

AN

TEXTILE MILLS LIMITED



Half

Yearly

Report

December 31, 2022
(UN-AUDITED)

COMPANY INFORMATION

Board of Directors	Mrs. Nazma Amer Mr. Aizad Amer Khawaja Amer Khurshid Mr. Anns Amer Ms. Yusra Amer Mr. Abdul Rauf Syed Khalid Ali	Chairperson Chief Executive Officer Director Director Director Director Director
Audit Committee	Mr. Abdul Rauf Ms. Yusra Amer Syed Khalid Ali	Chairman Member Member
HR and Remuneration Committee	Syed Khalid Ali Mr. Abdul Rauf Mr. Anns Amer	Chairman Member Member
Nomination Committee	Mr. Abdul Rauf Ms. Yusra Amer Syed Khalid Ali	Chairman Member Member
Risk Management Committee	Mr. Anns Amer Mr. Abdul Rauf Syed Khalid Ali	Chairman Member Member
Chief Financial Officer	Mr. Muhammad Saqib Ehsan	
Company Secretary	Mr. Tahir Shahzad	
Auditors	Riaz Ahmad and Company Chartered Accountants 560-F, Raja Road, Gulistan Colony, Faisalabad	
Bankers	Bank Al Habib Limited Habib Metropolitan Bank Limited Habib Bank Limited Meezan Bank Limited National Bank of Pakistan	
Share Registrar	Corplink (Private) Limited Wings Arcade, 1-K, Commercial, Model Town, Lahore	
Registered Office & Mills	35 Kilometer, Sheikhpura Road, Faisalabad	

DIRECTORS' REVIEW TO THE SHAREHOLDERS

The Directors of your Company feel pleasure to submit un-audited condensed interim financial information of your Company for the half year ended December 31, 2022.

	Half year ended	
	31 December 2022	31 December 2021
	(Rupees in Thousand)	
REVENUE	671,992	1,306,529
COST OF SALES	(652,566)	(1,193,020)
GROSS PROFIT	19,426	113,509
DISTRIBUTION COST	(554)	(1,129)
ADMINISTRATIVE EXPENSES	(25,628)	(25,623)
OTHER EXPENSES	(139)	(5,084)
OTHER INCOME	380	2,460
FINANCE COST	(50,381)	(14,438)
PROFIT BEFORE TAXATION	(56,896)	69,695
TAXATION	(19,190)	4,399
(LOSS) / PROFIT AFTER TAXATION	(76,086)	74,094
(LOSS) / EARNINGS PER SHARE- BASIC AND DILUTED (RUPEES)	(7.88)	7.67

REVIEW OF OPERATING RESULTS

During the period under review sales were Rupees 671.992 million as compared to Rupees 1,306.529 million of corresponding period. Cost of sales was Rupees 652.566 million as compared to Rupees 1,193.020 million of corresponding period. The Company incurred a loss after taxation amounting to Rupees 76.086 million as compared to the corresponding period in which the Company earned a profit after taxation amounting to Rupees 74.094 million.

FUTURE OUTLOOK

The devastating floods in Pakistan have severely damaged the country's cotton crop. Local reports indicate that around 45-50 percent of cotton crop is submerged in the major cotton production areas of Punjab, Sindh and Balochistan. The destruction of cotton crop in this season was a huge challenge for the industry. In last season, the industry faced severe shortage of domestic raw materials.

The current business environment is very challenging. In addition to floods, the political unrest, Import restrictions and dollar price hike affected the business conditions badly. These factors have resulted in inflation, undermined the rupee, increase in cotton prices, driven up the cost of electricity per unit and most importantly harmed business confidence. Furthermore with the weak current financial position of the government foreign reserves importing raw material too looks very difficult.

Due to the above-mentioned factors, subsequent to financial year ended 30 June 2022, the Company had temporarily closed its operations due to unforeseen downturn in the market and unavailability of good quality cotton in local market. However the operations of the mills were resumed partially in November 2022.

We hope that a change in Government Policies and facilitation to textile sector will bring fruitful results for the Company.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the cooperation, commitment, and hard work extended to the Company by the customers, suppliers, bankers, and all the employees of the Company.

FAISALABAD
Dated: February 28, 2023

On behalf of the Board



Aizad Amer
Chief Executive Officer



Khawaja Amer Khurshid
Director

حصص یافتگان کے لئے ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز انتہائی مسرت کے ساتھ اپنی کمپنی کی غیر آڈٹ شدہ 31 دسمبر 2022 کو ختم ہونے والی پہلی ششماہی تک کی مالیاتی کارکردگی پیش کر رہے ہیں۔

مالیاتی نتائج:

31 دسمبر 2021	31 دسمبر 2022	
(رقم ہزاروں میں)	(رقم ہزاروں میں)	
1,306,529	671,992	آمدن
(1,193,020)	(652,566)	فروخت کی لاگت
113,509	19,426	مجموعی نفع
(1,129)	(554)	تقسیم کی لاگت
(25,623)	(25,628)	انتظامیہ اخراجات
(5,084)	(139)	دیگر اخراجات
2,460	380	دیگر آمدن
(14,438)	(50,381)	مالیاتی لاگت
69,695	(56,896)	ٹیکس سے پہلے (نقصان) / نفع
4,399	(19,190)	ٹیکس
74,094	(76,086)	ٹیکس کے بعد (نقصان) / نفع
7.67	(7.88)	(نقصان) / نفع فی حصہ - روپے

کارروائی کے نتیجے کا جائزہ:

دورانِ جائزہ ششماہی آمدن مبلغ 671.992 ملین ہوئی۔ جبکہ اس کے مقابل پچھلے سال کی ششماہی آمدن مبلغ 1,306.529 ملین

تھی فروخت کی لاگت مبلغ 652.566 ملین ہے۔ جبکہ اس کے مقابل پچھلے سال کی ششماہی میں فروخت کی لاگت مبلغ

1,193.020 ملین تھی۔ کمپنی کو اس ششماہی میں ٹیکس کے بعد مبلغ 76.086 ملین کا نقصان ہوا۔ جب کہ اس کے مقابل پچھلے سال

کی ششماہی میں مبلغ 74.094 ملین کا نفع ہوا تھا۔

مستقبل کا خاکہ:

پاکستان میں تباہ کن سیلاب نے ملک کی کپاس کی فصل کو شدید نقصان پہنچایا ہے۔ مقامی اطلاعات کے مطابق پنجاب، سندھ اور بلوچستان کے کپاس کی بڑی پیداوار والے علاقے تقریباً 45-50 فی صد زیر آب رہے اس سیزن میں کپاس کی پیداوار کی کمی انڈسٹری کے لیے ایک بہت بڑا چیلنج تھا۔ گزشتہ سیزن میں انڈسٹری کو خام مال کی شدید قلت کا سامنا کرنا پڑا۔ موجودہ کاروباری ماحول بہت مشکل ہے سیلاب کے علاوہ سیاسی عدم استحکام، درآمدی پابندیوں اور ڈالر کی قیمت میں اضافے نے کاروباری حالات کو بری طرح متاثر کیا۔ ان عوامل کے نتیجے میں مہنگائی ہوئی، روپیہ کمزور ہوا کپاس اور فی یونٹ بجلی کی قیمتوں میں اضافہ ہوا۔ سب سے بڑھ کر یہ کہ کاروباری اعتماد کو نقصان پہنچا۔ مزید برآں گورنمنٹ کی کمزور مالی حالت اور زر مبادلہ کے ذخائر میں کمی کی وجہ سے خام مال درآمد کرنا بہت مشکل ہو گیا ہے۔ مندرجہ بالا عوامل کی وجہ سے 30 جون 2022 کو ختم ہونے والے مالی سال کے بعد کمپنی نے غیر متوقع مندی اور مقامی مارکیٹ میں اچھے معیار کی کپاس کی عدم دستیابی کی وجہ سے اپنی پیداوار کو عارضی طور پر بند کر دیا تھا۔ تاہم کمپنی نے اپنی پیداوار کو نومبر 2022 میں جزوی طور پر بحال کر لیا ہے۔

ہم امید کرتے ہیں کہ حکومتی پالیسیوں میں تبدیلی اور ٹیکسٹائل کی صنعت کو سہولیات دینے سے کمپنی مفید نتائج لے آئے گی۔


اعتراف:

بورڈ اپنے گاہکوں، سپلائرز، بنکرز، اور ملازموں کے تعاون، عزم اور محنت کی تعریف کرتا ہے اور اسے اپنے ریکارڈ میں لاتا ہے۔

منجانب بورڈ آف ڈائریکٹرز


ایزد عامر

چیف ایگزیکٹو آفیسر


خواجہ عامر خورشید

ڈائریکٹر

فیصل آباد

مورخہ 28 فروری 2023

INDEPENDENT AUDITOR'S REVIEW REPORT**To the members of AN Textile Mills Limited****Report on review of Condensed Interim Financial Statements****Introduction**

We have reviewed the accompanying condensed interim statement of financial position of AN TEXTILE MILLS LIMITED as at 31 December 2022 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows and notes to condensed interim financial statements for the half year then ended (here-in-after referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of these 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 these condensed interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 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 31 December 2022.

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.

The engagement partner on the review resulting in this independent auditor's review report is Mubashar Mehmood.



RIAZ AHM & COMPANY
Chartered Accountants

Faisalabad**Date:** Feburary 28, 2023.**UDIN:** RR202210158jXh5BCzbs

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Un-audited 31 December 2022	Audited 30 June 2022	NOTE	Un-audited 31 December 2022	Audited 30 June 2022	NOTE
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Authorized share capital						
10 000 000 (30 June 2022: 10 000 000) ordinary shares of Rupees 10 each	100,000	100,000		100,000	100,000	
Issued, subscribed and paid up share capital	96,600	96,600		96,600	96,600	
Directors' loans	360,000	360,000		360,000	360,000	
Reserves						
Capital reserves						
Premium on issuance of shares	17,250	17,250		17,250	17,250	
Equity portion of shareholders' loans	44,778	44,778		44,778	44,778	
Surplus on revaluation of property, plant and equipment - net of deferred income tax	294,205	298,499		298,499	298,499	
Revenue reserve - unappropriated profit	356,233	360,527		360,527	360,527	
	45,568	117,360		117,360	117,360	
	401,801	477,887		477,887	477,887	
Total equity	858,401	934,487		934,487	934,487	
LIABILITIES						
NON-CURRENT LIABILITIES						
Deferred income tax liability	132,391	121,601		121,601	121,601	
Lease liability	1,360	1,528		1,528	1,528	
Staff retirement gratuity	39,786	36,508		36,508	36,508	
	173,537	159,637		159,637	159,637	
CURRENT LIABILITIES						
Trade and other payables	223,575	220,468		220,468	220,468	
Unclaimed dividend	1,023	1,023		1,023	1,023	
Accrued mark-up on short term borrowings	23,952	5,443		5,443	5,443	
Short term borrowings	814,426	581,133	3	581,133	581,133	
Current portion of lease liability	322	295		295	295	
Provision for taxation	8,400	35,085		35,085	35,085	
	1,071,698	843,447		843,447	843,447	
TOTAL LIABILITIES	1,245,235	1,003,084		1,003,084	1,003,084	
CONTINGENCIES AND COMMITMENTS						
TOTAL EQUITY AND LIABILITIES	2,103,636	1,937,571		1,937,571	1,937,571	
The annexed notes form an integral part of these condensed interim financial statements.						

ASSETS	Un-audited 31 December 2022	Audited 30 June 2022	NOTE
NON-CURRENT ASSETS			
Property, plant and equipment	1,047,808	1,059,112	5
Right-of-use asset	2,678	2,975	
Long term deposits and prepayments	3,921	3,874	
	1,054,407	1,065,961	

CURRENT ASSETS	Un-audited 31 December 2022	Audited 30 June 2022	NOTE
Stores, spare parts and loose tools	96,453	83,668	
Stock in trade	686,728	580,509	
Trade debts	48,451	27,690	
Loans and advances	1,295	4,115	
Income tax	62,696	79,111	
Short term deposits and prepayments	10,645	8,012	
Other receivables	104,271	62,630	
Cash and bank balances	38,690	25,875	6
	1,049,229	871,610	

TOTAL ASSETS	Un-audited 31 December 2022	Audited 30 June 2022	NOTE
	2,103,636	1,937,571	

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



Aizad Amer
Chief Executive Officer



Khawaja Amer Khurshid
Director



Muhammad Saqib Ehsan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

	NOTE	Half year ended		Quarter ended	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
------(RUPEES IN THOUSAND)-----					
REVENUE FROM CONTRACTS WITH CUSTOMERS		671,992	1,306,529	270,638	662,987
COST OF SALES	7	(652,566)	(1,193,020)	(236,119)	(638,746)
GROSS PROFIT		19,426	113,509	34,519	24,241
DISTRIBUTION COST		(554)	(1,129)	(303)	(702)
ADMINISTRATIVE EXPENSES		(25,628)	(25,623)	(12,168)	(12,616)
OTHER EXPENSES		(139)	(5,084)	(139)	(5,084)
OTHER INCOME		380	2,460	380	109
FINANCE COST		(50,381)	(14,438)	(33,825)	(9,209)
(LOSS) / PROFIT BEFORE TAXATION		(56,896)	69,695	(11,536)	(3,261)
TAXATION		(19,190)	4,399	(30,349)	44,032
(LOSS) / PROFIT AFTER TAXATION		<u>(76,086)</u>	<u>74,094</u>	<u>(41,885)</u>	<u>40,771</u>
(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)		<u>(7.88)</u>	<u>7.67</u>	<u>(4.34)</u>	<u>4.22</u>

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



Aizad Amer
Chief Executive Officer



Khawaja Amer Khurshid
Director



Muhammad Saqib Ehsan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

	Half year ended		Quarter ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	----- (RUPEES IN THOUSAND) -----			
(LOSS) / PROFIT AFTER TAXATION	(76,086)	74,094	(41,885)	40,771
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	<u>(76,086)</u>	<u>74,094</u>	<u>(41,885)</u>	<u>40,771</u>

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



Aizad Amer
Chief Executive Officer



Khawaja Amer Khurshid
Director



Muhammad Saqib Ehsan
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	SHARE CAPITAL	DIRECTORS' LOANS	RESERVES				REVENUE		TOTAL EQUITY
			CAPITAL		Sub total	Unappropriated profit	TOTAL		
			Premium on issue of shares	Equity portion of shareholders' loan				Surplus on revaluation of property, plant and equipment - net of deferred income tax	
(RUPEES IN THOUSAND)									
Balance as at 30 June 2021 - (Audited)	96,600	360,000	17,250	44,778	307,540	369,568	14,774	384,342	840,942
Transaction with owners - Final dividend for the year ended 30 June 2021 at the rate of Rupee 0.70 per share	-	-	-	-	-	-	(6,762)	(6,762)	(6,762)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(4,520)	(4,520)	4,520	-	-
Profit for the period	-	-	-	-	-	-	74,094	74,094	74,094
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	74,094	74,094	74,094
Balance as at 31 December 2021 - (Un-audited)	96,600	360,000	17,250	44,778	303,020	365,048	86,626	451,674	908,274
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(4,521)	(4,521)	4,521	-	-
Profit for the period	-	-	-	-	-	-	22,404	22,404	22,404
Other comprehensive income for the period	-	-	-	-	-	-	3,809	3,809	3,809
Total comprehensive income for the period	-	-	-	-	-	-	26,213	26,213	26,213
Balance as at 30 June 2022 - (Audited)	96,600	360,000	17,250	44,778	298,499	360,527	117,360	477,887	934,487
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(4,294)	(4,294)	4,294	-	-
Loss for the period	-	-	-	-	-	-	(76,086)	(76,086)	(76,086)
Other comprehensive income for the period	-	-	-	-	-	-	(76,086)	(76,086)	(76,086)
Total comprehensive loss for the period	-	-	-	-	-	-	(76,086)	(76,086)	(76,086)
Balance as at 31 December 2022 - (Un-audited)	96,600	360,000	17,250	44,778	294,205	356,233	45,568	401,801	858,401

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



Aizad Amer
Chief Executive Officer




Muhammad Saqib Ehsan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

	NOTE	Half year ended	
		31 December 2022	31 December 2021
(RUPEES IN THOUSAND)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	8	(151,631)	54,611
Finance cost paid		(31,724)	(14,241)
Mark-up paid against lease liability		(148)	-
Income tax paid		(18,670)	(16,255)
Staff retirement gratuity paid		(4,955)	(3,779)
Net increase in long term deposits and prepayments		(47)	(73)
Net cash (used in) / generated from operating activities		(207,175)	20,263
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	22,700
Capital expenditure on property, plant and equipment		(13,162)	(76,280)
Short term investment redeemed		-	5,500
Profit on investments received		-	244
Net cash used in investing activities		(13,162)	(47,836)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		233,293	96,889
Repayment of lease liability		(141)	(1,313)
Dividend paid		-	(6,197)
Net cash from financing activities		233,152	89,379
NET INCREASE IN CASH AND CASH EQUIVALENTS		12,815	61,806
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		25,875	68,270
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		38,690	130,076

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


Aizad Amer
Chief Executive Officer


Khawaja Amer Khurshid
Director


Muhammad Saqib Ehsan
Chief Financial Officer

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

1. THE COMPANY AND ITS OPERATIONS

AN Textile Mills Limited (the Company) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. Its registered office and mills premises are situated at 35 Kilometers Sheikhpura Road, Faisalabad. The principal activity of the Company is manufacturing, sale and trading of yarn and cloth.

- 1.1** Subsequent to financial year ended 30 June 2022, the Company had temporarily closed its operations due to unforeseen downturn in the market and unavailability of good quality of cotton in local market because of heavy rain and flood. However the operations of the mills were resumed partially in November 2022.

2. BASIS OF PREPARATION, SIGNIFICANT ACCOUNTING POLICIES AND JUDGEMENTS

2.1 Statement of compliance

These condensed 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.

- 2.2** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2022. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and section 237 of the Companies Act, 2017.

2.3 Accounting policies and computation methods

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 financial statements of the Company for the year ended 30 June 2022.

2.4 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of the Company for the year ended 30 June 2022.

Un-audited 31 December 2022	Audited 30 June 2022
(RUPEES IN THOUSAND)	

3. SHORT TERM BORROWINGS

From banking companies - secured

Running and cash finances	556,048	372,755
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Others - unsecured

Other related parties	258,378	208,378
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<u>814,426</u>	<u>581,133</u>
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4. CONTINGENCIES AND COMMITMENTS**a) Contingencies**

There was no significant change in the status of contingencies as reported in the annual financial statements of the Company for the year ended 30 June 2022.

b) Commitments

i) There was no letter of credit for capital expenditure as at 31 December 2022 (30 June 2022: Rupees Nil).

ii) Letters of credit for other than capital expenditure were of Rupees 54.206 million (30 June 2022: Rupees 429.314 million).

Un-audited 31 December 2022	Audited 30 June 2022
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(RUPEES IN THOUSAND)

5. PROPERTY, PLANT AND EQUIPMENT

Opening book value	1,059,112	1,026,171
Add:		
Cost of additions during the period / year (Note 4.1)	13,162	144,831
	1,072,274	1,171,002
Less: Book value of deletions during the period / year (Note 4.1.1)	133	62,306
	1,072,141	1,108,696
Less: Depreciation charged during the period / year	24,333	49,584
	1,047,808	1,059,112

5.1 Cost of additions during the period / year

Building on freehold land - mills	-	2,635
Plant and machinery	13,162	132,055
Electric installations / appliances	-	10,046
Vehicles	-	95
	13,162	144,831

5.1.1 Book value of deletions during the period / year

Plant and machinery	-	62,306
Vehicles	133	-
	133	62,306

6. CASH AND BANK BALANCES**Cash with banks:**

In current accounts

	38,332	25,093
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Cash in hand

	358	782
--	-----	-----

	38,690	25,875
--	--------	--------

(Un-audited)			
Half year ended		Quarter ended	
31 December 2022	31 December 2021	31 December 2022	31 December 2021

------(RUPEES IN THOUSAND)-----

7. COST OF SALES

Raw materials consumed	346,924	796,344	132,081	434,761
Loading, unloading and weighment charges	120	248	23	184
Salaries, wages and other benefits	52,451	90,314	22,804	47,557
Stores, spare parts and loose tools consumed	11,738	42,016	4,668	21,545
Packing materials consumed	4,755	13,935	2,142	7,709
Repair and maintenance	441	760	144	367
Fuel and power	133,974	232,273	50,927	128,472
Insurance	1,608	1,212	809	636
Other factory overheads	466	643	203	452
Depreciation on property, plant and equipment	22,680	22,273	11,313	11,451
	575,157	1,200,018	225,114	653,134
Work-in-process				
Opening stock	21,076	32,053	34,937	29,400
Closing stock	(55,486)	(39,698)	(55,486)	(39,698)
	(34,410)	(7,645)	(20,549)	(10,298)
Cost of goods manufactured	540,747	1,192,373	204,565	642,836
Finished goods				
Opening stock	131,228	38,130	50,963	33,393
Closing stock	(19,409)	(37,483)	(19,409)	(37,483)
	111,819	647	31,554	(4,090)
	652,566	1,193,020	236,119	638,746

- 7.1** The revenue against cost of sales represents sale of yarn of Rupees 617.047 million (31 December 2021: 1,229.579 million) and waste of Rupees 54.945 million (31 December 2021: Rupees 76.950 million). Moreover all of the revenue is earned from Pakistan.

Un-audited	
Half year ended	
31 December 2022	31 December 2021

(RUPEES IN THOUSAND)

8. CASH (USED IN) / GENERATED FROM OPERATIONS

(Loss) / profit before taxation	(56,896)	69,695
Adjustments for non-cash charges and other items:		
Depreciation on property, plant and equipment	24,333	24,326
Depreciation on right-of-use asset	297	55
Gain on sale of property, plant and equipment	(251)	(2,321)
Profit on investment	-	(139)
Credit balances added back	(129)	-
Loans and advances written off	91	-
Provision for staff retirement gratuity	8,233	6,623
Finance cost	50,381	14,438
Allowance for expected credit losses	48	-
Working capital changes (Note 8.1)	(177,738)	(58,066)
	(151,631)	54,611

Un-audited	
Half year ended	
31 December 2022	31 December 2021
(RUPEES IN THOUSAND)	

8.1 Working capital changes

(Increase) / decrease in current assets:

Stores, spare parts and loose tools	(12,785)	(2,628)
Stock in trade	(106,219)	(158,672)
Trade debts	(20,809)	(3,595)
Loans and advances	2,729	(11,339)
Short term deposits and prepayments	(2,633)	(2,136)
Other receivables	(41,641)	(20,545)
	(181,358)	(198,915)
Increase in trade and other payables	3,620	140,849
	(177,738)	(58,066)

9. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise directors and key management personnel. Detail of transactions and balances with related parties are as follows:

(Un-audited)			
Half year ended		Quarter ended	
31 December 2022	31 December 2021	31 December 2022	31 December 2021
----- (RUPEES IN THOUSAND) -----			

i) Transactions

Borrowings obtained from directors - net	50,000	6,050	50,000	1,050
Remuneration paid to executives	2,400	2,400	1,200	1,200
Dividend paid to directors	-	5,558	-	5,558

Un-audited	Audited
31 December 2022	30 June 2022
(RUPEES IN THOUSAND)	

ii) Period end balances

Directors' loans	360,000	360,000
Short term borrowings	258,378	208,378
Loans and advances	200	200

10. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding annual published financial statements of the Company for the year ended 30 June 2022.

11. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX**Loans / advances obtained as per Islamic mode**

Contract liabilities	36,255	34,471
Short term borrowings	258,378	208,378

Shariah compliant bank deposits / bank balances

Bank balances	11,801	25,093
---------------	--------	--------

(Un-audited)	
Half year ended	
31 December 2022	31 December 2021
(RUPEES IN THOUSAND)	

Revenue earned from shariah compliant business 671,992 1,306,529

Profits earned or interest paid on any conventional loan / advance

Mark-up on short term borrowings	49,139	12,918
Mark-up on lease liability	148	-
Profit on short term investment	-	138

Relationship with shariah compliant banks

Name	Relationship
Meezan Bank Limited	Bank balances
AlBaraka Bank (Pakistan) Limited	Bank balance
Bank Alfalah Limited	Bank balance
Habib Bank Limited	Bank balance

There is no profit earned from shariah compliant bank balances as all the bank balances are in current accounts. Moreover there is no dividend on any investment, no exchange gain earned and no mark-up paid on Islamic mode of financing.

12. DATE OF AUTHORIZATION

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on February 28, 2022.

13. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34, the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been rearranged, wherever necessary, for the purpose of comparison. However, no significant rearrangements have been made.

14. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



Aizad Amer
Chief Executive Officer



Khawaja Amer Khurshid
Director



Muhammad Saqib Ehsan
Chief Financial Officer

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