

# ALLAWASAYA

TEXTILE AND FINISHING MILLS LTD  
MULTAN



## FINANCIAL STATEMENTS (UN-AUDITED)

For the Third Quarter &  
Nine Months Period Ended  
March 31, 2023



### **BOARD OF DIRECTORS**

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

### **AUDIT COMMITTEE**

- Mr. Javed Musarrat - Chairman  
Mr. Abdul Rehman Qureshi - Member  
Mrs. Nusrat Jamil - Member

### **CHIEF FINANCIAL OFFICER**

Mr. Sohail Nadeem

### **COMPANY SECRETARY**

Mr. 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
- M/s Askari Bank Limited
- M/s Samba Bank Limited
- M/s BankIslami Pakistan Limited

### **REGISTERED OFFICE**

Allawasaya Square,  
Mumtazabad Industrial Area,  
Vehari Road, Multan, Pakistan.  
Ph: (061)4233624-26  
E-Mail: [atm@allawasaya.com](mailto: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 the Company, it is our privilege to present before you the Un-Audited Financial Statements of your Company for the third quarter and nine months period ended March 31, 2023.

During the period under report, the textile sector was suffering on multiple grounds (i) unavailability of raw materials (ii) sharp increase in finance cost due to increase in interest rates (iii) continuous devaluation in Pakistani rupee (iv) withdrawal of energy subsidy (v) unavailability of gas for captive power generation (vi) inconsistent policies of the government (vii) recession and slow down of economy.

The government has withdrawn subsidy on energy given to five export industries including textile sector in order to meet the IMF conditions due to which the price of electricity has reached at its highest i.e., Rs.40 per unit from Rs.20 per unit. The textile sector which plays a vital role in the country's economy, export and employment, is on the brink of collapse. Moreover, during the current quarter, the Company operated at much lesser capacity. Major reasons were unavailability of Polyester Staple Fiber & its price also kept increasing, the world recession and economic conditions had a negative impact, resultantly the sales remained slow.

During the period under report, the cost of other inputs including Salaries, Wages, Fuel and Power, Finance Cost/ Markup were also increased both in rate and quantum substantially effected the financial results of the Company. The Net Loss for three months was (Rs.83,182,374/-) for the third quarter ended on March 31, 2023 as compared to the Net Profit of Rs.39,585,748/- for the same period last year. Similarly the Net Loss for nine months was (Rs.187,609,919/-) for the nine months period ended on March 31, 2023 as compared to the Net Profit of Rs.141,462,796/- for the same period last year.

We are hopeful that the government will reduce the markup rates substantially and restore energy concessions as the industry is unable to survive because in the regional countries energy prices are much lower, making it impossible for the Pakistani textile sector to compete with them in the international market.

On behalf of the Board

Sd/-

Mohammad Alamgir Jamil Khan  
**Chief Executive Officer**

Sd/-

Mian Idrees Ahmed Sheikh  
**Director**

Place: Multan

Dated: 18-04-2023

## ڈائریکٹران کا جائزہ

محترم جھص دامان،

یہ ہمارے لیے اعزازی بات ہے کہ کمپنی کے ڈائریکٹران کی جانب سے کمپنی کے غیر آڈٹ شدہ مالیاتی نتائج ہمارے تیسری سرمایہ اور نوامی مدت مخلصہ 31 مارچ 2023ء پیش کرتے ہیں۔

پیش کردہ مالیاتی رپورٹ کے دوران نیکنائل کا شعبہ متعدد معاملات کی وجہ سے متاثر ہوا۔ (1) خام مال کی دستیابی میں کمی (2) شرح سود میں حدودیہ اضافہ (3) پاکستانی روپیہ کی قدر میں مسلسل کمی (4) سستی بجلی کی فراہمی کا خاتمہ (5) انٹرنیٹ پاور جنریشن کے لیے گیس کی عدم دستیابی (6) حکومت کی غیر مسلسل پالیسیوں کا نفاذ (7) کساد بازاری اور معیشت کی سستی۔

حکومت نے آئی ایم ایف کی شرائط پوری کرنے کے لیے نیکنائل سیکورسٹ پانچ برآمدی صنعتوں کو کوآٹائی پر دی جانے والی رعایت واپس لے لی ہے جس کے باعث بجلی کی قیمت 20 روپے فی یونٹ سے بڑھ کر 40 روپے فی یونٹ تک پہنچ گئی ہے۔ نیکنائل کا شعبہ جو ملکی معیشت، برآمدات اور روزگار میں اہم کردار ادا کرتا ہے، تباہی کے دہانے پر ہے۔ مزید برآں، موجودہ سرمایہ کے دوران، کمپنی نے بہت کم صلاحیت پر کام کیا۔ اس کی بڑی وجوہات پولیسٹرنیٹیل فائبر کی عدم دستیابی، بڑھتی قیمتیں اور عالمی کساد بازاری نے منفی اثرات مرتب کیے، نتیجتاً فروختگی سستی رہی۔

زیر رپورٹ مدت کے دوران جہاں خام مال کی قیمتوں میں اضافہ ہوا وہی تنخواہوں، ایندھن اور بجلی، مارک اپ کی شرح میں بھی اضافہ ہوا، جس نے کمپنی کے مالیاتی نتائج کو کافی حد تک متاثر کیا۔ 31 مارچ 2023ء کو ختم ہونے والی تیسری سرمایہ میں تین مہینوں کے لیے حتمی خسارہ مبلغ- 83,182,374/ روپے تھا جبکہ گزشتہ سال اسی مدت کے لیے حتمی منافع مبلغ- 39,585,748/ روپے تھا۔ اسی طرح 31 مارچ 2023ء کو ختم ہونے والی نو ماہ کی مدت کے لیے نو مہینوں کے لیے حتمی خسارہ مبلغ- 187,609,919/ روپے تھا جبکہ گزشتہ سال کی اسی مدت کے لیے حتمی منافع مبلغ- 141,462,796/ روپے تھا۔

ہم امید کرتے ہیں کہ حکومت شرح سود میں خاطر خواہ کمی کرے گی اور نوامی کی رعایتیں بحال کرے گی تاکہ پاکستانی نیکنائل شعبہ بین الاقوامی مارکیٹ میں درپیش چیلنجز کا مقابلہ کر سکے۔

محکم بورڈ آف ڈائریکٹرز

دستخط

میاں ادریس احمد شیخ - ڈائریکٹر

دستخط

محمد عالمگیر جمیل خان - چیف ایگزیکٹو آفیسر

لٹان - بتاریخ 18 اپریل 2023ء



BALANCE SHEET AS AT MARCH 31, 2023

	UN - AUDITED		AUDITED		UN - AUDITED		AUDITED	
	March 31, 2023	RUPEES	June 30, 2022	RUPEES	March 31, 2023	RUPEES	June 30, 2022	RUPEES
<b>EQUITY AND LIABILITIES</b>								
<b>Share capital and reserves</b>								
Share capital	8,000,000		8,000,000					
Surplus on revaluation of property, plant and equipment - net of deferred tax	1,162,297,926		1,177,127,886					
Tax holiday reserve	2,668,746		2,668,746					
General reserve	80,000,000		80,000,000					
Unappropriated Profits	292,430,449		471,010,408					
	1,545,397,121		1,738,807,040					
Loan from directors	50,000,000		-					
<b>NON - CURRENT LIABILITIES</b>								
Long term loan	231,249,600		193,426,731					
Lease liabilities	11,634,338		13,436,529					
Deferred liabilities	205,991,258		212,171,717					
	448,875,196		419,034,977					
<b>CURRENT LIABILITIES</b>								
Trade & other payables	493,944,391		393,366,173					
Accrued markup	58,891,294		19,141,424					
Short term borrowings	1,285,469,973		813,782,709					
Current portion of long term loan	39,000,000		69,661,705					
Current portion of deferred grant	-		212,869					
Current portion of lease liabilities	2,509,799		2,169,682					
Unclaimed dividend	1,029,630		987,863					
Provision for taxation	42,839,653		66,009,771					
	1,923,684,740		1,365,332,196					
	<u>3,967,957,057</u>		<u>3,523,174,213</u>					
<b>ASSETS</b>								
<b>NON - CURRENT ASSETS</b>								
Property, plant and equipment	1,833,468,713		1,878,204,604					
Capital work in progress	471,350,546		258,100,556					
Long term deposits	5,337,497		5,337,497					
	2,310,156,756		2,141,642,657					
<b>CURRENT ASSETS</b>								
Stores and spares	54,763,502		57,150,005					
Stock in trade	1,030,143,199		568,014,406					
Trade debts	340,969,322		553,294,725					
Loans and advances	34,351,393		110,197,241					
Advance income tax	64,092,901		64,374,709					
Trade deposits and prepayments	4,634,350		2,822,518					
Tax refunds due from government	110,379,629		19,074,727					
Other financial assets	15,000,000		-					
Cash & bank balances	3,466,005		6,603,225					
	1,657,800,301		1,381,531,556					
	<u>3,967,957,057</u>		<u>3,523,174,213</u>					

Chief Executive

Director

Chief Financial Officer



## PROFIT &amp; LOSS ACCOUNT - UNAUDITED

FOR THE THIRD QUARTER &amp; NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Nine months period ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	<b>RUPEES</b>			
Revenue from contracts - net	2,681,768,873	3,601,648,914	917,483,092	1,244,220,071
Cost of goods sold	<u>(2,587,267,657)</u>	<u>(3,236,126,882)</u>	<u>(896,361,716)</u>	<u>(1,125,215,929)</u>
Gross Profit	94,501,216	365,522,032	21,121,376	119,004,142
Other Income	2,598,618	7,000	-	-
Distribution and marketing expenses	(16,176,287)	(27,247,221)	(5,149,708)	(8,703,582)
Administrative expenses	(63,365,815)	(61,084,140)	(19,562,862)	(22,725,258)
Other expenses	-	(14,766,695)	-	(4,145,820)
Finance cost	(171,645,540)	(63,187,601)	(64,002,336)	(27,497,961)
	(248,589,024)	(166,278,657)	(88,714,906)	(63,072,621)
(Loss) / Profit before taxation	(154,087,808)	199,243,375	(67,593,530)	55,931,521
Provision for Taxation	(33,522,111)	(57,780,579)	(15,588,844)	(16,345,773)
<b>(Loss) / Profit for the period</b>	<b>(187,609,919)</b>	<b>141,462,796</b>	<b>(83,182,374)</b>	<b>39,585,748</b>
<b>earnings per share - Basic and diluted</b>	<b>(234.51)</b>	<b>176.83</b>	<b>(103.98)</b>	<b>49.48</b>

Chief Executive

Director

Chief Financial Officer



**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	<b>nine months period ended</b>		<b>three months period ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>RUPEES</b>	<b>RUPEES</b>	<b>RUPEES</b>	<b>RUPEES</b>
(Loss) / Profit for the period	(187,609,919)	141,462,796	(83,182,374)	39,585,748
<b>Other comprehensive income</b>	-	-	-	-
<b>Total comprehensive (loss) / Income for the period</b>	<b>(187,609,919)</b>	<b>141,462,796</b>	<b>(83,182,374)</b>	<b>39,585,748</b>

Chief Executive

Director

Chief Financial Officer



**Statement of Cash Flows - unaudited**  
**For the nine months period ended March 31, 2023**

	<b>March 31, 2023 Rupees</b>	<b>March 31, 2022 Rupees</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) / Profit before taxation	(154,087,808)	199,243,375
Adjustments for non cash items:		
Depreciation on property, plant and equipment	44,942,922	33,979,953
Provision for staff retirement benefits - gratuity	14,623,843	16,844,733
Gain on sale of property, plant and equipment	(1,602,033)	(7,000)
Finance cost	171,645,540	62,776,666
	<b>229,610,272</b>	<b>113,594,352</b>
Operating cash flows before movement in working capital	<b>75,522,464</b>	<b>312,837,727</b>
<b>(Increase) / Decrease in current assets</b>		
Stores, spares and loose tools	2,386,503	(14,161,666)
Stock in trade	(462,128,793)	19,181,778
Trade debts	212,325,403	(237,193,557)
Loans and advances (excluding advance income tax)	75,845,848	879,577
Trade deposits and prepayments	(1,811,832)	490,152
Tax refunds due from government	(91,304,902)	6,647,764
<b>Increase / (Decrease) in current liabilities</b>		
Trade and other payables	90,507,400	(65,525,322)
	<b>(174,180,373)</b>	<b>(289,681,274)</b>
Net cash / (used in ) generated from operations	<b>(98,657,909)</b>	<b>23,156,453</b>
Income taxes paid	(62,590,880)	(55,414,700)
Staff retirement benefits - gratuity paid	(4,553,022)	(24,805,166)
Finance cost paid	(131,895,671)	(47,418,249)
Worker's profit participation fund paid	-	(15,262,732)
Net cash (used in) / generated from operating activities	<b>(297,697,482)</b>	<b>(119,744,394)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to property, plant and equipment	(480,000)	(24,268,893)
Addition to Capital work in progress	(213,249,990)	(244,133,101)
Other financial assets	(15,000,000)	
Proceeds from sale of property, plant & equipment	1,875,000	7,000
Net cash used in investing activities	<b>(226,854,990)</b>	<b>(268,394,994)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finances obtained	66,860,000	121,556,100
Lease liability paid	(1,462,074)	-
Repayment of long term finances	(59,911,705)	(75,521,059)
Short term borrowings - net	471,687,264	381,894,879
Loan from directors	50,000,000	-
Dividend Paid	(5,758,233)	(26,686,560)
Net cash generated from / (used in) financing activities	<b>521,415,252</b>	<b>401,243,360</b>
Net Increase / (decrease) in cash and cash equivalents	<b>(3,137,220)</b>	<b>13,103,972</b>
Cash and cash equivalents at the beginning of the period	<b>6,603,225</b>	<b>3,801,531</b>
Cash and cash equivalents at end of the period	<b>3,466,005</b>	<b>16,905,503</b>

Chief Executive

Director

Chief Financial Officer



**STATEMENT OF CHANGES IN EQUITY - UNAUDITED**

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Reserves				Total	
	Share Capital	Capital		Revenue		
		Surplus on revaluation of property, plant and equipment	Tax holiday reserve	General reserve		Unappropriated Profits
RUPEES						
Balance as at July 1, 2021 (audited)	8,000,000	815,788,842	2,668,746	80,000,000	342,653,609	1,249,111,197
Profit for the nine months period ended March 31, 2022	-	-	-	-	141,462,796	141,462,796
Other comprehensive income for the nine months period ended March 31, 2022	-	-	-	-	-	-
Total comprehensive income for the nine months period ended March 31, 2022	-	-	-	-	141,462,796	141,462,796
Annual dividend for the year ended June 30, 2021 @ Rs.35.25 pe share	-	-	-	-	(28,200,000)	(28,200,000)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation (net of deferred tax)	-	(9,778,994)	-	-	9,778,994	-
<b>Balance as at March 31, 2022</b>	<b>8,000,000</b>	<b>806,009,848</b>	<b>2,668,746</b>	<b>80,000,000</b>	<b>465,695,399</b>	<b>1,362,373,993</b>
Balance as at July 01, 2022 (audited)	8,000,000	1,177,127,886	2,668,746	80,000,000	471,010,408	1,738,807,040
Loss for the nine months period ended March 31, 2023	-	-	-	-	(187,609,919)	(187,609,919)
Other comprehensive income for the nine months period ended March 31, 2023	-	-	-	-	-	-
Total comprehensive income for the nine months period ended March 31, 2023	-	-	-	-	(187,609,919)	(187,609,919)
Annual dividend for the year ended June 30, 2022 @ Rs.7.25 pe share	-	-	-	-	(5,800,000)	(5,800,000)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation (net of deferred tax)	-	(14,829,960)	-	-	14,829,960	-
<b>Balance as at March 31, 2023</b>	<b>8,000,000</b>	<b>1,162,297,926</b>	<b>2,668,746</b>	<b>80,000,000</b>	<b>292,430,449</b>	<b>1,545,397,121</b>

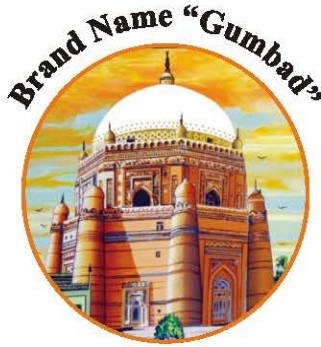
**NOTES TO THE ACCOUNTS**

- 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](http://www.allawasaya.com)

**ALLAWASAYA TEXTILE AND FINISHING MILLS LIMITED**

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