے کاروبار کی توجہ ہے۔ وہاں بیرون میں پاکستان میں کپاس کی پیداوار میں 34 فیصد کی ترقی ہوئی ہے۔ گھریلو پیداوار کم ہونے کے باعث ٹیکسٹائل کے شعبے کو 2 ارب امریکی ڈالرنے کی کپاس درآمد کرنا پڑی جس نے اس صنعت کے لیے ختم ہونے کی ناکست بڑھا دی۔

دیکھاؤ بڑے سامان کی طلب میں اضافے کے باوجود، سامان بنانے والے ادارے سب سے فروخت آؤر زبکسہ کی پیکسوں کے لیے ختم ہال خریدنے کے لیے جدوجہد کر رہے ہیں۔ اور اضافی لاگت اپنے صارفین کو منتقل کرنے میں الجھناہٹ محسوس کر رہے ہیں۔ اس کا سامنا (جاس) کی پیکسوں میں تیزی کا یہ دعویٰ برقرار رہا تو اوسطی کاروبار میں بری طرح متاثر ہوگا۔

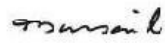
اعتراف

انکھارے میرڈ آف ڈائریکٹرز، مینجنگ ڈیری کام، حصص داران، سارا رکن، مالیاتی اداروں کی رعایا، تمام کھلا اور مردوں کی انکھارے بخت کو قدرتی ثناء سے دیکھتی ہے۔

برائے انتہا سب میرڈ آف ڈائریکٹرز



محترم ارباب محمد خان
ڈائریکٹر



محترم مسعود رزاق
چیف ایگزیکٹو
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