

# ALLAWASAYA

TEXTILE AND FINISHING MILLS LTD  
MULTAN



## FINANCIAL STATEMENTS (AUDITORS' REVIEWED)

For the Six Month Period Ended  
December 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. Mrs. Ayesha Mansoor
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

## **AUDITORS**

Yousuf Adil Chartered Accountants, Multan.

## **BANKERS**

M/s Habib Bank Limited  
M/s Bank AL Habib Limited  
M/s Habib Metropolitan Bank Limited  
M/s United Bank Limited  
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 your Company, it is our privilege to present before you the Auditors' Reviewed Financial Statements of your Company for the Six Month period ended December 31, 2023.

The period under review remained a challenge for Textile Industry; there was sharp increase in the prices of raw material i.e. Cotton and Polyester Fiber without any reciprocal increase in Yarn prices. The Cost of production increased as other inputs including Salary, Wages, Fuel and Power as well as extraordinarily increases in the markup rates also impacted badly. Already prevailing recession is still continuing and political instability and non-existence of any export oriented policy for Textile Industry adversely affected the financial results of the Company for the first quarter but overall performance for the six month period under review was satisfactory despite all the challenges.

Alhamdulillah, during the six month period under review, there was substantial growth in sales figures amounting to Rs.3,127,966,814/-as compared to Rs.1,764,285,781/- for the same period last year. The gross profit for the period was Rs.274,605,893/-as compared to Rs.73,379,840/-last year. The net Profit after providing for tax amounted to Rs.28,938,019/-for the Six Month period ended December 31, 2023 as compared to net loss of (Rs.104,427,545/-) for the same period last year. The Company's management is striving hard to cope with the current scenario of uncertainty.

On behalf of the Board

Sd/-

Mohammad Alamgir Jamil Khan  
**Chief Executive Officer**

Sd/-

Mian Idrees Ahmed Sheikh  
**Director**

Place: Multan

Dated: 29.02.2024

## ڈائریکٹران کا جائزہ

محترم حصص داران،

ہم کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے کمپنی کے آڈیٹرز سے محدود پڑتال و جائزہ شدہ مالیاتی نتائج برائے پہلی ششماہی مدت مئی 31 2023ء پیش کرتے ہیں۔

زیر نظر چھ ماہ کا دورانیہ ٹیکسٹائل انڈسٹری کے لیے کافی مشکل رہا۔ خام مال یعنی کاٹن اور پولیسٹر فائبر کی قیمتوں میں دھماگے کے نزخوں کے مقابل غیر معمولی اضافہ دیکھا گیا۔ پیداواری لاگت میں اضافہ ہوا کیونکہ تنخواہ، اجرت، ایندھن اور بجلی سمیت دیگر اشیاء کے ساتھ ساتھ شرح سود میں غیر معمولی اضافے نے کمپنی کے مالیاتی نتائج پر بڑے اثرات مرتب کیے۔ پہلے سے مروجہ کساد بازاری اب بھی جاری ہے۔ سیاسی عدم استحکام اور ٹیکسٹائل انڈسٹری کے لیے کسی برآمدی پالیسی کی عدم موجودگی نے پہلی سہ ماہی کے لیے کمپنی کے مالیاتی نتائج کو بری طرح متاثر کیا لیکن ان تمام چیلنجز کے باوجود زیر جائزہ چھ ماہ کی مدت کے دوران مجموعی کارکردگی تسلی بخش رہی۔

الحمد للہ زیر جائزہ چھ ماہ کی مدت کے دوران کمپنی کی کل فروختگی پچھلے سال کی نسبت خاطر خواہ اضافہ کے ساتھ مبلغ 3,127,966,814/- روپے رہی جو کہ گزشتہ سال اسی مدت کے دوران مبلغ 1,764,285,781/- روپے تھی۔ پہلی ششماہی مدت کے لیے ابتدائی منافع مبلغ 274,605,893/- روپے تھا جو پچھلے سال مبلغ 73,379,840/- روپے تھا۔ ٹیکس کی فراہمی کے بعد حتمی منافع مبلغ 28,938,019/- روپے رہا جبکہ پچھلے سال اسی مدت کے لیے حتمی خسارہ بعد از ٹیکس مبلغ 104,427,545/- روپے تھا۔ کمپنی کی انتظامیہ موجودہ غیر یقینی صورت حال سے نمٹنے کی بھرپور کوشش کر رہی ہے۔

بحکم بورڈ آف ڈائریکٹرز

دستخط  
میاں ادریس احمد شیخ۔ ڈائریکٹر

دستخط  
محمد عالمگیر جمیل خان۔ چیف ایگزیکٹو آفیسر

میلان۔ بتاریخ 29 فروری 2024ء



## INDEPENDENT AUDITORS' REVIEW REPORT

**To the members of Allawasaya Textile and Finishing Mills Limited**

**Report on the Review of Interim Financial Statements**

### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Allawasaya Textile and Finishing Mills Limited** (the Company) as at December 31, 2023 and the related condensed interim statement of profit or loss, 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 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.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### **Other Matter**

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income and the related notes for the three-month period ended December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2023.

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

**YOUSUF ADIL**  
**Chartered Accountants**

Multan  
Dated: 29.02.2024  
UDIN Number: [RR202310180JLS6U48kr](#)



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2023**

		(Unaudited) December 31, 2023 Rupees	(Audited) June 30, 2023 Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	2,268,129,767	2,298,225,326
Long term deposits		5,337,497	5,337,497
		<b>2,273,467,264</b>	<b>2,303,562,823</b>
<b>Current assets</b>			
Stores and spares		71,671,479	56,672,966
Stock in trade	4	700,117,595	934,774,914
Trade debts		575,821,927	406,488,578
Loans and advances and other receivables		38,150,629	40,784,179
Advance income tax		52,185,588	79,212,240
Tax refunds due from government		158,999,840	127,061,759
Trade deposits and prepayments		6,076,925	2,938,965
Other financial assets		15,000,000	14,918,610
Cash and bank balances		4,406,239	2,181,905
		<b>1,622,430,222</b>	<b>1,665,034,116</b>
<b>Total assets</b>		<b>3,895,897,486</b>	<b>3,968,596,939</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital		8,000,000	8,000,000
Tax holiday reserve		2,668,746	2,668,746
General reserve		80,000,000	80,000,000
Unappropriated profits		358,382,072	320,120,489
Surplus on revaluation of property, plant and equipment		1,148,127,608	1,157,451,172
		<b>1,597,178,426</b>	<b>1,568,240,407</b>
Loan from directors	5	108,300,000	105,000,000
		<b>1,705,478,426</b>	<b>1,673,240,407</b>
<b>Non-current liabilities</b>			
Long-term financing	6	188,482,152	214,740,876
Lease liabilities		7,250,442	8,584,574
Deferred tax liability		126,551,130	129,071,394
		<b>322,283,724</b>	<b>352,396,844</b>
<b>Current liabilities</b>			
Trade and other payables		681,413,536	665,119,885
Accrued markup		61,836,278	69,799,699
Short term borrowings	7	1,026,744,274	1,108,873,180
Current portion of long term financing	6	52,517,448	45,758,724
Current portion of lease liabilities		2,357,502	2,043,917
Unclaimed dividend		1,029,630	1,029,630
Provision for taxation		42,236,668	50,334,653
		<b>1,868,135,336</b>	<b>1,942,959,688</b>
<b>Contingencies and commitments</b>	8		
<b>Total equity and liabilities</b>		<b>3,895,897,486</b>	<b>3,968,596,939</b>

The annexed notes from 1 to 15 form an integral part of these interim financial statements.

ya

Sd/-  
Chief Executive

Sd/-  
Director

Sd/-  
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2023**

	Note	---- Six month period ended ----		--- Three month period ended ---	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
----- Rupees -----					
Revenue from contract with customers	9	3,127,966,814	1,764,285,781	1,457,970,808	833,667,319
Cost of goods sold	10	(2,853,360,921)	(1,690,905,941)	(1,301,946,035)	(802,927,251)
Gross profit		274,605,893	73,379,840	156,024,773	30,740,068
Other income		2,349,799	2,598,618	2,349,799	2,598,618
Distribution and marketing expenses		(20,073,564)	(11,026,579)	(5,767,510)	(3,545,231)
Administrative expenses		(47,584,907)	(43,802,953)	(24,826,211)	(22,471,947)
Finance cost		(143,779,881)	(107,643,204)	(68,302,829)	(59,110,068)
		(209,088,553)	(159,874,118)	(96,546,751)	(82,528,628)
Profit / (loss) before taxation		65,517,340	(86,494,278)	59,478,022	(51,788,560)
Taxation		(36,579,321)	(17,933,267)	(15,704,371)	(6,300,536)
Profit / (loss) for the period		28,938,019	(104,427,545)	43,773,651	(58,089,096)
Earnings per share basic and diluted		36.17	(130.53)	54.72	(72.61)

The annexed notes from 1 to 15 form an integral part of these interim financial statements.

*za*

Sd/-  
Chief Executive

Sd/-  
Director

Sd/-  
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2023**

	<u>...Six month period ended ...</u>		<u>...Three month period ended ...</u>	
	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	<u>----- Rupees -----</u>			
Profit / (loss) for the period	28,938,019	(104,427,545)	43,773,651	(58,089,096)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b><u>28,938,019</u></b>	<b><u>(104,427,545)</u></b>	<b><u>43,773,651</u></b>	<b><u>(58,089,096)</u></b>

The annexed notes from 1 to 15 form an integral part of these interim financial statements.

2/21

Sd/-  
Chief Executive

Sd/-  
Director

Sd/-  
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2023**

	----- Six month period ended -----	
	December 31, 2023 Rupees	December 31, 2022 Rupees
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	65,517,340	(86,494,278)
Adjustments for non cash items:		
Depreciation on property, plant and equipment	40,223,859	29,973,597
Gain on sale of property, plant and equipment	-	(1,602,033)
Provision for staff retirement benefits - gratuity	14,956,446	11,125,786
Finance cost	143,779,881	107,643,204
Operating cash flows before movement in working capital	264,477,526	60,646,276
<b>(Increase) / decrease in current assets</b>		
Stores and spares	(14,998,513)	(10,525,114)
Stock in trade	234,657,319	(530,418,373)
Trade debts	(169,333,349)	141,423,141
Loans and advances	2,552,160	92,860,137
Trade deposits and prepayments	(3,137,960)	(3,063,909)
Sales tax refundable	(15,491,597)	(64,870,520)
<b>Increase in current liabilities</b>		
Trade and other payables	12,725,142	138,882,271
	46,973,202	(235,712,367)
Net cash generated from / (used) in operations	311,450,728	(175,066,091)
Income tax paid	(36,617,402)	(68,398,902)
Staff retirement benefits - gratuity paid	(11,387,937)	(1,480,504)
Finance cost paid	(151,743,302)	(75,898,642)
	(199,748,641)	(145,778,048)
Net cash generated from / (used) in operating activities	111,702,087	(320,844,139)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(10,128,300)	(480,000)
Purchase of financial assets	-	(15,000,000)
Additions to capital work in progress	-	(112,795,138)
Proceeds from sale of property, plant and equipment	-	1,875,000
Net cash used in investing activities	(10,128,300)	(126,400,138)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term financing	-	66,860,000
Repayment of long term financing	(19,500,000)	(42,509,590)
Repayment of lease liabilities	(1,020,547)	(965,089)
Short term borrowings - net	(62,488,951)	392,477,071
Loan from directors	3,300,000	21,000,000
Dividend paid	-	(5,758,233)
Net cash generated from financing activities	(79,709,498)	431,104,159
Net increase / (decrease) in cash and cash equivalents (A+B+C)	21,864,289	(16,140,119)
Cash and cash equivalents at beginning of the period	(397,204,250)	(260,353,484)
Cash and cash equivalents at end of the period	(375,339,961)	(276,493,603)
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	4,406,239	12,225,855
Running finance	(379,746,200)	(288,719,458)
	(375,339,961)	(276,493,603)

The annexed notes from 1 to 15 form an integral part of these interim financial statements.

ya

Sd/-  
Chief Executive

Sd/-  
Director

Sd/-  
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2023**

Share Capital	Reserves				Total	Loan From Director	Total	
	Capital		Revenue					
	Surplus on revaluation of property, plant and equipment	Tax holiday reserve	General reserve	Unappropriated profits				
----- Rupees -----								
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	-	1,738,807,040
Loss for the six month period ended December 31, 2022	-	-	-	-	(104,427,545)	(104,427,545)	-	(104,427,545)
Other comprehensive income for the six month period ended December 31, 2022	-	-	-	-	-	-	-	-
Total comprehensive income for the six month period ended December 31, 2022	-	-	-	-	(104,427,545)	(104,427,545)	-	(104,427,545)
<b>Transaction with shareholders:</b>								
Loan from directors	-	-	-	-	-	-	21,000,000	21,000,000
Annual dividend for the year ended June 30, 2022 @ 7.25 per share	-	-	-	-	(5,800,000)	(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 )	-	(9,729,279)	-	-	9,729,279	-	-	-
Balance as at December 31, 2022 - Unaudited	8,000,000	1,167,398,607	2,668,746	80,000,000	370,512,142	1,628,579,495	21,000,000	1,649,579,495
Balance as at July 01, 2023 - Audited	8,000,000	1,157,451,172	2,668,746	80,000,000	320,120,489	1,568,240,407	105,000,000	1,673,240,407
Profit for the six month period ended December 31, 2023	-	-	-	-	28,938,019	28,938,019	-	28,938,019
Other comprehensive income for the six month period ended December 31, 2023	-	-	-	-	-	-	-	-
Total comprehensive income for the six month period ended December 31, 2023	-	-	-	-	28,938,019	28,938,019	-	28,938,019
<b>Transaction with shareholders:</b>								
Loan from directors	-	-	-	-	-	-	3,300,000	3,300,000
Transfer from surplus on revaluation of property plant and equipment on account of incremental depreciation ( net of deferred tax )	-	(9,323,564)	-	-	9,323,564	-	-	-
<b>Balance as at December 31, 2023</b>	<b>8,000,000</b>	<b>1,148,127,608</b>	<b>2,668,746</b>	<b>80,000,000</b>	<b>358,382,072</b>	<b>1,597,178,426</b>	<b>108,300,000</b>	<b>1,705,478,426</b>

The annexed notes from 1 to 15 form an integral part of these interim financial statements.

*ya*

Sd/-  
Chief Executive

Sd/-  
Director

Sd/-  
Chief Financial Officer

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2023**

**1. LEGAL STATUS AND OPERATIONS**

- 1.1** Allawasaya Textile and Finishing Mills Limited (the Company) was incorporated in Pakistan on March 31, 1958 as a private limited company. It was converted into a public limited company in 1965 under the Companies Act 1913 (now Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange (PSX) in Pakistan. It is principally engaged in the manufacturing and sale of yarn. The registered office and mill of the Company is situated at Allawasaya Square, Mumtazabad Industrial Area, Vehari Road, Multan in the province of Punjab.
- 1.2** These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

**2. MATERIAL ACCOUNTING POLICY INFORMATION**

**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. These interim financial statements are unaudited but subject to limited scope review by auditors and is being submitted to the shareholders as required under Section 237 of the Act.

- 2.2** These condensed interim financial statements do not include all information required for full annual financial statements and should be read in conjunction with annual audited financial statements for the year ended June 30, 2023. Comparative condensed interim statement of financial position has been extracted from annual audited financial statements for the year ended June 30, 2023 whereas comparative condensed interim statement of profit or loss and condensed interim statement of comprehensive income, comparative condensed interim statement of changes in equity and comparative condensed interim statement of cash flows have been extracted from un-audited condensed interim financial statements for the six month period ended December 31, 2022.

**2.3 Accounting policies and methods of computation**

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2023. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2023, which do not have any impact on the Company's financial reporting except the disclosure of material accounting policy information rather than significant accounting policies and therefore, have not been detailed in this condensed interim financial information.

**2.4 Financial risk management**

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

		(Unaudited) December 31, 2023 Rupees	(Audited) June 30, 2023 Rupees
<b>3. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating assets	3.1	<u>2,268,129,767</u>	<u>2,298,225,326</u>
		<u>2,268,129,767</u>	<u>2,298,225,326</u>
<b>3.1 Operating assets</b>			
Opening book value		2,298,225,326	1,878,204,602
Additions during the period/year			
-Building on free-hold land		-	68,907,226
-Plant and Machinery		10,128,300	411,633,653
-Vehicle and automobile		-	4,340,151
		<u>10,128,300</u>	484,881,030
Disposal during the period / year - cost		-	(26,078,421)
Depreciation relating to disposal during the period/year		-	21,853,698
Net Book value of disposed assets		-	(4,224,723)
Depreciation charge for the period/year		<u>(40,223,859)</u>	<u>(60,635,583)</u>
Closing book value		<u>2,268,129,767</u>	<u>2,298,225,326</u>
<b>4. STOCK IN TRADE</b>			
Raw materials		409,566,461	537,024,026
Work in process		33,645,407	40,802,995
Finished goods		<u>256,905,727</u>	<u>356,947,893</u>
		<u>700,117,595</u>	<u>934,774,914</u>
<b>5. LOAN FROM DIRECTORS</b>			
Mian Muhammad Jamil		21,500,000	21,500,000
Mian Muhammad Alamgir Jamil Khan		36,000,000	36,000,000
Mian Idrees Ahmad Sheikh		<u>50,800,000</u>	<u>47,500,000</u>
	5.1	<u>108,300,000</u>	<u>105,000,000</u>
5.1 These loans are interest free and have been obtained to meet operational financing needs of the Company. These are repayable at the discretion of the Company considering the liquidity position of the Company. Hence, repayment terms are not identified.			
<b>6. LONG-TERM FINANCING</b>			
<b>From banking companies - secured</b>			
		(Unaudited) December 31, 2023 Rupees	(Audited) June 30, 2023 Rupees
Term Finance (TF)	6.1	66,000,000	85,500,000
Temporary Economic Refinance Facility (TERF)	6.2	<u>174,999,600</u>	<u>174,999,600</u>
		<u>240,999,600</u>	260,499,600
Less: current portion of long term financing		<u>(52,517,448)</u>	<u>(45,758,724)</u>
		<u>188,482,152</u>	<u>214,740,876</u>
6.1 This finance has been obtained from Bank Al Habib Limited for BMR. The loan is repayable in 20 equal quarterly installments commencing from Feb 14, 2020 after the completion of grace period .The Tenor of this loan is 6.5 Years ( including 01 year grace period and Deferment of instalment for six months under COVID-19). It carries markup at rate of 6 month Avg Kibor+ 1.5%. The finance is secured against first mortgage charge of Rs.415.000M duly registered with SECP, over present and future fixed assets of the Company. The purpose of this loan was to improve the production quality of spinning unit as well as the quality of the products.			



6.2 This represents debt financing obtained from Bank Al Habib Limited for retirement of Import documents drawn under LC(s). This loan has facility Limit upto PKR 175 million and is repayable in 10 years with 2 years grace period in 16 semi-annual installments or on demand. It carries mark up at SBP RR+ 3%. The finance is secured against first mortgage charge of Rs 727 Million against personal guarantees of the working directors.

		(Unaudited) December 31, 2023	(Audited) June 30, 2023
<b>7. SHORT TERM BORROWINGS</b>			
<i>From banking companies</i>			
<b>Secured - under markup arrangements</b>		<b>Rupees</b>	<b>Rupees</b>
Running finance	Note 7.1	379,746,200	399,386,155
Cash finance	Note 7.2	646,998,074	709,487,025
		<u>1,026,744,274</u>	<u>1,108,873,180</u>

7.1 Running finance facilities have been obtained from Bank Al Habib Limited, Habib Bank Limited, Habib Metro Bank Limited and United Bank Limited having limit aggregate to Rs.400 million. These facilities are obtained for working capital requirements, and are secured against Promissory notes duly signed and stamped and Joint pari passu charge over current assets of the Company. These facilities carry mark up at the rates ranging from 23.27% to 23.81% per annum (June 30, 2023 12.89% to 23.48% per annum).

7.2 Cash finance facilities have been obtained from Bank Al Habib Limited, Habib Bank Limited, Habib Metro Bank Limited, Askari Bank Limited, Samba Bank Limited and United Bank Limited having limit aggregate to Rs.1175 million of which facilities remain unutilized at the year end amounts to Rs.236 million. These facilities are obtained for working capital requirements, and are secured against pledge of cotton bales, yarn and polyester and stocks of raw material and finished goods and promissory note along with personal guarantee of directors with Personal Net Worth Statement. These facilities carry mark up at the rates ranging from 22.91% to 24.11% per annum (June 30, 2023 14.91% to 23.20% per annum).

## 8. CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

There is no material change in the status of contingencies as disclosed in the published annual financial statements of the Company for the year ended June 30, 2023.

### 8.2 Commitments

Commitments outstanding at the end of the period in respect of letters of guarantee are Rs. 50.61 million (June 30, 2023: Rs. 50.61 million).

	(Unaudited) December 31, 2023	(Audited) June 30, 2023
Letter of credit	21,652,374	107,899
	<u>21,652,374</u>	<u>107,899</u>

(Unaudited)			
----- Six month period ended -----		--- Three month periods ended ---	
December 31,		December 31,	
2023	2022	2023	2022
----- Rupees -----			

## 9. REVENUE FROM CONTRACT WITH CUSTOMERS - NET

### Local

Yarn	3,113,005,863	1,752,331,258	1,452,528,749	827,563,376
Viscose	-	1,243,055	-	1,243,055
Waste	14,960,951	10,711,468	5,442,059	4,860,888
	<u>3,127,966,814</u>	<u>1,764,285,781</u>	<u>1,457,970,808</u>	<u>833,667,319</u>

	----- (Unaudited) -----			
	----- Six month period ended -----		--- Three month periods ended ---	
	December 31,		December 31,	
	2023	2022	2023	2022
	----- Rupees -----			
<b>10. COST OF GOODS SOLD</b>				
Raw material consumed	1,962,901,653	1,320,439,424	843,655,593	636,855,323
Salaries, wages and benefits	216,538,960	159,106,493	103,905,050	82,303,644
Stores and spares consumed	25,029,245	20,849,993	11,181,915	4,782,450
Packing materials consumed	36,701,423	18,476,743	18,570,623	9,690,660
Fuel and power	462,592,206	226,297,965	286,297,618	118,946,712
Repairs and maintenance	1,115,854	873,876	359,300	336,506
Insurance expenses	3,163,234	3,296,436	1,581,617	1,648,218
Depreciation	38,118,592	27,564,692	19,063,253	13,781,348
	<u>2,746,161,167</u>	<u>1,776,905,622</u>	<u>1,284,614,969</u>	<u>868,344,861</u>
<b>Work in process</b>				
Opening stock	40,802,995	28,496,209	42,453,461	33,395,388
Closing stock	(33,645,407)	(21,809,201)	(33,645,407)	(21,809,201)
	<u>7,157,588</u>	<u>6,687,008</u>	<u>8,808,054</u>	<u>11,586,187</u>
Cost of goods manufactured	<u>2,753,318,755</u>	<u>1,783,592,630</u>	<u>1,293,423,023</u>	<u>879,931,048</u>
<b>Finished goods</b>				
Opening stock	356,947,893	146,017,087	265,428,739	161,699,979
Closing stock	(256,905,727)	(238,703,776)	(256,905,727)	(238,703,776)
	<u>100,042,166</u>	<u>(92,686,689)</u>	<u>8,523,012</u>	<u>(77,003,797)</u>
Cost of goods sold	<u>2,853,360,921</u>	<u>1,690,905,941</u>	<u>1,301,946,035</u>	<u>802,927,251</u>

**11. RELATED PARTY TRANSACTIONS**

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

	----- (Unaudited) -----			
	----- Six month period ended -----		--- Three month period ended ---	
	December 31,		December 31,	
	2023	2022	2023	2022
	----- Rupees -----			
<b>Nature of transactions</b>				
<b>Key management personnel</b>				
Remuneration of chief executive officer, directors and executives	16,696,000	15,780,000	8,758,000	7,890,000
Utilities	2,902,435	4,248,763	1,046,597	2,541,228
Others	6,075,789	-	5,010,789	-
	<u>25,674,224</u>	<u>20,028,763</u>	<u>14,815,386</u>	<u>10,431,228</u>

**12. FAIR VALUE MEASUREMENT**

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

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

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



**12.1 Fair value of property, plant and equipment**

The company's Land-Freehold, Building on Free-hold Land, Plant & Machinery, Electric Installation, Power house at revalued amount, being fair value at the date of revaluation using market basis, less any subsequent depreciation and subsequent impairment losses, if any. The fair value measurement of the company's Free-hold Land, Plant & Machinery, Electric Installation and Power house as at June 30, 2022 were performed by K.G. (Private) Limited (valuer), an independent valuer is listed on panel of Pakistan Banks Association with proper qualification and experience in the fair value measurement of property, plant and equipment.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	-----Rupees-----			
<b>As at December 31, 2023</b>				
Land- freehold	-	805,943,000	-	805,943,000
Building on freehold land	-	350,699,495	-	350,699,495
Plant and machinery	-	995,350,229	-	995,350,229
Power house		78,106,879		78,106,879
<b>As at June 30, 2023</b>				
Land- freehold	-	805,943,000	-	805,943,000
Building on freehold land	-	359,691,789	-	359,691,789
Plant and machinery	-	1,010,674,921	-	1,010,674,921
Power house		80,304,021		80,304,021

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

**13. CORRESPONDING FIGURES**

The preparation and presentation of these financial statements for the year ended December 31, 2023 is in accordance with the requirements of IFRSs.

**14. DATE OF AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements were authorized for issue on **February 29, 2024** by the Board of Directors of the Company.

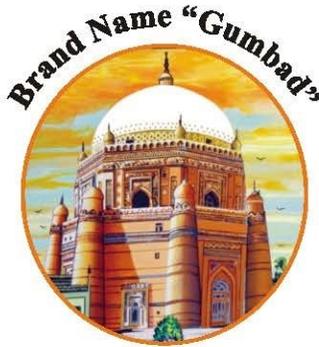
**15. GENERAL**

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

Sd/-  
Chief Executive

Sd/-  
Director

Sd/-  
Chief Financial Officer



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

**ALLAWASAYA TEXTILE AND FINISHING MILLS LIMITED**

Allawasaya Square, Mumtazabad Industrial Area,  
Vehari Road, Multan, Pakistan.

Phone: (061) 4233624-26

Website: [www.allawasaya.com](http://www.allawasaya.com)

E-mail: [atm@allawasaya.com](mailto:atm@allawasaya.com)