

GHAZI FABRICS INTERNATIONAL LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023



Ghazi Fabrics International Limited

8-C, E-III, Gulberg-III, Lahore - 54660, Pakistan



DIRECTORS' REPORT

The directors of Ghazi Fabrics International Limited ("the Company") are pleased to present the financial statements for the half year ended December 31, 2023.

Economic/Industry Overview

Due to devaluation of Pak Rupee as well as increase of raw material prices worldwide, prices of imported as well local raw material & increase in price of gas and power the cost of production remained higher than the budget.

In order to remain competitive in the international market the government need to ensure that the cost of production remains in line with the regional markets, especially the exponential increase in the cost of gas and power has adversely affected the cost of production and the textile industry is under tremendous pressure due to ever increasing cost of production.

The future outlook looks very challenging. The Textile business is facing increasing competition because of increased cost of production and lower than expected demand worldwide due to instability in the international political environment. Furthermore, the shortage of foreign exchange for import of raw material adds difficulties to continue smooth production.

Operating Financial Results

During the period under review the Company's gross loss was Rs. (157,255) million (corresponding period: Rs (36,315) million) and the loss after tax of Rs. (337,379) million (corresponding period: Rs. (225,546) million). Loss per share is Rs. (10.34) (corresponding period loss per share: Rs.(6.91)).

Financial highlights

	For The Half year Ended December 31,	
	2023	2022
	Rupees	
Sales	2,016,728,340	2,851,871,503
Gross profit / (loss)	(157,255,144)	(36,315,252)
Profit / (loss) after tax	(337,379,110)	(225,546,129)
Gross profit / (loss) (%)	(7.80)	(1.27)



Ghazi Fabrics International Limited



8-C, E-III, Gulberg-III, Lahore - 54660, Pakistan

Loss per share -EPS- Rs.

(10.34)

(6.91)

Indicative from the figures above, sales decreased by 29.28 % and gross loss increased by 333.03 % as compared to corresponding period. The management is expecting that the improved political situation with the completion of set up of new government and with expected business friendly policies of new government will improve the business environment and help in revision of textile industry.

Acknowledgement

We are grateful to the management and employees of the Company for their hard-work and dedication. We also express our gratitude to our shareholders, bankers, suppliers and valued customers who cooperated with us throughout the period.

For and on behalf of the Board

(Mohammad Arshad Chaudhry)
Chief Executive Officer

(Kamran Arshad)
Director

Lahore

February 27, 2024



Ghazi Fabrics International Limited

8-C, E-III, Gulberg-III, Lahore - 54660, Pakistan



ڈائریکٹرز رپورٹ

محترم ممبران،

غازی فابریکس انٹرنیشنل لمیٹڈ کے انٹرنیشنل 31 دسمبر 2023 کو ختم ہونے والی سالانہ رپورٹ کے اہم نکات پیش کرتے ہیں۔

اقتصادی اطمینان

پاکستان روپیہ کی قدر میں کمی کے ساتھ ساتھ دنیا بھر میں خام مال کی قیمتوں میں اضافے، درآمدی اور مقامی خام مال کی قیمتوں میں گہری اور تیزی کی قیمتوں میں اضافے کے باعث بیرونی درآمدات سے زیادہ رہی۔

بین الاقوامی درآمدات میں سستی رہنے کے لیے حکومت کو اس بات کو یقینی بنانے کی ضرورت ہے کہ بیرونی درآمدی درآمدات کو آسانی دیا جائے اور درآمدات کی قیمتوں میں گہری اور تیزی کی قیمتوں میں اضافے سے بیرونی درآمدات کو آسانی ملے اور درآمدات کی قیمتوں میں اضافے سے زیادہ درآمدات کو آسانی ملے۔

مستقبل کے حالات بہت مشکل لگتے ہیں۔ بین الاقوامی خام مال کی قیمتوں میں اضافے اور درآمدات کی قیمتوں میں اضافے سے کم ہونے کی وجہ سے درآمدات کی قیمتوں میں اضافے سے زیادہ درآمدات کو آسانی ملے۔

آپ بٹنگ مالیاتی نتائج

دو سالوں کے دوران کمائی کا خام نقصان (157,255) ملین روپے رہا (پچھلے سال کی مدت کے دوران (36,315) ملین روپے تھا) اور بعد ازاں نقصان (337,379) ملین روپے رہا (پچھلے سال کی مدت کے دوران (225,546) ملین روپے تھا)۔ فی فیصد نقصان (10.34) روپے رہا (پچھلے سال (6.91) روپے رہا)

نصف سال ختم ہونے والے 31 دسمبر کے لئے

2022 2023

روپے روپے

2,851,871,503 2,016,728,340

(36,315,252) (157,255,144)

(225,546,129) (337,379,111)

(1.27) (7.80)

(6.91) (10.34)

فرواد

نقصان (نقصان)

بعد ازاں منافع (نقصان)

نقصان منافع (نقصان) (%)

فی فیصد آمدنی

مستقبل کے حالات بہت مشکل لگتے ہیں۔ بین الاقوامی خام مال کی قیمتوں میں اضافے اور درآمدات کی قیمتوں میں اضافے سے کم ہونے کی وجہ سے درآمدات کی قیمتوں میں اضافے سے زیادہ درآمدات کو آسانی ملے۔

اقتصادی اطمینان، بین الاقوامی خام مال کی قیمتوں میں اضافے اور درآمدات کی قیمتوں میں اضافے سے کم ہونے کی وجہ سے درآمدات کی قیمتوں میں اضافے سے زیادہ درآمدات کو آسانی ملے۔

اعتراف:

ہم یقین کی نگاہ سے ہمارے ممبران کی طرف سے ہمارے کاروبار کے مستقبل کے بارے میں اطمینان دہانہ اور خوشگوار خیالات پیش کرتے ہیں۔ ہمارے ممبران کی طرف سے ہمارے کاروبار کے مستقبل کے بارے میں اطمینان دہانہ اور خوشگوار خیالات پیش کرتے ہیں۔

یو ایف ایف انٹرنیشنل لمیٹڈ

محمد راشد چوہدری

چیف ایگزیکٹو

محمد عمران ارشد

ڈائریکٹر

لاہور: 27 فروری 2024ء



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GHAZI FABRICS INTERNATIONAL LIMITED
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Ghazi Fabrics International Limited as at December 31, 2023 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-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 condensed interim statement of other comprehensive income for the quarters ended December 31, 2023 and December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the six-months period ended December 31, 2023.

Scope of Review

We conducted our review in accordance with the 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 are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

We draw attention to Note 2 of the condensed interim financial statements, which describes condition indicates existence of a material uncertainty that may cast significant doubt about the Company's ability to realize its assets in normal course of business. Our opinion is not modified in respect of this matter.

The engagement partner on the review resulting in this independent auditor's review report is Tahir Razzaque Khan, FCA.

Qadeer and Company,
Chartered Accountants
Lahore



Date: February 27, 2024

UDIN: [RR202310706xsegF7kAU](https://www.ica.gov.pk/UDIN/RR202310706xsegF7kAU)

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GHAZI FABRICS INTERNATIONAL LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2023

	Note	Unaudited December 31, 2023 Rupees	Audited June 30, 2023 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital		<u>400,000,000</u>	400,000,000
Issued, subscribed and paid-up capital	6	<u>326,356,000</u>	326,356,000
Accumulated loss		<u>(2,107,805,586)</u>	(1,770,426,476)
		<u>(1,781,449,586)</u>	(1,444,070,476)
Subordinated loan		<u>1,500,000,000</u>	1,500,000,000
Director's loan		<u>1,781,736,878</u>	1,618,686,878
		<u>3,281,736,878</u>	3,118,686,878
NON CURRENT LIABILITIES			
Deferred liabilities		18,781,645	12,130,606
CURRENT LIABILITIES			
Trade and other payables	7	<u>988,771,585</u>	211,149,996
Unclaimed dividend		5,910,450	5,938,575
Accrued markup		15,922,822	3,949,717
Short term borrowings	8	<u>617,982,855</u>	657,541,575
Provision for taxation - net		<u>24,560,254</u>	52,895,004
		<u>1,653,147,967</u>	931,474,867
CONTINGENCIES AND COMMITMENTS			
	9	<u>3,172,216,904</u>	2,618,221,875
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	10	1,137,406,802	1,190,878,399
Long term deposits		<u>13,011,694</u>	13,011,694
		<u>1,150,418,496</u>	1,203,890,093
CURRENT ASSETS			
Stores, spares and loose tools		133,760,608	133,896,405
Stock in trade	11	1,196,507,369	633,399,506
Trade debts		300,133,884	185,377,353
Loans and advances		278,596,704	275,942,595
Tax refunds / rebate due from the government		110,447,184	179,629,998
Cash and bank balances		<u>2,352,660</u>	6,085,925
		<u>2,021,798,408</u>	1,414,331,782
		<u>3,172,216,904</u>	2,618,221,875

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


 Chief Executive


 Chief Financial Officer


 Director

GHAZI FABRICS INTERNATIONAL LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

Note	Half Year Ended		Quarter Ended		
	December 31,		December 31,		
	2023	2022	2023	2022	
	Rupees		Rupees		
Sales - net	12	2,016,728,340	2,851,871,503	1,171,271,579	1,057,432,880
Cost of sales	13	2,173,983,484	2,888,186,755	1,285,468,779	1,109,761,312
Gross loss		(157,255,144)	(36,315,252)	(114,197,200)	(52,328,432)
Selling and distribution		23,827,418	46,315,263	13,666,819	17,819,663
Administrative expenses		68,340,474	56,513,572	35,433,151	25,499,034
Other operating expenses		3,475,222	4,088,544	2,239,796	1,544,526
		95,643,114	106,917,379	51,339,766	44,863,223
Operating loss		(252,898,258)	(143,232,631)	(165,536,966)	(97,191,655)
Other income		1,321,601	18,640,394	613,457	563,703
		(251,576,657)	(124,592,237)	(164,923,509)	(96,627,952)
Finance cost		61,107,658	65,960,877	34,990,177	31,994,567
Loss before taxation		(312,684,315)	(190,553,114)	(199,913,686)	(128,622,519)
Taxation		24,694,795	34,993,015	14,421,061	12,935,603
Loss after taxation		(337,379,110)	(225,546,129)	(214,334,747)	(141,558,122)
Loss per share - basic		(10.34)	(6.91)	(6.57)	(4.34)

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


 Chief Executive


 Chief Financial Officer


 Director

GHAZI FABRICS INTERNATIONAL LIMITED
CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Half Year Ended		Quarter Ended	
	December 31,		December 31,	
	2023	2022	2023	2022
	Rupees		Rupees	
Loss after taxation	(337,379,110)	(225,546,129)	(214,334,747)	(141,558,122)
Other comprehensive loss for the period	-	-	-	-
Total comprehensive loss for the period	(337,379,110)	(225,546,129)	(214,334,747)	(141,558,122)

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


 Chief Executive


 Chief Financial Officer


 Director

GHAZI FABRICS INTERNATIONAL LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Half Year Ended	
	December 31, 2023	December 31, 2022
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(312,684,315)	(190,553,114)
Adjustment for:		
Depreciation	53,693,150	56,912,465
Staff retirement benefits	13,596,072	3,030,889
Finance cost	61,107,658	65,960,877
	128,396,880	125,904,231
Cash flows before working capital changes	(184,287,435)	(64,648,883)
<i>Decrease / (increase) in current assets</i>		
Stores, spares and loose tools	135,797	(11,521,419)
Stock in trade	(563,107,863)	(24,100,325)
Trade debts	(114,756,531)	210,792,092
Loans and advances	(2,654,109)	166,071,256
Tax refunds / rebate due from the government	69,182,814	(6,476,381)
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payables	777,621,589	(225,098,419)
	166,421,698	109,666,804
Cash used in operations	(17,865,737)	45,017,921
Finance cost paid	(49,134,551)	(72,390,900)
Staff retirement benefits paid	(6,945,034)	(45,642,074)
Income tax paid	(53,029,545)	(105,879,898)
Net cash used in operating activities	(126,974,867)	(178,894,951)
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	(221,553)	(3,089,910)
Capital work in progress	-	(962,224)
Net cash used in investing activities	(221,553)	(4,052,134)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing	-	(54,002,162)
Directors' loan	163,050,000	-
Dividend paid	(28,125)	-
Short term borrowings- net	(39,558,720)	235,961,384
Net cash generated from financing activities	123,463,155	181,959,222
Net decrease in cash and cash equivalents	(3,733,265)	(987,863)
Cash and cash equivalents at the beginning of the period	6,085,925	5,314,451
Cash and cash equivalents at the end of the period	2,352,660	4,326,588

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


Chief Executive


Chief Financial Officer


Director

GHAZI FABRICS INTERNATIONAL LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Issued, subscribed and paid-up capital	Directors' loan	Accumulated loss	Total equity
Rupees				
Balance as at June 30, 2022 - (audited)	326,356,000	2,639,686,878	(1,312,693,982)	1,653,348,896
Total comprehensive loss for the period	-	-	(225,546,129)	(225,546,129)
Balance as at December 31, 2022 - (un-audited)	326,356,000	2,639,686,878	(1,538,240,111)	1,427,802,767
Balance as at June 30, 2023 - (audited)	326,356,000	3,118,686,878	(1,770,426,476)	1,674,616,402
Directors' loan	-	163,050,000	-	163,050,000
Total comprehensive loss for the period	-	-	(337,379,110)	(337,379,110)
Balance as at December 31, 2023 - (un-audited)	326,356,000	3,281,736,878	(2,107,805,586)	1,500,287,292

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


 Chief Executive


 Chief Financial Officer


 Director

GHAZI FABRICS INTERNATIONAL LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

1 STATUS AND ACTIVITIES

Ghazi Fabrics International Limited ("the Company") was incorporated in Pakistan on April 30, 1989 as a Private Limited Company under the Companies Ordinance 1984 (repealed with the enactment of the Companies Act 2017); and converted into Public Limited Company on January 07, 1990. Its shares are quoted on Pakistan Stock Exchange. The main activities of the Company are textile manufacturing, production of cotton and P.C. yarn and grey cloth that are marketed both within and outside Pakistan. The registered office of the Company is situated at 8-C, E-III, Gulberg III, Lahore and mill is located at 46-km, Multan Road, Bhalphero, Kasur.

2 GOING CONCERN ASSUMPTION

During the half year period ended December 31, 2023 (interim period), the Company has incurred a gross loss of Rs. 157,255 million (December 31, 2022: Rs. 36,315 million). It has also incurred a net loss of Rs. 337,379 million (December 31, 2022: Rs. 225,546 million). As at the period end, its accumulated losses stand at Rs. 2,107,806 million (June 30, 2023: Rs. 1,770,426 million). In addition, the Company has generated negative operating cash flows of Rs. 126,975 million at the period end (December 31, 2022: Rs. 178,895 million). These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business.

However, these interim financial statements have been prepared on going concern basis on the grounds that the Company will be able to achieve satisfactory levels of profitability and liquidity in the future based on the plans drawn up by the management for this purpose and availability of the adequate working capital from its lenders and sponsors. In this regard, following events are of significance and importance on which attention of the members is drawn:

- The Company's spinning division production was decreased during the financial period ended June 30, 2023 due to shortage of raw materials, however, the same has been normalized in the current period.
- Company has replaced certain outdated machines under business process reengineering (BMR) arrangement which would ensure that Company shall have better efficiency and would generate more resources to operate cost effectively in future periods.
- The Directors of the Company have further injected an additional loan amounting Rs. 163,050 million during the period (June 30, 2023: Rs. 479,000 million) to meet working capital requirements and the settlement of outstanding liabilities.
- The Company has successfully repaid its long-term loan, that ultimately reduced the financial cost which will contribute in the profit for the subsequent periods. Further, Company is also regular in repayment of markup on all borrowings as per the agreements with the banks.

3 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 applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provision of and directives issued under the Companies Act, 2017.

GHAZI FABRICS INTERNATIONAL LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

Where the provision of and directives issues under the Companies Act, 2017 differ with the requirements of IAS 34 or IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of Companies Act, 2017 and should be read in conjunction with audited annual financial statements of the Company for the year ended June 30, 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

The figures included in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2023 and 2022 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they are required to review only the cumulative figures for the half year period ended December 31, 2023 and 2022.

4 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited financial statements of the Company for the year ended 30 June 2023.

4.1 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

(a) New standards, amendments and interpretation to published approved accounting and reporting standards which became effective during the period ended December 31, 2023.

There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on or after July 1, 2023. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.

(b) New standards and amendments to published approved accounting and reporting standards that are not yet effective.

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2024 and have not been early adopted by the Company. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

5 CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements are in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. It also requires 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 the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

GHAZI FABRICS INTERNATIONAL LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

During the preparation of these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements of the Company for the year ended June 30, 2023.

The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended June 30, 2023.

	Un-audited December 31, 2023 Rupees	Audited June 30, 2023 Rupees
6 SHARE CAPITAL		
6.1 Authorized capital		
40,000,000 (June 30, 2023 : 40,000,000) ordinary shares of Rs. 10/- each paid in cash	400,000,000	400,000,000
6.2 Issued, subscribed and paid up capital		
32,635,600 (June 30, 2023 : 32,635,600) ordinary shares of Rs. 10/- each paid in cash	326,356,000	326,356,000
7 TRADE AND OTHER PAYABLE		
Trade creditors	853,863,591	162,287,022
Accrued liabilities	62,356,371	21,451,440
Advances from customers	45,558,138	14,748,785
Security payable	171,000	171,000
Tax deducted at source	21,318,367	9,063,372
Workers' welfare fund payable	5,504,118	3,428,377
	988,771,585	211,145,996
8 SHORT TERM BORROWINGS		
Habib Bank Limited - secured	614,368,475	531,371,308
United Bank Limited - secured	3,614,380	86,104,751
Bank overdraft	-	40,065,516
	617,982,855	657,541,575
9 CONTINGENCIES AND COMMITMENTS		
9.1 Contingencies		
There are no material changes in the status of the contingencies reported in the annual financial statements for the year ended June 30, 2023.		
9.2 Commitments		
Commitments against irrevocable letters of credit outstanding as at December 31, 2023 amounts to Rs. 13.439 million (June 30, 2023: Rs. 13.439 million).		

GHAZI FABRICS INTERNATIONAL LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Un-audited December 31, 2023 Rupees	Audited June 30, 2023 Rupees
10 PROPERTY, PLANT AND EQUIPMENT		
Opening written down value	1,190,878,399	1,249,993,307
Additions during the period		
Plant and machinery	-	73,094,976
Vehicles	-	3,078,570
Equipment	221,553	265,340
	221,553	76,438,886
Book value of assets disposed off during the period	-	(22,182,002)
Depreciation for the period	(53,693,150)	(113,371,792)
	1,137,406,802	1,190,878,399
11 STOCK IN TRADE		
Raw material	839,294,372	340,318,171
Work in process	76,249,481	38,482,924
Finished goods	280,963,516	254,598,411
	1,196,507,369	633,399,506

GHAZI FABRICS INTERNATIONAL LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Unaudited Half Year Ended		Unaudited Quarter Ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	Rupees	Rupees	Rupees	Rupees
12 SALES - net				
Export sales	259,332,443	266,345,249	117,695,321	149,211,252
Local sales	1,757,395,897	2,585,526,254	1,053,576,258	908,221,628
	<u>2,016,728,340</u>	<u>2,851,871,503</u>	<u>1,171,271,579</u>	<u>1,057,432,880</u>

13 COST OF SALES

Raw material consumed	1,602,688,071	2,202,423,820	909,569,585	1,013,240,069
Salaries, wages and benefits	178,909,379	158,538,398	111,536,138	48,765,974
Fuel and power	338,270,239	221,504,565	223,272,894	75,295,896
Packing material consumed	10,483,747	15,249,567	9,066,421	233,919
Sizing material consumed	20,171,460	20,595,256	10,385,304	730,531
Store and spares consumed	27,058,297	23,308,727	18,742,075	334,778
Insurance	5,948,690	3,317,035	5,804,254	3,307,560
Repair and maintenance	3,576,770	5,118,427	3,469,540	3,491,501
Depreciation	51,008,493	54,066,841	25,504,351	27,130,953
	<u>2,238,115,146</u>	<u>2,704,122,637</u>	<u>1,317,350,562</u>	<u>1,172,531,182</u>
Adjustment of work in process	(28,433,651)	127,856,587	1,827,136	58,327,164
Cost of goods manufactured	<u>2,209,681,495</u>	<u>2,831,979,224</u>	<u>1,319,177,698</u>	<u>1,230,858,346</u>
Adjustment of finished goods	(35,698,011)	56,207,531	(33,708,919)	(121,097,034)
	<u>2,173,983,484</u>	<u>2,888,186,755</u>	<u>1,285,468,779</u>	<u>1,109,761,312</u>

14 TRANSACTION WITH RELATED PARTIES

Receipt of Directors' loan - net

Unaudited Half Year Ended	
December 31, 2023	December 31, 2022
Rupees	Rupees
163,050,000	-

GHAZI FABRICS INTERNATIONAL LIMITED

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

15 SEGMENT INFORMATION

The following table presents revenue and loss information regarding the Company's operating segments for the half year ended December 31, 2023 and December 31, 2022.

	Spinning	Weaving	Inter - segment Transactions	Consolidated
December 31, 2023				
Amount (Rupees)				
Sales	1,214,743,628	967,187,337	(165,202,625)	2,016,728,340
Cost of sales	(1,336,269,948)	(1,002,916,160)	165,202,625	(2,173,983,484)
Gross loss	(121,526,320)	(35,728,823)	-	(157,255,144)
Selling and distribution	13,265,408	10,562,010	-	23,827,418
Administrative and general expenses	38,047,104	30,293,370	-	68,340,474
Loss before taxation and un-allocated income and expenses	(172,838,832)	(76,584,203)	-	(249,423,036)
Un-allocated income and expenses:				
Other operating expenses				3,475,222
Other operating income				1,321,601
Finance cost				61,107,658
Loss before taxation				(312,684,315)
Taxation				(24,694,795)
Net loss for the period				(337,379,110)

December 31, 2022				
Amount (Rupees)				
Sales	1,298,036,068	1,629,741,205	(75,905,770)	2,851,871,503
Cost of sales	(1,445,360,414)	(1,518,732,110)	75,905,770	(2,888,186,755)
Gross loss	(147,324,346)	111,009,095	-	(36,315,252)
Selling and distribution costs	20,533,967	25,781,296	-	46,315,263
Administrative and general expenses	25,055,408	31,458,164	-	56,513,572
Loss before taxation & un-allocated expenses	(192,913,721)	53,769,635	-	(139,144,087)
Un-allocated expenses:				
Other operating expenses				(4,088,544)
Other operating income				18,640,394
Finance cost				(65,960,877)
Loss before taxation				(190,553,114)
Taxation				(34,993,015)
Net loss for the period				(225,546,129)

GAZI FABRICS INTERNATIONAL LIMITED

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on February 27, 2024.

17 CORRESPONDING FIGURES

Corresponding figures have been re-arranged and reclassified, wherever necessary to facilitate better comparison. However, no significant rearrangement / reclassification of corresponding figures have been made.

18 GENERAL

Figures have been rounded off to the nearest Pakistani Rupee.



Chief Executive



Chief Financial Officer



Director