

ALLAWASAYA

TEXTILE AND FINISHING MILLS LTD
MULTAN



FINANCIAL STATEMENTS (AUDITORS' REVIEWED)

For the Six Month Period Ended
December 31, 2024



BOARD OF DIRECTORS

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

AUDIT COMMITTEE

Mr. Nazir Ahmad Khan (Independent Director)- Chairman
Mr. Abdul Rehman Qureshi (Independent Director)- Member
Mrs. Nusrat Jamil (Non-Executive Director)- Member

CHIEF FINANCIAL OFFICER

Sohail Nadeem

COMPANY SECRETARY

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

SHARES REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Limited,
H.M. House, 7- Bank Square, Lahore.
Ph: (042)37235081-82
E-Mail: shares@hmaconsultants.com

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, 2024.

The textile industry continues to face multiple challenges, including:

- **High Production Costs:** High energy tariffs have significantly increased production costs.
- **Low Demand:** Due to high cost of production, our industry is unable to compete in the international market. Inflation has reduced the buying power in the local market which has negatively impacted the demand of yarn. Moreover, misuse of Export Finance Scheme (EFS) has hurt the spinning industry badly as imported yarn is being dumped in the market.

Financial Performance

The performance of the Company was affected due to the above stated reasons. The textile industry has become un-competitive in the international market due to high operational cost. The gross profit margin remained under pressure due to high energy tariffs along with other factors like lack of government policy for export led growth of the industry as well as the economy. Resultantly, the company posted a Net Loss of (Rs.158,877,302/-) for the six month period ended December 31, 2024 as compared to the Net Profit of Rs.28,938,019/- for the same period last year. Similarly the company posted a Net Loss of (Rs.61,867,565/-) for the three month period ended December 31, 2024 as compared to the Net Profit of Rs.43,773,651/- for the same period last year.

The company is implementing the following strategies to mitigate the adverse impact of above stated challenges:

- **Cost Optimization:** A focus on reducing operational costs and optimizing resource utilization.
- **Sustainable Energy:** Investing in energy-efficient technologies and adopting environmentally sustainable processes to reduce costs and improve competitiveness. The company has started installation of 3.2 megawatt solar system which is under progress. This will have a positive impact on the energy cost and which will reduce substantially, Insha Allah.

The management is further planning to add one more mega watt into the system.

The management of the company is hopeful that after the completion of installation of the Solar Project, the results for the next quarter will Insha Allah be better and will add value for the shareholders.

On behalf of the Board

Sd/-
Mohammad Alamgir Jamil Khan
Chief Executive Officer

Sd/-
Mian Idrees Ahmed Sheikh
Executive Director

Place: Multan

Dated: 27.02.2025

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 ختمہ 31 دسمبر 2024ء پیش کرتے ہیں۔

ٹیکسٹائل صنعت کو متعدد وسائل کا سامنا ہے، جن میں شامل ہیں:

زیادہ پیداواری لاگت: توانائی کے بلند نرخوں نے پیداواری اخراجات میں نمایاں اضافہ کر دیا ہے۔

کم طلب: زیادہ پیداواری لاگت کے باعث ہماری صنعت بین الاقوامی منڈی میں مسابقت سے قاصر ہے، جبکہ مہنگائی کے سبب مقامی منڈی میں خریداری کی قوت کم ہونے سے دھماگے کی طلب متاثر ہوئی ہے۔ مزید برآں، ایکسپورٹ فنانس سکیم (EFS) کے قلعہ استعمال نے اسپینگ انڈسٹری کو شدید نقصان پہنچایا ہے، کیونکہ درآمد شدہ دھماگہ مقامی منڈی میں سستے داموں فروخت کیا جا رہا ہے۔

مالیاتی کارکردگی

کمپنی کی کارکردگی مذکورہ بالا وجوہات کی بنا پر متاثر ہوئی۔ زیادہ پیداواری لاگت کے باعث ٹیکسٹائل صنعت بین الاقوامی منڈی میں غیر مسابقتی ہو چکی ہے۔ بلند توانائی نرخوں سمیت دیگر عوامل، جیسے برآمدات پر مبنی حکومتی پالیسی کی عدم موجودگی نے مجموعی منافع کے مارجن پر دباؤ برقرار رکھا۔ نتیجتاً، کمپنی نے 31 دسمبر 2024ء کو ختم ہونے والے چھ ماہ کے عرصے میں مبلغ -/158,877,302 روپے کا خالص خسارہ برداشت کیا، جبکہ گزشتہ سال اسی مدت کے دوران مبلغ -/28,938,019 روپے کا خالص منافع حاصل ہوا تھا۔ اسی طرح، 31 دسمبر 2024 کو ختم ہونے والے تین ماہ کے عرصے میں کمپنی نے مبلغ -/61,867,565 روپے کا خالص خسارہ روپوٹ کیا، جبکہ گزشتہ سال اسی مدت میں مبلغ -/43,773,651 روپے کا خالص منافع حاصل ہوا تھا۔

کمپنی درج ذیل حکمت عملیاں اپنا رہی ہے تاکہ مذکورہ مسائل کے منفی اثرات کو کم کیا جاسکے:

لاگت میں کمی: پیداواری اخراجات کو کم کرنے اور وسائل کے موثر استعمال پر خصوصی توجہ دی جا رہی ہے۔

پاسدائیتوانائی: توانائی کے موثر اور ماحول دوست طریقے اپنانے کے لیے جدید ٹیکنالوجیز میں سرمایہ کاری کی جا رہی ہے تاکہ لاگت میں کمی اور مسابقت میں بہتری لائی جاسکے۔ اس مقصد کے تحت 3.2 میگا واٹ کا سولر سسٹم نصب کرنے کا کام جاری ہے، جو مکمل ہونے کے بعد توانائی کے اخراجات میں نمایاں کمی لائے گا۔ انشا اللہ۔

مزید برآں، کمپنی کی انتظامیہ توانائی کے نظام میں ایک اور میگا واٹ شامل کرنے کا منصوبہ بھی بنا رہی ہے۔

کمپنی کی انتظامیہ پر امید ہے کہ سولر پروجیکٹ کی تکمیل کے بعد آئندہ سہ ماہی کے نتائج اچھے آئندہ بہتر ہوں گے اور حصص داران کے لیے قدر میں اضافہ کریں گے۔

بحکم بورڈ آف ڈائریکٹرز

دستخط

دستخط

میاں اورلیس احمد شیخ - ایگزیکٹو ڈائریکٹر

محمد عالمگیر جیل خان - چیف ایگزیکٹو آفیسر

ملتان - بتاریخ 27 فروری 2025ء



INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Allawasaya Textile and Finishing Mills Limited

Report on the Review of condensed 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, 2024 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 "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.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of condensed 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 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for condensed 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, 2024 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2024.

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

YOUSUF ADIL
Chartered Accountants

Multan
Dated: 27.02.2025
UDIN Number: **RR202410180YzvQ3Jk8I**



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Note	(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,886,821,574	2,243,547,766
Long term advances		33,600,000	-
Long term deposits		5,337,497	5,337,497
		1,925,759,071	2,248,885,263
Current assets			
Stores and spares		77,146,538	58,578,263
Stock in trade	4	589,162,436	545,123,823
Trade debts		234,187,172	282,144,194
Loans and advances		18,350,727	24,012,983
Advance income tax		37,993,867	75,638,815
Tax refunds due from government		246,114,045	323,555,029
Trade deposits and prepayments		6,208,587	3,742,015
Other financial assets		15,000,000	15,000,000
Cash and bank balances		412,525	3,786,864
		1,224,575,897	1,331,581,986
Assets held for sale	5	322,850,000	-
		1,547,425,897	1,331,581,986
Total assets		3,473,184,968	3,580,467,249
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		8,000,000	8,000,000
Tax holiday reserve		2,668,746	2,668,746
General reserve		20,000,000	80,000,000
Unappropriated profit		12,506,275	106,251,722
Surplus on revaluation of property, plant and equipment - net of deferred tax		1,121,171,396	1,126,303,251
		1,164,346,417	1,323,223,719
Loan from directors	6	192,500,000	157,500,000
		1,356,846,417	1,480,723,719
Non-current liabilities			
Long-term financing	7	372,891,622	129,196,856
Lease liabilities		4,158,039	5,886,705
Deferred tax liability		169,366,375	170,967,248
Deferred grant		29,801,277	34,011,367
		576,217,313	340,062,176
Current liabilities			
Trade and other payables		937,386,851	770,156,906
Accrued markup		31,181,828	48,779,664
Short term borrowings	8	359,236,155	731,873,325
Current portion of long term financing	7	175,987,847	116,696,198
Current portion of lease liabilities		3,121,903	2,693,918
Current portion of deferred grant		8,486,395	8,836,456
Unclaimed dividend		1,029,630	1,029,630
Provision for levy		23,690,629	79,615,257
		1,540,121,238	1,759,681,354
Contingencies and commitments	9		
Total equity and liabilities		3,473,184,968	3,580,467,249

The annexed notes from 1 to 16 form an integral part of these condensed 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, 2024

		---- Six month period ended ----		---- Three month period ended ----	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Note		----- Rupees -----			
Revenue from contract with customers	10	1,644,283,686	3,127,966,814	862,003,868	1,457,970,808
Cost of goods sold	11	(1,620,911,515)	(2,853,360,921)	(832,572,721)	(1,301,946,035)
Gross profit		23,372,171	274,605,893	29,431,147	156,024,773
Other income		6,300,150	2,349,799	6,300,150	2,349,799
Distribution and marketing expenses		(11,822,955)	(20,073,564)	(3,909,743)	(5,767,510)
Administrative expenses		(63,717,528)	(47,584,907)	(38,792,065)	(24,826,211)
Finance cost		(94,056,467)	(143,779,881)	(45,722,879)	(68,302,829)
		(163,296,800)	(209,088,553)	(82,124,537)	(96,546,751)
(Loss) / profit before revenue tax and income tax		(139,924,629)	65,517,340	(52,693,390)	59,478,022
Revenue tax		(20,553,546)	(36,579,321)	(10,775,048)	(15,704,371)
(Loss) / profit before income tax		(160,478,175)	28,938,019	(63,468,438)	43,773,651
Income tax		1,600,873	-	1,600,873	
(Loss) / profit for the period		(158,877,302)	28,938,019	(61,867,565)	43,773,651
Earnings per share basic and diluted		(198.60)	36.17	(77.33)	54.72

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

ya

Sd/-
Chief Executive

Sd/-
Director

Sd/-
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	...Six month period endedThree month period ended ...	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- Rupees -----			
(Loss) / profit for the period	(158,877,302)	28,938,019	(61,867,565)	43,773,651
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(158,877,302)	28,938,019	(61,867,565)	43,773,651

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

ya

Sd/-
Chief Executive

Sd/-
Director

Sd/-
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	----- Six month period ended -----	
	December 31, 2024 Rupees	December 31, 2023 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before income taxation	(160,478,175)	28,938,019
Adjustments for non cash items:		
Depreciation on property, plant and equipment	38,325,236	40,223,859
Provision for staff retirement benefits - gratuity	8,524,815	14,956,446
Finance cost	94,056,467	143,779,881
Revenue tax	20,553,546	36,579,321
Operating cash flows before movement in working capital	981,889	264,477,526
(Increase) / decrease in current assets		
Stores and spares	(18,568,275)	(14,998,513)
Stock in trade	(44,038,613)	234,657,319
Trade debts	47,957,022	(169,333,349)
Loans and advances	5,662,256	2,552,160
Trade deposits and prepayments	(2,466,572)	(3,137,960)
Sales tax refundable	61,189,277	(15,491,597)
Increase in current liabilities		
Trade and other payables	191,336,154	12,725,142
	241,071,249	46,973,202
Net cash generated from operations	242,053,138	311,450,728
Revenue tax paid	(22,581,519)	(36,617,402)
Staff retirement benefits - gratuity paid	(32,631,024)	(11,387,937)
Finance cost paid	(111,654,303)	(151,743,302)
	(166,866,846)	(199,748,641)
Net cash generated from operating activities	75,186,292	111,702,087
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(3,620,430)	(10,128,300)
Additions to capital work in progress	(828,614)	-
Long term advances	(33,600,000)	-
Net cash used in investing activities	(38,049,044)	(10,128,300)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(42,444,435)	(19,500,000)
Repayment of lease liabilities	(1,300,681)	(1,020,547)
Short term borrowings - net	99,313,736	(62,488,951)
Loan from directors	35,000,000	3,300,000
Net cash generated / (used in) from financing activities	90,568,620	(79,709,498)
Net increase in cash and cash equivalents (A+B+C)	127,705,868	21,864,289
Cash and cash equivalents at beginning of the period	(314,297,675)	(397,204,250)
Cash and cash equivalents at end of the period	(186,591,807)	(375,339,961)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	412,525	4,406,239
Running finance	(187,004,332)	(379,746,200)
	(186,591,807)	(375,339,961)

The annexed notes from 1 to 16 form an integral part of these condensed 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, 2024

Share Capital	Reserves				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, 2023 - Audited	8,000,000	1,157,451,172	2,668,746	80,000,000	320,120,489	105,000,000	1,673,240,407
Profit for the six month period ended December 31, 2023	-	-	-	-	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
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	-	-
Transaction with shareholders:							
Loan from directors	-	-	-	-	-	3,300,000	3,300,000
Balance as at December 31, 2023	8,000,000	1,148,127,608	2,668,746	80,000,000	358,382,072	108,300,000	1,705,478,426
Balance as at July 01, 2024 - Audited	8,000,000	1,126,303,251	2,668,746	80,000,000	106,251,722	157,500,000	1,480,723,719
Loss for the six month period ended December 31, 2024	-	-	-	-	(158,877,302)	-	(158,877,302)
Other comprehensive income for the six month period ended December 31, 2024	-	-	-	-	-	-	-
Total comprehensive income for the six month period ended December 31, 2024	-	-	-	-	(158,877,302)	-	(158,877,302)
Transfer from surplus on revaluation of property plant and equipment on account of incremental depreciation (net of deferred tax)	-	(5,131,855)	-	-	5,131,855	-	-
Transfer from general reserve to unappropriated profits	-	-	-	(60,000,000)	60,000,000	-	-
Transaction with shareholders:							
Loan from directors	-	-	-	-	-	35,000,000	35,000,000
Balance as at December 31, 2024	8,000,000	1,121,171,396	2,668,746	20,000,000	12,506,275	192,500,000	1,356,846,417

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

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, 2024**

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 condensed 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, 2024. Comparative condensed interim statement of financial position has been extracted from annual audited financial statements for the year ended June 30, 2024 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 unaudited condensed interim financial statements for the six month period ended December 31, 2023.

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, 2024. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2024, 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, 2024.

		(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
3. PROPERTY, PLANT AND EQUIPMENT	Note		
Operating assets	3.1	1,885,992,960	2,243,547,766
Capital work-in-progress		828,614	-
		<u>1,886,821,574</u>	<u>2,243,547,766</u>

		(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
3.1 Operating assets	Note		
Opening carrying value		2,243,547,766	2,298,225,326
Additions during the period/year			
- Plant and machinery		-	45,433,218
- Electric installation		3,620,430	-
- Weighing scales		-	69,400
		3,620,430	45,502,618
Disposal during the period / year - cost		-	(21,286,396)
Depreciation relating to disposal during the period/year		-	1,577,190
Net book value of disposed assets		-	(19,709,206)
Depreciation charge for the period/year		(38,325,236)	(80,470,972)
Classified as held for sale - land		(322,850,000)	-
Closing carrying value		1,885,992,960	2,243,547,766
4. STOCK IN TRADE			
Raw materials		354,111,982	317,262,236
Raw material in-transit		-	35,129,327
Work in process		29,926,953	33,313,644
Finished goods			
-Yarn		200,555,131	149,561,101
-Waste		4,568,370	9,857,515
		205,123,501	159,418,616
		589,162,436	545,123,823
5. ASSETS HELD FOR SALE			
Land	5.1	322,850,000	-
5.1. The shareholders of the Company has approved to sale a piece of land measuring 58 kanals and 14 marlas in Extra ordinary general meeting (EOGM) held on November 11, 2024. It has been classified as held for sale as per IFRS 5, as the management is committed to sell the land within a period of one year. For this purpose, management is actively making efforts to locate the buyer including ongoing negotiations with the some potential buyers.			
		(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
6. LOAN FROM DIRECTORS	Note		
Mian Muhammad Jamil		21,500,000	21,500,000
Mian Muhammad Alamgir Jamil Khan		111,000,000	76,000,000
Mian Idrees Ahmad Sheikh		60,000,000	60,000,000
	6.1	192,500,000	157,500,000
6.1 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.			
		(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
7. LONG-TERM FINANCING	Note		
From banking companies - secured			
Term Finance			
Bank Al Habib Limited		33,000,000	46,500,000
Askari Bank Limited		54,000,000	74,000,000
Samba Bank Limited	7.1	127,685,646	-
Carried forward		214,685,646	120,500,000

		(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
<i>Brought forward</i>		214,685,646	120,500,000
Demand Finance			
Bank Al Habib Limited	7.2	90,000,000	-
United Bank Limited	7.3	121,000,000	-
		211,000,000	-
Temporary Economic Refinance Facility (TERF)			
Bank Al Habib Limited		161,481,495	168,240,876
		587,167,141	288,740,876
Less: Current portion of long term financing	7.4	(175,987,847)	(116,696,198)
Less: Current portion of deferred grant		(8,486,395)	(8,836,456)
Less: Deferred grant		(29,801,277)	(34,011,367)
		372,891,622	129,196,856
<p>7.1 An amount of Rs. 129.87 million has been converted from cash finance and running finance into the term finance by Samba Bank Limited on November 8, 2024 for working capital management. This loan is repayable in 60 equal monthly installments, commenced from December 08, 2024 with no grace period. It carries markup at the rate of 1 month KIBOR + 1.5%. This finance is secured against full registered mortgage of Industrial Land admeasuring 37 Kanal, 02 Marla situated at mills site and personal guarantees of directors of the Company.</p> <p>7.2 An amount of Rs. 90 million has been converted from cash finance and running finance into term finance by Bank Al Habib Limited on October 24, 2024 for permanent reduction in short term obligations. The loan is repayable in 16 equal quarterly installments, commenced from May 01, 2025 with 6 month grace period. It carries markup at the rate of 6MK + 0.5%. This finance is secured against personal guarantees of directors of the Company.</p> <p>7.3 An amount of Rs. 121 million has been converted from cash finance and running finance into demand finance by United Bank Limited on October 10, 2024 for terminating out the short term outstanding exposure. This loan is repayable in 48 equal monthly installments, commenced from December 01, 2024 with no grace period. It carries markup at the rate of 1 month KIBOR + 1.5% pa. This finance is secured against first pari passu charge over the fixed assets of the Company with 25% margin and personal guarantees of directors of the Company.</p> <p>7.4 The amount includes overdue balances of Rs. 18.5 million from Bank Al Habib Limited, Askari Bank Limited, and United Bank Limited, which were due for payment before the period end but remain outstanding.</p>			
	Note	(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
8. SHORT TERM BORROWINGS			
From banking companies			
Secured - under markup arrangements			
Running finance	8.1	187,004,332	318,084,539
Cash finance	8.2	172,231,823	413,788,786
		359,236,155	731,873,325
<p>8.1 Running finance facilities have been obtained from Bank Al Habib Limited, Habib Bank Limited, Habib Metro Bank Limited and Samba Bank Limited having limit aggregate to Rs. 250 million (June 30, 2024: Rs. 335 million) of which facilities remain unutilize at the period ends amount to Rs. 63 million (June 30, 2024: 17.2 million) . These facilities are obtained for working capital requirements, and are secured against Joint pari passu charge over current assets of the Company. These facilities carry mark up at the rates ranging from 15.93% to 21.99% per annum (June 30, 2024: 22.51% to 24.41% per annum).</p> <p>8.2 Cash finance facilities have been obtained from Bank Al Habib Limited, Habib Metro Bank Limited and Samba Bank Limited having limit aggregate to Rs. 400 million (June 30, 2024: Rs. 975 million) of which facilities remain unutilized at the year end amounts to Rs.228 million (June 30, 2024: 561.3 million). These facilities are obtained for working capital requirements, and are secured against pledge of cotton bales, fiber and yarn in lock and key under bank's muccaddum and promissory note along with personal guarantee of directors with personal net worth statement. These facilities carry mark up at the rates ranging from 16.13% to 20.85% per annum (June 30, 2024: 21.24% to 24.7% per annum).</p>			

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

The Company has filed a writ petition against Water And Sanitation Agency (WASA) Multan regarding special notice dated December 22, 2004 in which the authority has demanded a sum of Rs. 4.1 million of the arrears of water effluent discharge. The Company is of opinion that it is a spinning mill and has not undertaken a job of weaving and finishing so there is no effluent discharge of water from the unit. The Lahore High Court through order no. C.M.No.2 of 2004 had ordered that impugned notice shall remain suspended till final order.

9.2 Commitments

Letter of guarantee issued by Habib Bank Limited to SNGPL of Rs. 37.65 million and by Bank Al Habib to MEPCO of Rs. 12.96 million on behalf of the Company outstanding as at December 31, 2024. This aggregates to Rs. 50.61 million (2024: Rs. 50.61 million).

	(Unaudited) December 31, 2024 Rupees	(Audited) June 30, 2024 Rupees
Letter of credit	-	35,146,230

(Unaudited)			
----- Six month period ended ----- December 31, 2024		--- Three month periods ended --- December 31, 2024	
2024	2023	2024	2023
----- Rupees -----			

10. REVENUE FROM CONTRACT WITH CUSTOMERS - NET

Local

Yarn	1,922,853,282	3,515,227,779	1,014,479,381	1,622,975,344
Polyester	3,386,520	-	-	-
Waste	14,014,947	17,760,189	2,686,923	6,527,897
	1,940,254,749	3,532,987,968	1,017,166,304	1,629,503,241
Less: sales tax	(295,971,063)	(405,021,154)	(155,162,436)	(171,532,433)
	1,644,283,686	3,127,966,814	862,003,868	1,457,970,808

11. COST OF GOODS SOLD

Raw material consumed	1,103,345,863	1,962,901,653	611,545,481	843,655,593
Salaries, wages and benefits	157,060,125	216,538,960	74,726,910	103,905,050
Stores and spares consumed	27,803,843	25,029,245	14,823,046	11,181,915
Packing materials consumed	22,351,818	36,701,423	12,714,038	18,570,623
Fuel and power	311,378,250	462,592,206	160,799,416	286,297,618
Repairs and maintenance	1,167,490	1,115,854	634,320	359,300
Insurance	3,487,400	3,163,234	1,743,700	1,581,617
Depreciation	36,634,920	38,118,592	18,385,342	19,063,253
	1,663,229,709	2,746,161,167	895,372,253	1,284,614,969
Work in process				
Opening stock	33,313,644	40,802,995	23,269,173	42,453,461
Closing stock	(29,926,953)	(33,645,407)	(29,926,953)	(33,645,407)
	3,386,691	7,157,588	(6,657,780)	8,808,054
Cost of goods manufactured	1,666,616,400	2,753,318,755	888,714,473	1,293,423,023
Finished goods				
Opening stock	159,418,616	356,947,893	148,981,749	265,428,739
Closing stock	(205,123,501)	(256,905,727)	(205,123,501)	(256,905,727)
	(45,704,885)	100,042,166	(56,141,752)	8,523,012
Cost of goods sold	1,620,911,515	2,853,360,921	832,572,721	1,301,946,035

12. 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:

Nature of transactions	(Unaudited)			
	----- Six month period ended -----		----- Three month period ended -----	
	December 31,		December 31,	
	2024	2023	2024	2023
	----- Rupees -----			
Key management personnel				
Remuneration of chief executive officer, directors and executives	19,478,850	16,696,000	9,739,325	8,758,000
Utilities	1,321,019	2,902,435	509,168	1,046,597
Other	11,460,342	6,075,789	10,410,342	5,010,789
	<u>32,260,211</u>	<u>25,674,224</u>	<u>20,658,835</u>	<u>14,815,386</u>
			(Unaudited)	(Audited)
			December 31,	June 30,
			2024	2024
			Rupees	Rupees
Transactions with associated undertakings (due to common directorship)				
Allawasaya Spinning Mills (Private) Limited				
Due to associate			61,042,595	61,042,595

All transactions with related parties have been carried out on agreed terms and conditions.

13. 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).

13.1 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.

	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
As at December 31, 2024				
Land- freehold	-	-	805,943,000	805,943,000
Building on freehold land	-	-	333,164,520	333,164,520
Plant and machinery	-	-	960,832,953	960,832,953
Power house				
- Building on freehold land	-	-	5,403,413	5,403,413
- Generators	-	-	65,466,936	65,466,936
- Electric installation	-	-	2,980,535	2,980,535
As at June 30, 2024				
Land- freehold	-	-	805,943,000	805,943,000
Building on freehold land	-	-	341,707,200	341,707,200
Plant and machinery	-	-	985,469,695	985,469,695



	Level 1	Level 2	Level 3	Total
		-----Rupees-----		
Power house				
- Building on freehold land	-	-	5,541,962	5,541,962
- Generators	-	-	67,145,575	67,145,575
- Electric installation	-	-	3,222,200	3,222,200

There were no transfer between levels of fair value hierarchy occurred during the period.

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

14. CORRESPONDING FIGURES

Corresponding information have been rearranged, reclassified or additionally incorporated in these condensed interim financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period.

15. DATE OF AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue on 27.02.2025 by the Board of Directors of the Company.

16. GENERAL

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

ya

Sd/-
Chief Executive

Sd/-
Director

Sd/-
Chief Financial Officer



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

E-mail: atm@allawasaya.com