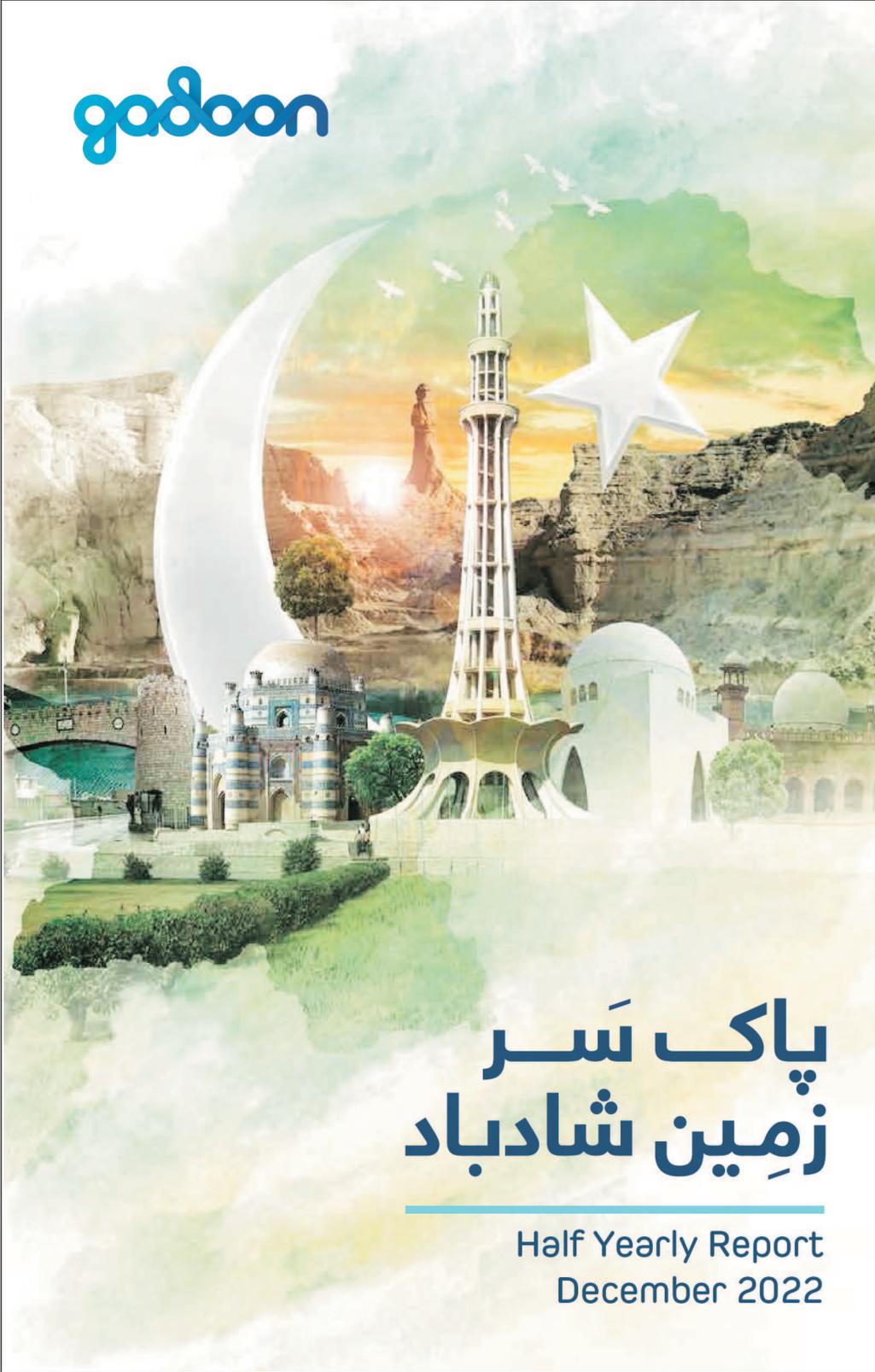


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پاک سَر زَمین شادباد

Half Yearly Report
December 2022

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Company Information

Board of Directors	Mr. Muhammad Ali Tabba (Chairman)* Mr. Muhammad Sohail Tabba (Chief Executive Officer) Mr. Imran Yunus Tabba* Mr. Jawed Yunus Tabba Ms. Zulekha Tabba Maskatiya Mr. Muhammad Hassan Tabba Syed Muhammad Shabbar Zaidi (Independent Director) Mr. Moin M. Fudda (Independent Director)	
Audit Committee	Syed Muhammad Shabbar Zaidi (Chairman) Mr. Moin M. Fudda Mr. Muhammad Ali Tabba Mr. Jawed Yunus Tabba	
HR & Remuneration Committee	Mr. Moin M. Fudda (Chairman) Mr. Jawed Yunus Tabba Ms. Zulekha Tabba Maskatiya	
Budget Committee	Mr. Muhammad Ali Tabba (Chairman) Mr. Muhammad Sohail Tabba Mr. Jawed Yunus Tabba Syed Muhammad Shabbar Zaidi	
Executive Director Finance	Mr. Abdul Sattar Abdullah	
Chief Financial Officer	Mr. Muhammad Imran Moten	
Chief Internal Auditor	Mr. Haji Muhammad Mundia	
Company Secretary	Mr. Muhammad Umair	
Auditors	Yousuf Adil Chartered Accountants Independent correspondent firm to Deloitte Touche Tohmatsu Limited	
Registered Office	200-201, Gadoon Amazai Industrial Estate, Distt. Swabi, Khyber Pakhtunkhwa. Phone: 093-8270212-3 Fax: 093-8270311 Email: secretary@gadoontextile.com	
Head Office	7-A, Muhammad Ali Society, Abdul Aziz Haji Hashim Tabba Street, Karachi 75350. Phone: 021-35205479-80 Fax: 021-34382436	
Liaison Office	Office No. 401, 4th Floor, Tri Tower, Opposite Sarhad University, Ring Road, Peshawar	
Factory Locations	200-201, Gadoon Amazai Industrial Estate, Distt. Swabi, Khyber Pakhtunkhwa 57 K.M. on Super Highway, Karachi	
Share Registrar / Transfer Agent	CDC Share Registrar Services Limited CDC House, 99-B, Block B, S.M.C.H.S. Main Shahr-e-Faisal, Karachi Toll Free: 0800 23275	
Bankers	Allied Bank Limited Askari Bank Limited Bank Al-Falah Limited (Islamic Banking) Bank Al-Habib Limited Bank Islami Pakistan Limited Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited	Industrial & Commercial Bank of China Limited MCB Bank Limited Meezan Bank Limited National Bank of Pakistan Soneri Bank Limited Standard Chartered Bank Pakistan Limited The Bank of Khyber The Bank of Punjab United Bank Limited

* Appointed in BOD held on January 26, 2023

Directors' Report to the Members

Dear Members

The Directors of your Company are pleased to present the performance review and the un-audited financial statements for the six months ended December 31, 2022.

Sad Demise of Mr. Muhammad Yunus Tabba, Chairman of the Board

On behalf of the Company, its employees and workers, the Board of Directors express their deep sorrow on the passing of Mr. Muhammad Yunus Tabba (Ex-Chairman of the Board of Director) on January 02, 2023.

Mr. Muhammad Yunus Tabba was the founding member of Yunus Brothers Group (YBG) and had seen it progress through manufacturing, sales, management, marketing management, and general management. With his expertise and diversified experience, he had taken YBG to a level that is appreciated by both local and international business communities.

He had been conferred with "Sitara-e-Imtiaz", one of the highest awards the Government of Pakistan bestows upon a civilian. Further, He had also been awarded "Businessman of the Year" by the Chambers of Commerce several times during his awe-inspiring entrepreneurial career. While we grieve this loss, we remain committed to follow in his footsteps and continue his legacy in order to achieve all that he, along with his late brother Mr. Abdul Razzak Tabba, had envisioned when setting out on this journey some fifty years ago.

Overview

The world economies are struggling with conspicuous and glaring warning signs of the global economy being on the precipice of plummeting is evident and Pakistan is no exception.

The reviewed financial period has put more challenges for the Pakistan's industry due to political instability, depleting foreign exchange reserves and tightening monetary and fiscal measures. Although there is a decrease in overall sales volumes as compared to the Same Period Last Year (SPLY), the Company, with the better marketing strategy, was able to maintain its top line at Rs. 26.11 billion, which is comparable to the Rs. 26.50 billion recorded for the SPLY.

However, the margin from sales mix was offset by inflationary pressures on raw material and conversion costs, as well as a significant rise in finance costs. Furthermore, the contracted economy, also impacted the associates, resultantly the decrease was also witnessed in share of profits from associates, which further impacted the Company's bottom line, resulting in a profit of Rs. 1.82 billion, as opposed to the Rs. 3.54 billion recorded in the SPLY.

Economic Prospects

Simmering political crisis, with the rupee plummeting and inflation at decades-high levels has slowed-down the wheel of economy while catastrophic floods and a major shortage of energy have piled on further pressure.

During the period, the import bills have decreased by 22.63% (in USD terms) to USD 31.38 billion in contrast to USD 40.56 billion SPLY, mainly on account of tightening of monetary policy, and import compression strategies by the State Bank of Pakistan to curb imports to ease pressure on foreign exchange reserves. Similarly, the Country's exports and remittances also witnessed a decline of 5.79% and 11.10% (in USD terms) to USD 14.25 billion and USD 14.05 billion respectively as compared to SPLY on account of contraction in global GDPs with rising inflationary pressures.

The current economic downturn resulted inflationary pressures to be stronger and more persistent than expected, rising to 24.5% Year on Year (YoY) primarily due to disruptions in global and domestic supplies caused by the war in Ukraine and recent floods in Pakistan. To ensure that elevated inflation does not become entrenched and that risks to financial stability are contained, State Bank of Pakistan (SBP) has raised the policy rate to 16% paving the way for higher growth on a more sustainable basis.

The global recession's effect on the textile industry, coupled with Pakistan's challenges including less availability of cotton, insufficient foreign exchange reserves, and energy shortages, has resulted in many local textile factories in Pakistan to either shut down or to operate at reduced capacity.

According to Pakistan Cotton Ginners' Association (PCGA) publication on January 01, 2023, the country's ginneries received 4.61 million bales of cotton, down from last year's 7.35 million bales, showing a decrease of 37.22%, mainly due to rain and flooding, having a significant impact on Country's potential exports.

Financial Performance

A comparison of the key financial results of the Company for the six-months ended December 31, 2022, is as follows:

Profit and Loss Summary	December 31, 2022	December 31, 2021	Percentage
	----- (Rupees in '000) -----		Favorable / (Unfavorable)
Direct Export	4,619,435	6,801,138	(32.08)
Indirect Export	9,293,484	11,210,374	(17.10)
Local	12,192,682	8,492,538	43.57
Sales (net)	26,105,601	26,504,050	(1.50)
Gross Profit	3,399,118	4,424,204	(23.17)
Distribution Cost	484,883	651,739	25.60
Administrative Expenses	231,320	171,540	(34.85)
Other Operating Expenses	156,491	243,262	35.67
Finance Cost	801,974	177,537	(351.72)
Other Income	600,974	757,573	(20.71)
Profit Before Taxation	2,325,138	3,937,699	(40.95)
Profit After Taxation	1,819,635	3,535,953	(48.54)
Earnings Per Share (Rs.)	64.92	126.15	

The overall sales volume of yarn has declined in this period as compared to SPLY mainly on account of global economic slowdown. However, the Company has been able to retain its sales volume for the Knitting segment in this period as compared to SPLY.

The gross margins have declined mainly on account of increased raw material prices and conversion costs as compared to previous period.

The distribution costs decreased by 25.60% largely on account of decrease in the export sale of yarn, normalization in shipping freight costs and decrease in global oil prices as compared to SPLY. Moreover, the inflationary pressure on the economy during the period, has resulted in an increase in the administrative expenses as compared to SPLY.

The finance costs for the period increased significantly by 351.7%, to Rs. 801.9 million. The primary reasons for this increase include higher policy rates, which were 15% - 16% compared to 7% - 10% in the SPLY, and the need for additional financing due to increased working capital levels. Additionally, the limited availability of committed subsidized financing options for investing in new machinery and expanding the value-added sector also contributed to the rise in finance costs.

The returns from the Company's strategic investment in diversified avenues contributed Rs. 388.3 million against Rs. 645.1 million in SPLY, resulting in a decrease of 39.8% as compared to SPLY. The decline in profits from associate is primarily on account of economic slowdown and one-off gain recorded by Lucky Core Industries Limited (formerly known as ICI Pakistan Limited) in the previous period amounting to Rs. 1.85 billion (Rs. 133.19 million being the Company's share) arising from step acquisition in NutriCo Pakistan (Private) Limited from associate @ 40% to being a subsidiary @ 51%.

Resultantly, the net profits of the Company decreased by 48.5% in this period as compared to SPLY.

Segmental Review of Business Performance

During the current period, the Company was able to sustain its overall sales value, with a significant boost in sales value from its knitting division as compared to SPLY. The net profit margins for the knitting division have seen a significant improvement, as the company was able to secure better sales prices as compared to prior periods. However, the spinning division has experienced a decline in net profit due to the aforementioned reasons.

Corporate Social Responsibility

The Company believes that embracing CSR increases employee engagement, improves brand image, and creates a positive impact on local and global communities. Following were the CSR activities, the Company undertook during the current period.

A visit was made to "Street to School" (Karachi) to celebrate World Children's Day with an aim of helping street children with their holistic development. Apart from a fun-filled day with students, the Company also donated school supplies and required necessities to the school management for the betterment of community development and education welfare. The Company also paid a visit to SOS Children Village to promote international togetherness and awareness of children's welfare and appreciating the importance of quality education. The Company's management ensures that their employees continuously develop new skills and add value to the organization. To support this cause, following are some of the trainings and awareness sessions conducted during the period:

"Smile" a two days wellness program was conducted for the employees to pause, reflect and understand the importance of self-management and social management in one's life.

"A Cyber security session was conducted to understand proper cyber hygiene, and to identify cyber-attacks timely.

"To adopt sustainable practices at the workplace, an awareness session was conducted on Sustainability to reduce their carbon footprint by using natural resources responsibly.

Future Outlook

For FY2023, economic growth is likely to remain below the budgeted target mainly on account of tightening monetary and fiscal measures being taken by the government to control the inflation and to manage the foreign exchange reserves. The mini budget on cards to impose further taxes and further expected increase in policy rates by SBP, would hamper the growth more. This combination of low growth, high inflation, global wars and low levels of official reserves is particularly challenging for policy makers.

The Country is facing a tough time honoring its foreign obligations with the depleting foreign reserves. Recently, S&P Global has downgraded Pakistan's long-term sovereign credit rating from "B" to "CCC+" to reflect a continued weakening of the country's external, fiscal and economic metrics, which is further deteriorated by the floods.

Friendly countries have provided a lifeline to sail Pakistan through the immediate challenge of a sovereign default by rolling over the loans and providing the authorities with an opportunity to revive the IMF program and to gradually build back foreign exchange reserves, and put to end a tight control on imports that has crippled the manufacturing sector and created a shortage of essential items. Further, to overcome the damages caused by the recent floods, bilateral, multilateral partners and friendly countries have pledged their support for Pakistan that would help power the economy and would further ease pressure on depleting reserves.

Sustainable growth requires that the trade deficit remains manageable. In order to boost exports and foreign exchange, government has reiterated that it will prioritize export-oriented sectors, including textile, for the import of raw material, parts and accessories to meet their requirements.

Despite global recession and inflationary pressure, Heimtextil 2023 exhibition in Frankfurt has opened up new opportunities for Pakistan. Companies have received export orders up to \$500 million upfront and other significant inquiries which if materialized could be a source of economic stability for Pakistan.

On the Country's revenue side, during this period, FBR collected Rs. 3.43 billion, slight less than the budgeted number of Rs. 3.67 billion, mainly on account of import compression, zero rating on petroleum products and the prevailing situation of floods, which indicates that in order to meet the yearly target of Rs. 7,255 billion, the government will have to take certain bold steps including the imposing of further taxes and easing import restrictions.

With regards to the Company's operations, by making strong efforts to sustain its cost through maximum capacity utilization, cost rationalization, effective procurement strategy, etc., the Company is focused to follow its footprint to ensure that maximum wealth can be generated for the well-being of the Company's shareholders. In addition, the sales mix will be altered based on a demand / supply basis to enhance the profit margins.

Furthermore, to increase the overall performance of the value-added segment, the Company in addition to increasing its international customer base is also expanding value-added segment which will help the Company to build synergies, rationalizing the operating costs and consequently having a positive impact on the net margins.

Filling of Casual Vacancy:

The Casual vacancy arising on the Board of Directors was fulfilled by the directors through the appointment of Mr. Imran Yunus Tabba as Non-Executive Director of the Company on the Board of Director for the remainder term of the Board.

Additionally, the directors appointed the Mr. Muhammad Ali Tabba as Chairman of the Board of Directors for the remainder of the term.

Composition of Board

In line with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company ensures representation of Independent and Non-Executive Directors, as well as gender diversity, on its Board.

The total number of Directors are eight including the Chief Executive as a deemed Director as per the following:

Total number o directors:	No.
a) Male	07
b) Female	01

The composition of Board is as follows for the remainder term:

Particulars	No.
a) Independent Directors	02
b) Executive Director	01
c) Other Non-Executive Directors	04
d) Female Non-Executive Director	01

Further, there is no change in remuneration policy of non-executive directors as disclosed in the Annual Report 2022.

Acknowledgments

The Directors record their appreciation of the performance of the Company's workers, staff, and executives.



MUHAMMAD ALI TABBA
Chairman

Karachi: January 26, 2023

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For and on behalf of the Board



MUHAMMAD SOHAIL TABBA
Chief Executive Officer

Independent Auditor's Review Report

To the members of Gadoon Textile Mills Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **GADOON TEXTILE MILLS LIMITED** (the Company) as at December 31, 2022, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the condensed interim financial statements for the six-months period then ended (here-in-after to referred to as the 'interim financial statements'). Management is responsible for the preparation and presentation of these interim financial statement 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 are 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 for the quarters ended September 30, 2022 and September 30, 2021 in the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income have not been reviewed and we do not express a conclusion on them.

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



Chartered Accountants

Date: February 13, 2023

Place: Karachi

UDIN: RR202210099Vq914In8K

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Condensed Interim Statement of Financial Position

As at December 31, 2022

	Note	December 31, 2022 (Un-audited) — (Rupees in '000) —	June 30, 2022 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	5	17,455,401	11,016,751
Biological assets - animals		460,943	365,430
Long term advance	6	-	-
Long term loans		58,399	46,146
Long term deposits		39,331	34,742
Long term investments	7	4,399,768	4,233,555
		<u>22,413,842</u>	<u>15,696,624</u>
Current assets			
Stores, spares and loose tools		1,108,401	897,457
Stock-in-trade	8	20,740,424	18,381,382
Trade debts		2,224,771	3,751,395
Loans and advances		293,414	534,710
Short-term investment	9	3,083,349	-
Trade deposits and short term prepayments		76,141	14,943
Other receivables		1,675,181	1,386,756
Cash and bank balances		234,179	159,841
		<u>29,435,860</u>	<u>25,126,484</u>
TOTAL ASSETS		<u>51,849,702</u>	<u>40,823,108</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized 57,500,000 ordinary shares of Rs.10/- each		575,000	575,000
Issued, subscribed and paid up capital		280,296	280,296
Capital reserves		137,541	137,541
Revenue reserves		18,844,355	17,585,312
TOTAL EQUITY		<u>19,262,192</u>	<u>18,003,149</u>
Non-current liabilities			
Long term finance	10	8,292,291	4,008,570
Retirement benefit obligation		866,980	820,993
Deferred tax liabilities		874,267	756,100
Deferred government grant	11	207,250	186,528
		<u>10,240,788</u>	<u>5,772,191</u>
Current Liabilities			
Short term borrowings	12	10,384,896	6,117,971
Trade and other payables		10,648,899	9,798,223
Unclaimed dividend		34,614	26,392
Current tax liability		99,857	82,062
Current portion of long term finance	10	690,496	763,011
Current portion of deferred government grant	11	45,550	56,327
Accrued mark up		442,410	203,782
		<u>22,346,722</u>	<u>17,047,768</u>
TOTAL LIABILITIES		<u>32,587,510</u>	<u>22,819,959</u>
TOTAL EQUITY AND LIABILITIES		<u>51,849,702</u>	<u>40,823,108</u>
CONTINGENCIES AND COMMITMENTS			
	13		

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


MUHAMMAD ALI TABBA
Chairman


MUHAMMAD SOHAIL TABBA
Chief Executive Officer


MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Un-audited)

For the Six Months Ended December 31, 2022

Note	Six Months Ended		Quarter Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- (Rupees in '000) -----			
Sales - net	26,105,601	26,504,050	13,243,716	13,539,267
Cost of sales	14 (22,706,485)	(22,079,846)	(11,955,468)	(11,661,381)
Gross profit	3,399,116	4,424,204	1,288,248	1,877,886
Distribution cost	(484,883)	(651,739)	(183,983)	(381,149)
Administrative expenses	(231,320)	(171,540)	(126,163)	(89,985)
	(716,203)	(823,279)	(310,146)	(471,134)
	2,682,913	3,600,925	978,102	1,406,752
Finance cost	(801,974)	(177,537)	(439,291)	(104,113)
Other operating expenses	(156,491)	(243,262)	(56,063)	(94,039)
	1,724,448	3,180,126	482,748	1,208,600
Other income	212,381	112,437	115,187	62,938
Share of profit from associates	388,309	645,136	150,901	210,817
Profit before taxation	2,325,138	3,937,699	748,836	1,482,355
Taxation	15			
Current tax	(416,488)	(425,442)	(138,711)	(216,123)
Prior year tax	29,152	-	29,152	-
Deferred tax (expense) / income	(118,167)	23,696	(64,744)	29,490
	(505,503)	(401,746)	(174,303)	(186,633)
Profit for the period	<u>1,819,635</u>	<u>3,535,953</u>	<u>574,533</u>	<u>1,295,722</u>
Earnings per share				
- basic and diluted (Rupees)	<u>64.92</u>	<u>126.15</u>	<u>20.50</u>	<u>46.23</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


MUHAMMAD ALI TABBA
Chairman


MUHAMMAD SOHAIL TABBA
Chief Executive Officer


MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-audited)
For the Six Months Ended December 31, 2022

	Six Months Ended		Quarter Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- (Rupees in '000) -----			
Profit for the period	1,819,635	3,535,953	574,533	1,295,722
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1,819,635	3,535,953	574,533	1,295,722

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.



MUHAMMAD ALI TABBA
Chairman



MUHAMMAD SOHAIL TABBA
Chief Executive Officer



MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the Six Months Ended December 31, 2022

	Note	Six Months Ended	
		December 31, 2022	December 31, 2021
— (Rupees in '000) —			
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	16	3,113,064	2,196,663
Gratuity paid		(102,198)	(86,130)
Income taxes paid		(369,541)	(285,193)
Rebate received		-	210,195
Finance cost paid		(563,346)	(205,210)
		(1,035,085)	(366,338)
Net cash generated from operating activities		2,077,979	1,830,325
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(6,995,377)	(839,180)
Purchase of animals		(9,876)	-
Short term investments		(3,083,349)	(4,114,324)
Sale proceeds from disposal of property, plant and equipment		21,561	18,684
Sale proceeds from disposal of biological asset - animals		10,575	6,018
Loans paid to employees		(17,834)	(46,235)
Long term deposits given		(4,589)	(1,127)
Dividend received		222,096	242,566
Profit received from bank deposits		7,185	2,209
Net cash used in investing activities		(9,849,608)	(4,731,389)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finance facility obtained		434,363	348,924
Repayment of long-term finance		(234,714)	(179,252)
Term loan obtained		4,127,636	-
Repayment of salary refinance loan		(187,426)	(187,426)
Temporary economic refinance facility obtained		81,292	385,422
Dividend paid		(552,370)	(332,243)
Net cash generated from financing activities		3,668,781	35,425
Net Increase in cash and cash equivalents (A+B+C)		(4,102,848)	(2,865,639)
Cash and cash equivalents at the beginning of the period		(4,615,259)	(3,313,321)
Cash and cash equivalents at the end of the period		(8,718,107)	(6,178,960)
CASH AND CASH EQUIVALENTS			
Cash and bank balances		234,179	242,584
Short term borrowings		(8,952,286)	(6,421,544)
		(8,718,107)	(6,178,960)

CHANGES ARISING FROM FINANCING ACTIVITIES

	July 01, 2022	Financing cash inflows	Financing cash outflows	Non-cash changes	December 31, 2022
..... (Rupees in '000)					
Loan from financial institutions	5,014,436	4,643,291	(422,140)	-	9,235,587
Unclaimed dividend	26,392	-	(552,370)	560,592	34,614

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.


MUHAMMAD ALI TABBA
 Chairman


MUHAMMAD SOHAIL TABBA
 Chief Executive Officer


MUHAMMAD IMRAN MOTEN
 Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Un-audited)
For the Six Months Ended December 31, 2022

Issued, subscribed and paid-up share capital	-----Capital Reserves-----			----- Revenue Reserves -----				Grand total	
	Share premium	Amalga- mation reserve	Sub total	General reserve	Amalga- mation reserve	Unappro- priated profit	Sub total		
----- (Rupees in '000) -----									
Balance as at July 01, 2021	280,296	103,125	34,416	137,541	1,000,000	727,333	10,464,905	12,192,238	12,610,075
Transaction with owners									
Final dividend @ Rs. 12/- per share for the year ended June 30, 2021	-	-	-	-	-	-	(336,355)	(336,355)	(336,355)
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	3,535,953	3,535,953	3,535,953
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	3,535,953	3,535,953	3,535,953
Balance as at December 31, 2021	280,296	103,125	34,416	137,541	1,000,000	727,333	13,664,503	15,391,836	15,809,673
Balance as at July 01, 2022	280,296	103,125	34,416	137,541	1,000,000	727,333	15,857,979	17,585,312	18,003,149
Transaction with owners									
Final dividend @ Rs. 20/- per share for the year ended June 30, 2022	-	-	-	-	-	-	(560,592)	(560,592)	(560,592)
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	1,819,635	1,819,635	1,819,635
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	1,819,635	1,819,635	1,819,635
Balance as at December 31, 2022	280,296	103,125	34,416	137,541	1,000,000	727,333	17,117,022	18,844,355	19,262,192

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.


MUHAMMAD ALI TABBA
Chairman


MUHAMMAD SOHAIL TABBA
Chief Executive Officer


MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Notes to the Condensed Interim Financial Statements (Un-audited) For the Six Months Ended December 31, 2022

1. THE COMPANY AND ITS OPERATIONS

Gadoon Textile Mills Limited (the Company) was incorporated in Pakistan on February 23, 1988 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of yarn and knitted bedding products and production and sale of milk.

Y.B. Holdings (Private) Limited is the Holding Company of the Company.

Following are the geographical location and address of all business units of the Company:

Head Office:

7-A, Muhammad Ali Society, Abdul Aziz Haji Hashim Tabba Street, Karachi, Province of Sindh, South, Pakistan.

Manufacturing facility:

a) 200-201, Gadoon Amazai Industrial Estate, District Swabi, Province of Khyber Pakhtunkhwa, North, Pakistan.

b) 57 K.M. on Super Highway (near Karachi), Province of Sindh, South, Pakistan.

Liaison Office:

Office No. 401, 4th Floor, Tri Tower, Opposite Sargodha University, Ring Road, Peshawar, Province of Khyber Pakhtunkhwa, North, Pakistan.

2. BASIS OF PREPARATION

- 2.1 These condensed interim financial statements of the Company for the six months ended December 31, 2022 have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements does not include all the information required for the full financial statements and therefore should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2022.
- 2.2 These condensed interim financial statements are presented in Pak Rupees which is also the Company's functional currency and figures presented in these condensed interim financial statements has been rounded off to the nearest thousand rupee.
- 2.3 The figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the three months ended December 31, 2022 and December 31, 2021 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the six months ended December 31, 2022 and December 31, 2021.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Company for the year ended June 30, 2022.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 01, 2022 but are considered not to be relevant or do not have any Material effect on the Company's operations and therefore not detailed in these condensed interim financial statements.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective from accounting period beginning on or after:
Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16	January 01, 2022
Onerous Contracts - Costs of Fulfilling a Contract - Amendments to IAS 37	January 01, 2022
IAS 41 Agriculture - Taxation in fair value measurements	January 01, 2022
IFRS 3 - Reference to the Conceptual Framework (Amendments)	January 01, 2022
IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition	January 01, 2022
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2023
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

Standards	IASB Effective date(annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	January 01, 2023
IFRS 17 – Insurance Contracts	January 01, 2023

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements 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, 2022.

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2022.

Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	— (Rupees in '000) —	

5. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	5.1	11,674,884	10,070,483
Capital work in progress	5.2	5,780,517	946,268
		<u>17,455,401</u>	<u>11,016,751</u>

5.1 Details of additions and disposals to operating fixed assets are as under:

	Six Months Ended December 31, 2022		Six Months Ended December 31, 2021	
	Additions/ transfers	Disposals at book value	Additions/ transfers	Disposals at book value
	(Rupees in '000)			
Buildings	92,607	-	348,000	-
Plant and machinery	1,990,269	10,084	628,352	9,736
Power plant	3,678	-	-	-
Electric installations	3,607	-	15,185	-
Tools and Equipment	780	-	3,555	-
Computer equipment	2,211	48	8,825	25
Office equipment and installations	3,402	-	5,300	34
Vehicles	64,574	2,120	56,087	5,882
	<u>2,161,128</u>	<u>12,252</u>	<u>1,065,304</u>	<u>15,677</u>

5.2 Details of additions and transfers from capital work in progress are as under:

	Six Months Ended December 31, 2022		Six Months Ended December 31, 2021	
	Additions	Transfers	Additions	Transfers
	----- (Rupees in '000) -----			
Civil works	636,024	92,607	145,322	315,778
Plant and machinery	6,177,171	1,993,947	610,919	627,126
Electric installations	17,564	3,607	15,185	15,185
Tools and Equipment	780	780	-	3,555
Vehicles	73,207	64,574	50,459	56,087
Mark up capitalized	85,018	-	3,170	33,448
	<u>6,989,764</u>	<u>2,155,515</u>	<u>825,055</u>	<u>1,051,179</u>

December 31,
2022
(Un-audited) June 30,
2022
(Audited)

Note — (Rupees in '000) —

6. LONG TERM ADVANCE

- Considered doubtful

Investment in a joint venture - advance	6.1	66,667	66,667
Less: Provision against advance		(66,667)	(66,667)
		<u>-</u>	<u>-</u>

6.1 This represents first and second tranche of advance for a Joint Venture project amounting to Rs. 4,250 million. The principal activity of the Joint Venture project was acquisition and development of a real estate project in Karachi through a Joint Venture Company. The Company's share in this Joint Venture project is ten percent. Currently, the future of this project is not certain and the recovery of this amount is considered doubtful.

December 31,
2022
(Un-audited) June 30,
2022
(Audited)

— (Rupees in '000) —

7. LONG TERM INVESTMENTS

Investment in associates

Lucky Core Industries Limited (formerly "ICI Pakistan Limited")	2,700,642	2,564,380
Lucky Holdings Limited	2,730	581
Yunus Energy Limited	1,696,396	1,668,594
	<u>4,399,768</u>	<u>4,233,555</u>

	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	— (Rupees in '000) —	
8. STOCK IN TRADE		
Raw material in		
- hand	9,387,869	10,174,730
- transit	5,475,004	5,118,838
- feed	86,762	34,300
	14,949,635	15,327,868
Work in process	893,663	649,453
Finished goods		
- yarn	4,575,778	1,976,680
- knitted fabric	234,722	332,640
- waste	85,710	94,727
- unprocessed milk	916	14
	4,897,126	2,404,061
	<u>20,740,424</u>	<u>18,381,382</u>

9. SHORT-TERM INVESTMENT

This represent investments made in various mutual funds and are accounted at fair value through profit or loss at period end.

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		— (Rupees in '000) —	
10. LONG TERM FINANCE			
	Note		
Long term finance facility	10.1	3,941,599	3,741,950
Term loan	10.2	4,127,636	-
Salary refinance scheme	10.3	93,050	274,467
Temporary economic refinance facility	10.4	820,502	755,164
Less: Current portion of long term finance		(690,496)	(763,011)
		<u>8,292,291</u>	<u>4,008,570</u>

10.1 The Company has entered into a long term finance agreement with commercial banks, with an approved limit of Rs. 10.86 billion (June 30, 2022: Rs. 6.07 billion). The facility carries a mark up ranging from SBP Base Rate + 0.10% to 1.00% payable on a quarterly basis (June 30, 2022: SBP Base Rate + 0.10% to 0.75% payable on a quarterly basis). The tenure of this facility is 10 years including grace period of 2 years.

10.2 This represent term loan obtained under the long term finance facility from various commercial banks having markup ranging from KIBOR + 0.20% to 0.75%.

10.3 The Company has entered into a salary refinance scheme agreement with a commercial bank, with an approved limit of Rs. 0.80 billion (June 30, 2022: Rs. 0.80 billion). The facility carries a mark up of SBP Base Rate + 0.40%

(June 30, 2022: SBP Base Rate + 0.40%). For this facility, the SBP base rate is 0% as advised by SBP vide circular no. 7 dated April 22, 2020. The tenure of this facility is 2.5 years including grace period of 6 months.

- 10.4 The Company has entered into a temporary economic refinance facility agreement with commercial banks, with an approved limit of Rs. 1.07 billion (June 30, 2022: Rs. 1.19 billion). The facility carries a mark up ranging from SBP Base Rate + 0.50% to 0.75% (June 30, 2022: SBP Base Rate + 0.50% to 0.75%). The tenure of this facility is 10 years including grace period of 2 years.
- 10.5 The above financing agreement is secured by pari passu charge over plant and machinery of the Company.

December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
— (Rupees in '000) —	—

11. DEFERRED GOVERNMENT GRANT

Deferred grant against salary refinance scheme	663	6,672
Deferred grant against temporary economic refinance facility	252,137	236,183
Less: Current portion of deferred grant	(45,550)	(56,327)
	<u>207,250</u>	<u>186,528</u>

- 11.1 Deferred government grant relates to the difference between the fair value and actual proceed of salary refinance loan obtained under SBP's Refinance scheme for payment of salaries. It is being amortised over the period of two and a half year from the date of loan disbursement with an amount equal to the difference between the finance cost that would have been charged to statement of profit or loss at market rate on the date of disbursement and the interest paid at SBP's defined rate as per the scheme.
- 11.2 Deferred government grant relates to the difference between the fair value and actual proceed of temporary economic refinance facility loan obtained under SBP's refinance scheme. It is being amortised over the period of ten years from the date of loan disbursement with an amount equal to the difference between the finance cost that would have been charged to statement of profit at market rate on the date of disbursement and the interest paid as per the scheme.

December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
— (Rupees in '000) —	—

Note

12. SHORT TERM BORROWINGS

Banking companies - secured

Running finance	12.1	4,876,885	4,775,100
Import loan	12.1	75,401	-
Money market	12.2	4,000,000	-
Export refinance	12.3	1,432,610	1,342,871
		<u>10,384,896</u>	<u>6,117,971</u>

- 12.1 Facilities for running finance, import finance, export finance, export refinance and other facilities are available from various commercial banks upto Rs. 37.21 billion (June 30, 2022: Rs. 36.81 billion). For running finance facility, the rates of mark up range between KIBOR + 0.05% to 1.00% per annum (June 30, 2022: KIBOR + 0.05% to 1.00% per annum). These are secured against hypothecation of stock, receivables and plant and machinery.
- 12.2 This represent money market loan obtained under the above limit from various commercial banks having markup ranging from SBP base rate + (-0.79% to 0.10%).
- 12.3 The rate of mark-up on export re finance is SBP base rate + 0.50% to + 1.00% (June 30, 2022: SBP base rate + 0.50% to 1.00%).

13. CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

- 13.1.1 As at period end, bank guarantees given in favour of the Company by banks in normal course of business amounting to Rs. 2.18 billion (June 30, 2022: Rs. 1.83 billion).

Status of other contingencies are same as disclosed in notes 22.1.1 to 22.1.8 to the annual financial statements for the year ended June 30, 2022.

	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
— (Rupees in '000) —		

13.1.2 Others

Export bills discounted with recourse	-	195,240
Local bills discounted	67,415	330,574
Post dated cheques in favour of Collector of Customs against imports	6,408,810	1,884,666

13.2 Commitments

Letters of credit opened by banks for:		
Plant and machinery	5,021,617	8,112,840
Raw materials	10,197,384	5,094,800
Stores and spares	66,796	90,272

Further, the Company has outstanding contractual commitment under sponsors support agreement, for debt servicing of two loan installments upto Rs. 338 million on behalf of Yunus Energy Limited, an associate.

	Six Months Ended		Quarter Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Note	----- (Rupees in '000) -----			
14. COST OF SALES				
Opening stock				
- finished goods	2,404,061	1,428,476	4,007,345	1,721,254
Cost of goods manufactured 14.1	25,199,550	22,191,623	12,845,249	11,480,380
	<u>27,603,611</u>	<u>23,620,099</u>	<u>16,852,594</u>	<u>13,201,634</u>
Closing stock				
- finished goods	(4,897,126)	(1,540,253)	(4,897,126)	(1,540,253)
	<u>22,706,485</u>	<u>22,079,846</u>	<u>11,955,468</u>	<u>11,661,381</u>

14.1 Cost of goods manufactured

Opening stock				
- work in process	649,453	491,318	694,324	712,641
Raw and packing material consumed	20,332,425	17,572,080	10,487,074	9,046,772
Other manufacturing expenses	5,111,335	4,883,190	2,557,514	2,475,932
	<u>25,443,760</u>	<u>22,455,270</u>	<u>13,044,588</u>	<u>11,522,704</u>
	26,093,213	22,946,588	13,738,912	12,235,345
Closing stock				
- work in process	(893,663)	(754,965)	(893,663)	(754,965)
	<u>25,199,550</u>	<u>22,191,623</u>	<u>12,845,249</u>	<u>11,480,380</u>

15. TAXATION

There have been no change in the tax contingencies as disclosed in note number 22.1.5 to 22.1.8 to the annual financial statements for the year ended June 30, 2022.

	Six Months Ended	
	December 31, 2022	December 31, 2021
Note	----- (Rupees in '000) -----	
16. CASH GENERATED FROM OPERATIONS		
Profit before taxation	2,325,138	3,937,699
Adjustments for:		
Depreciation	544,475	503,780
Gain on disposal of property, plant and equipment	(9,309)	(3,007)
Gain arising from changes in fair value of biological asset - animals	(116,584)	(49,637)
Loss on sale of biological asset - animals	20,372	11,255
Profit on deposits	(7,352)	(2,190)
Provision for retirement benefit obligation	148,185	117,824
Share of profit from associates	(388,309)	(645,136)
Finance cost	801,974	177,537
Working capital changes 16.1	(205,526)	(1,851,462)
	<u>787,926</u>	<u>(1,741,036)</u>
Cash generated from operations	<u>3,113,064</u>	<u>2,196,663</u>

Six Months Ended	
December 31, 2022	December 31, 2021
— (Rupees in '000) —	

16.1 Working capital changes

Decrease / (increase) in current assets

Stores, spares and loose tools	(210,944)	(4,965)
Stock in trade	(2,359,042)	(6,285,729)
Trade debts	1,526,624	389,591
Loans and advances	246,877	65,682
Trade deposits and short term prepayments	(61,198)	(17,354)
Other receivables	(288,258)	(368,895)
	(1,145,941)	(6,221,670)

Increase / (decrease) in current liabilities

Export re finance	89,739	1,583,853
Trade and other payables	850,676	2,786,355
Working capital changes	(205,526)	(1,851,462)

17. TRANSACTIONS WITH RELATED PARTIES

Details of significant transactions with related parties, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

Six Months Ended	
December 31, 2022	December 31, 2021
— (Rupees in '000) —	

a. Related Companies

Name of Related Party	Basis of relationship	% of Share holding	Nature of Transaction		
Y.B.Holdings (Private) Limited	Holding Company	-	Reimbursement of expenses to Company	1,547	817
			Dividend paid	389,995	233,997
Lucky Core Industries Limited (formerly "ICI Pakistan Limited")	Associate	7.21%	Purchase of fiber	1,839,140	527,021
			Purchase of silage	54,021	14,281
			Dividend received	99,823	133,097
Yunus Energy Limited	Associate	19.99%	Reimbursement of expenses to Company	518	436
			Dividend received	122,273	106,989
Lucky Holdings Limited	Associate	1%	Dividend received	-	-
Lucky Cement Limited	Associated Company	-	Purchase of cement	88,131	8,360
			Reimbursement of expenses to Company	745	590
			Reimbursement of expenses from Company	-	834

Name of Related Party	Basis of relationship	% of Share holding	Nature of Transaction	Six Months Ended	
				December 31, 2022	December 31, 2021
				— (Rupees in '000) —	
Lucky Energy (Private) Limited	Associated Company	-	Purchase of electricity	810,325	810,010
			Reimbursement of expenses to Company	1,603	574
			Reimbursement of expenses from Company	273	-
Lucky Knits (Private) Limited	Associated Company	-	Yarn sold	1,629,180	986,371
			Knitting and Dyeing charges	68,393	76,724
			Purchase of general item	39	130
Lucky Motor Corporation Limited	Associated Company	-	Purchase of vehicle	21,026	11,502
Lucky Textile Mills Limited	Associated Company	-	Purchase of spare parts	-	21
			Yarn sold	3,113,913	2,685,787
			Sale of fabric	-	5,343
			Processing charges	167	29
			Reimbursement of expenses to Company	2,735	1,564
			Reimbursement of expenses from Company	313	-
Tricom Solar Power (Private) Limited	Associated Company	-	Interest income on subordinated loan	643	326
			Advance against shares	8,100	360
Yunus Textile Mills Limited	Associated Company	-	Yarn sold	181,626	1,399,015
Yunus Wind Power Limited	Associated Company	-	Waste sold	-	138,176
			Interest income on subordinated loan	376	199
Lucky Entertainment (Private) Limited	Associated Company	-	Reimbursement of expenses to Company	-	800
b) Benefits to key management personnel				84,791	66,962

18. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

ڈائریکٹرز رپورٹ برائے ممبران

عزیز ممبران

آپ کی کمپنی کے ڈائریکٹرز کی جانب سے 31 دسمبر 2022 کو ختم ہونے والی ششماہی کی کارکردگی کا جائزہ اور غیر آڈٹ شدہ مالیاتی دستاویزات آپ کی خدمت میں پیش کی جا رہی ہیں۔

بورڈ کے ممبر کا انتقال پر ملال

آپ کی کمپنی، اسکے ملازمین، ورکروں اور بورڈ آف ڈائریکٹرز کی جانب سے جناب محمد یونس عبید (سابق چیئرمین بورڈ آف ڈائریکٹرز) کے انتقال پر ملال مؤرخہ 2 جنوری 2023 پر گہرے افسوس کا اظہار کیا جاتا ہے۔

جناب محمد یونس عبید، یونس برادر زگروپ (وائی بی جی) کے بانی ممبران میں سے تھے اور آپ نے گروپ کو صنعت کاری، فروخت، انتظامیہ، مارکیٹنگ اور مجموعی انتظامی شعبوں میں ترقی کی منازل طے کرتے دیکھا۔ آپ نے اپنی مہارت اور متنوع تجربے کی بنیاد پر وائی بی جی کو اس مقام پر پہنچایا جسے مقامی اور بین الاقوامی کاروباری برادریوں میں سراہا جاتا ہے۔

آپ کو حکومت پاکستان کی جانب سے، سویلین سطح پر اعلیٰ ترین اعزاز "ستارہ امتیاز" سے نوازا گیا۔ مزید برآں آپ کو مینٹرنگ پیشہ ورانہ کیریئر کے دوران چیئرمین آف کامرس کی جانب سے کئی بار "بزنس مین آف دی ایئر" سے بھی نوازا گیا۔ اس ناقابل تلافی نقصان پر رنجیدگی کے ساتھ ہم ہر عزم ہیں کہ ان کے نقش قدم پر چلتے ہوئے ان کی میراث کو جاری رکھیں تاکہ اس مقصد کو حاصل کر سکیں جس کا تصور انھوں نے اپنے مرحوم بھائی جناب عبدالرزاق عبید کے ساتھ پچاس سال قبل اس سفر کے آغاز پر کیا تھا۔

جائزہ

عالمی سطح پر تمام معیشتیں اپنی بقا کی جدوجہد میں مشغول ہیں اور اس کا سبب نمایاں اور واضح انتہا بات ہیں کے عالمی معیشت تباہی کے دہانے پر کھڑی ہے اور وطن عزیز پاکستان ان حالات سے مستثنیٰ نہیں ہے۔

زیر فور مالیاتی عرصے کے دوران سیاسی عدم استحکام، غیر ملکی زرمبادلہ کے ختم ہوتے ذخائر اور سخت مالیاتی اور زرعی پالیسیوں کی وجہ سے پاکستان میں صنعت کا شعبہ کئی مسائل سے دوچار ہے۔ گوکہ گزشتہ مالی سال کے اسی عرصے کے مقابلے میں مجموعی طور پر فروخت کا حجم کمی کا شکار رہا، کمپنی کی جانب سے بہتر مارکیٹنگ حکمت عملی کے باعث 26.11 ارب روپے کی صافی فروختگی حاصل ہوئی جو کہ گزشتہ مالی سال کے اسی عرصے کی صافی فروختگی 26.50 ارب روپے کے مد مقابل ہے۔

تاہم فروختگی کے امتزاج سے حاصل ہونے والا منافع افراتر کے باعث مہنگے خام مال اور کونورٹن کی لاگت کی نذر ہو گیا اور اس کے علاوہ تمولی لاگت کے اثرات بھی اس سلسلے میں نمایاں ہیں۔ مزید برآں، سکڑتی ہوئی معیشت کی وجہ سے شریک کمپنیز (ایسوسی ایٹس) پر بھی منفی اثرات مرتب ہوئے ہیں اور نتیجتاً ایسوسی ایٹس کی جانب سے منافع کی کمی کا سامنا بھی کرنا پڑا جس کے باعث کمپنی کے منافع پر منفی اثرات مرتب ہوئے ہیں، اس طرح کمپنی کا منافع 1.82 ارب روپے درج کیا گیا ہے جو کہ گزشتہ مالی سال کے اسی عرصے کے دوران 3.54 ارب روپے درج کیا گیا تھا۔

معاشی منظر نامہ

سرپرمنڈ لاتے سیاسی بحران، روپے کی قدر میں تیزی سے آنے والی کمی اور کئی دہائیوں کے بعد اس قدر افراتر کی وجہ سے ملکی معیشت کا پہیہ جو کہ پچھلے ہی سست روی کا شکار ہے، تباہ کن سیلاب اور توانائی کے بڑھتے ہوئے بحران کی وجہ سے مزید بآؤ کا سامنا کر رہا ہے۔

زیر نظر عرصے کے دوران درآمدی بلز 22.63 فیصد (بمطابق امریکی ڈالر) سے کم ہو کر 31.38 ارب امریکی ڈالر رہ گئے ہیں جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران درآمدی بلز 40.56 ارب امریکی ڈالر تھے، درآمدی بلوں میں اس کی بنیادی وجہ سخت مالیاتی پالیسی اور بینک دولت پاکستان کی جانب سے درآمدات میں کمی لانے کی حکمت عملی ہے تاکہ درآمدات میں کمی لاکر زرمبادلہ کے ذخائر پر دباؤ کو کم کیا جاسکے۔ اسی طرح گزشتہ مالی سال کے مقابلے میں

ملکی برآمدات اور بیرون ملک سے آنے والی ترسیلات زر میں بھی (بلحاظ امریکی ڈالر) بالترتیب 5.79 فیصد اور 11.10 فیصد تک کمی واقع ہوئی ہے اور اس کمی کے بعد ان کا حجم اب بالترتیب 14.25 ارب امریکی ڈالر اور 14.05 ارب امریکی ڈالر ہے۔ اس کی وجہ عالمی سطح پر مجموعی پیداوار (جی ڈی پی) میں کمی اور افراط زر کا بڑھتا ہوا دباؤ ہے۔

موجودہ معاشی بحران کی وجہ سے افراط زر کے دباؤ کے اثرات زیادہ شدت کے ساتھ محسوس ہونے لگے اور توقع سے بڑھ کر اس میں تو اثر بھی پایا گیا، بلحاظ سال بہ سال اس کی شرح 24.5 فیصد رہی، اس کی بنیادی وجوہات میں روس اور یوکرین کے مابین جنگ اور حالیہ تباہ کن سیلابوں کے باعث عالمی اور داخلی ترسیلات میں پیدا ہونے والا رخندہ بھی شامل ہے۔ اس بات کو یقینی بنانے کی غرض سے کہ افراط زر کی بڑھتی ہوئی شرح دیر پا نہ ہونے پائے اور معیشت کے توازن کو لاحق خطرات کو قابو میں رکھا جاسکے، بینک دولت پاکستان کی جانب سے زری پالیسی کے تحت شرح کوٹتی (ڈسکاؤنٹ ریٹ) 16 فیصد تک بڑھا دیا گیا تاکہ مستقل بنیادوں پر بلند نشوونما کیلئے راہ ہموار کی جاسکے۔

عالمی کساد بازاری اور پاکستان میں کپاس کی محدود دستیابی، زرمبادلہ کے کم ہوتے ہوئے ذخائر اور توانائی کی کمی جیسے مسائل کی وجہ سے ٹیکسٹائل کی صنعت پر منفی اثرات مرتب ہوئے جس کے باعث بہت سی مقامی ٹیکسٹائل فیکٹریاں یا تو بند کرنا پڑیں یا پھر ان کی پیداوار کی گنجائش میں کمی کی گئی ہے۔

پاکستان کپاس جنرز ایسوسی ایشن (PCGA) کی اشاعت موزعہ یکم جنوری 2023 کے مطابق ملک میں موجود جنرلز (روٹی دھننے کے کارخانے) کو 4.61 ملین کپاس کی گٹھنیں موصول ہوئی ہیں، جبکہ گزشتہ مالی سال اسی عرصے کے دوران 7.35 ملین گٹھنیں موصول ہوئی تھیں یعنی کہ گٹھنوں کی وصولی میں 37.22 فیصد کمی واقع ہوئی ہے، جس کی بنیادی وجہ بارشیں اور تباہ کن سیلاب ہے، ان تمام مسائل کے باعث ملک کی برآمدات پر خاطر خواہ منفی اثرات مرتب ہوئے ہیں۔

مالیاتی کارکردگی

کمپنی کی چھ ماہ کی اہم مالیاتی کارکردگی اگست 2022 اور 31 دسمبر 2022 کا تقابلی جائزہ ذیل میں پیش کیا جا رہا ہے:

تفصیل	30 دسمبر 2021	30 دسمبر 2022	جائزہ نفع و نقصان
شرح فیصد	روپے ہزاروں میں	روپے ہزاروں میں	
(32.08)	6,801,138	4,619,435	براہ راست برآمدات
(17.10)	11,210,374	9,293,484	بالواسطہ برآمدات
43.57)	8,492,538	12,192,682	مقامی
(1.50)	26,504,050	26,105,601	فروخت (صافی)
(23.17)	4,424,204	3,399,118	خام منافع
25.60)	651,739	484,883	لاگت برائے ترسیل
(34.85)	171,540	231,320	انتظامی اخراجات
35.67)	243,262	156,491	دیگر اخراجات برائے کاروباری افعال
(351.72)	177,537	801,974	تمویلی لاگت
(20.71)	757,573	600,974	دیگر آمدن
(40.95)	3,937,699	2,325,138	منافع قبل از ٹیکس
(48.54)	3,535,953	1,819,635	منافع بعد از ٹیکس
	126.15	64.92	آمدن فی شخص (روپے)

گزشتہ مالی سال کے اسی عرصے کے مقابلے میں زیر نظر عرصے کے دوران سوت کی فروخت مجموعی طور پر کمی کا شکار ہوئی ہے جس کی بنیادی وجہ عالمی معیشت میں سست روی تھی۔ تاہم، کمپنی کی جانب سے بنائی کے شعبے کی فروخت گزشتہ مالی سال کے مقابلے میں نسبتاً برقرار رکھا گیا ہے۔

گزشتہ مالی سال کے مقابلے میں زیر نظر عرصے کے دوران، خام مال کے میٹنگے ہونے اور کونورژن کی بڑھتی ہوئی لاگت کی وجہ سے خام منافع میں کمی واقع ہوئی ہے۔

گزشتہ مالی سال کے مقابلے میں زیر نظر عرصے کے دوران عالمی سطح پر تیل کی قیمت میں کمی، شپنگ کی مال برداری کی لاگت کے معمول میں آنے اور سوت کی برآمدات میں آنے والی کمی کی وجوہات کی بناء پر لاگت برائے تربیل میں 25.60 فیصد کمی واقع ہوئی ہے۔ علاوہ ازیں، زیر نظر عرصے کے دوران معیشت پر افراط زر کے دباؤ کے نتیجے میں کمپنی کے انتظامی اخراجات میں اضافہ ہوا ہے۔

زیر نظر عرصے کے دوران گزشتہ مالی سال کے مقابلے میں تمویل کی لاگت میں 351.7 فیصد اضافہ ہوا ہے اور اس اضافے کے بعد یہ لاگت 801.9 ملین روپے بنتی ہے۔ اس اضافے کی بنیادی وجہ پالیسی ریٹ کا بڑھنا ہے جو کہ زیر نظر عرصے کے دوران 15 فیصد تا 16 فیصد رہا جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران یہ شرح 7 فیصد تا 10 فیصد تھی، اس کے علاوہ کاروباری سرمائے (ورکنگ کپٹل) کی ضرورت کے پیش نظر روایتی تمویل کی ضرورت بھی ان وجوہات میں شامل ہے۔ مزید برآں، مخصوص رعایتی تمویل برائے سرمایہ کاری بابت مشینری کی محدود دستیابی اور ویلیو ایڈڈ ٹیکس کی توسیع کی وجہ سے بھی تمویل کی لاگت میں اضافہ ہوا ہے۔

کمپنی کی جانب سے متنوع سرمایہ کاری کے تحت مختلف مقامات پر کی جانے والی سرمایہ کاری کے باعث حاصل ہونے والی آمدن زیر نظر عرصے کے دوران 388.3 ملین روپے رہی جبکہ گزشتہ مالی سال کے اسی عرصے کے میں یہ آمدن 645.1 ملین روپے تھی۔ اس طرح اس مدت میں حاصل ہونے والی آمدن میں 39.8 فیصد کمی واقع ہوئی ہے۔ ایسی ہیٹ سے حاصل ہونے والے منافع میں کمی کی بنیادی وجہ معیشت کی سست روی تھی اور اس کے علاوہ کئی کور انڈسٹریز لمیٹڈ (سابقہ آئی سی آئی پاکستان لمیٹڈ) کی جانب سے گزشتہ عرصے کے دوران ایک شریک کمپنی نیوٹرکیو پاکستان (پرائیویٹ) لمیٹڈ میں اپنی 40 فیصد حصص داری کو مرحلہ وار حصول کے ذریعے سے 51 فیصد تک بڑھا کر ذیلی کمپنی بنا دیا گیا، اس ترتیب کے تحت کئی کور انڈسٹریز لمیٹڈ نے 11.85 ارب روپے کا ایک بلا اعادہ دفع درج کیا (جس میں کمپنی کا حصہ 133.19 ملین روپے تھا)۔

نتیجتاً، کمپنی کا صافی منافع گزشتہ مالی سال کے اسی عرصے کے مقابلے میں 48.5 فیصد سے کم رہا۔

شعبہ جات کی کاروباری کارکردگی

زیر نظر عرصے کے دوران، کمپنی اپنی مجموعی فروخت کی قدر کو برقرار رکھنے میں کامیاب رہی، جس میں کمپنی گزشتہ مالی سال کے مقابلے میں بنائی کی فروخت سے کافی سہارا ملا۔ بنائی کے شعبے کا صافی منافع کافی بہتر رہا کیونکہ گزشتہ مالی سال کے اس عرصے کے مقابلے میں کمپنی کو زیر نظر عرصے کے دوران بہتر قیمت فروخت حاصل ہوئی۔ تاہم، سوت کٹائی کے شعبے کا صافی منافع کمی کا شکار رہا جس کی وجوہات مندرجہ بالا سطور میں بیان کی جا چکی ہیں۔

کارپوریٹ معاشرتی ذمہ داری (سی ایس آر)

کمپنی اس بات پر یقین رکھتی ہے کہ کارپوریٹ معاشرتی ذمہ داری کی وجہ سے ملازمین میں احساس ذمہ داری میں اضافہ ہوتا ہے، برانڈ کی ساکھ میں اضافہ ہوتا ہے اور مقامی اور عالمی معاشروں میں اس کے مثبت اثرات مرتب ہوتے ہیں۔ زیر نظر عرصے کے دوران درج ذیل سرگرمیاں سی ایس آر کے تحت کی گئیں۔

بچوں کے عالمی دن کو منانے کی غرض سے "اسٹریٹ اسکول" کا دورہ کیا گیا جس کا مقصد اسٹریٹ چلڈرن کی مدد کرنا تھا تاکہ یہ بچے ہر اعتبار سے ترقی کر سکیں۔ بچوں کے ساتھ ایک بھرپور دن گزارنے کے بعد کمپنی کی جانب سے اسکول کی انتظامیہ کو اسکول کی ضروری اشیاء بھی بطور عطیہ فراہم کی گئیں تاکہ سماجی خوشحالی اور تعلیمی بہبود کے کام کو فروغ دیا جاسکے۔ کمپنی کی جانب سے ایس او ایس چلڈرن ویلج کا دورہ بھی کیا گیا تاکہ بچوں کی فلاح کے حوالے سے بین الاقوامی سطح پر اجتماعیت اور آگہی کو فروغ دیا جاسکے اور معیاری تعلیم کے فروغ کی اہمیت کو اجاگر کیا جاسکے۔

کمپنی کی انتظامیہ کی جانب سے اس بات کو یقینی بنایا جاتا ہے کہ کمپنی کے ملازمین مسلسل اپنی صلاحیتوں میں اضافہ کرتے رہیں اور کمپنی کی قدر میں اضافے کا باعث بنتے رہیں۔ اس مقصد کو آگے بڑھانے کیلئے ذیل میں مرکوز چند ترقیاتی پروگرام اور آگہی سے متعلق دورے کرائے گئے:

☆ ملازمین کے مابین انسانی زندگی میں خود انتظامی (self-management) اور سماجی انتظام (social-management) کی اہمیت اور آگہی کا اجاگر کرنے کیلئے "smile" نامی دو یومیہ فلاحی پروگرام منعقد کیا گیا۔

☆ سماجی برکرائز کے خلاف موثر انداز سے آگاہی کو فروغ دینے کیلئے نشست کا انعقاد کیا گیا تاکہ سماجی برائیوں میں اور بروقت سماجی برکرائز کو پہچانا جاسکے۔

بیشہ وارانہ افعال کی سرانجام دہی کی غرض سے مستقل معیارات کو اپنانے کیلئے "سسٹین بیلٹیٹی" کے عنوان پر آگاہی نشست کا اہتمام کیا گیا جس میں کاربن کے اخراج میں کمی لانے پر غور کیا گیا اور اس سلسلے میں قدرتی وسائل کو ذمہ داری کے ساتھ زیر استعمال لانے پر زور دیا گیا۔

مستقبل پر نظر

مالی سال 2023 کے دوران معاشی نشوونما طے شدہ ہدف سے کم رہنے کی توقع ہے جس کی بنیادی وجہ افراط زر اور زرمبادلہ کے ذخائر کو کنٹرول کرنے کیلئے حکومت کی جانب سے سخت مالیاتی اور زرعی پالیسیاں ہیں۔ آئندہ آنے والے متوقع معنی بچت میں مزید ٹیکسوں اور پبلک دولت پاکستان کی جانب سے پالیسی ریٹ کو مزید بڑھانے جانے سے معاشی شرح نمو مزید دباؤ کا شکار ہوگی۔ پست معاشی شرح نمو، بلند افراط زر، عالمی جنگوں اور زرمبادلہ کے انتہائی کم ذخائر کے ہوتے ہوئے پالیسی سازوں کے سامنے بہت بڑے بڑے مسائل موجود ہیں۔

پاکستان کو اس وقت اپنے قرضوں کی ادائیگی کیلئے مسائل کا سامنا ہے کیونکہ ہمارے زرمبادلہ کے ذخائر ختم ہوتے جا رہے ہیں۔ حال ہی میں ایس اینڈ پی گلوبل کی جانب سے پاکستان کے طویل المیعاد ریاستی قرضوں کی درجہ بندی کو B سے گھٹا کر +CCC کر دیا گیا ہے جس سے بیرون دنیا میں پاکستان کی معیشت کی کمزوری ظاہر ہوتی ہے، اور پاکستان کی مالیاتی اور معاشی اشاریے بھی زبوں حالی کا شکار ہے جو کہ حالیہ سیلابوں کے باعث مزید خرابی کی جانب گامزن ہے۔

دوست ممالک کی جانب سے قرضوں کی تجدید کئے جانے کے اقدام سے وطن عزیز پاکستان کو فوری طور پر نادمہنگی جیسے چیلنج سے نمٹنے کے لئے نہ صرف سہارا ملا بلکہ ارباب اختیار کو بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) کے پروگرام کی بحال کرنے کا موقع بھی میسر آیا اور ساتھ ہی ساتھ پاکستان کو پندرہ سو ارب زرمبادلہ کے ذخائر کو بڑھانے کا موقع مل سکے گا جس سے درآمدات پر عائد پابندیوں میں نرمی بھی کی جاسکے گی جس کے باعث نہ صرف صنعتکاری کا پیہر رک رک کر کھل کر رہے بلکہ انتہائی ضروری اشیاء کی قلت پیدا ہو رہی ہے۔ مزید برآں، سیلاب سے ہونے والے نقصانات کی تلافی کیلئے پاکستان کو طرفہ اور کثیر الگتی شراکت داروں اور دوست ممالک کی جانب سے امداد کا وعدہ بھی کیا گیا ہے جس کے باعث ایک جانب تو پاکستان کی معیشت کو سہارا مل پائے گا اور دوسری جانب پاکستان کے تیزی سے گھٹتے ہوئے زرمبادلہ کے ذخائر پر بھی دباؤ کم ہوگا۔

مستقل بنیادوں پر معاشی نشوونما کو برقرار رکھنے کیلئے لازم ہے کہ تیار کی خسرانے کو قابو میں رکھا جائے۔ برآمدات اور زرمبادلہ کو بڑھانے کیلئے حکومت کی جانب سے برآمدات کی جانے والی مصنوعات بشمول ٹیکسٹائل کو ترجیحات میں شامل کرنے کا اعادہ کیا گیا ہے اور اس سلسلے میں خام مال کی درآمد اور فاضل پرزہ جات اور دیگر ضروری اشیاء کو بھی درآمد کرنے پر غور کیا جائے گا۔

عالمی کساد بازاری اور افراط زر کے دباؤ کے باوجود Heimtextile نمائش 2023 بمقام فرینکفرٹ نے پاکستان کیلئے مواقع پیدا کر دیئے ہیں۔ کمپنیوں کو 500 ملین امریکی ڈالر کے برآمدی آرڈرز واضح طور پر مل چکے ہیں اور اس کے علاوہ مزید آرڈرز جن کے ہم منتظر ہیں اگر کمپنیاں یہ آرڈرز مل جاتے ہیں تو ملک کی معیشت میں توازن پیدا کرنے میں یہ آرڈرز معاون ثابت ہونگے۔

ملک کی آمدن کے لحاظ سے اس عرصے کے دوران ایف بی آر کی جانب سے 3.43 ارب روپے جمع کئے گئے جو کہ مقرر شدہ ہدف 3.67 سے کچھ کم تھے، جس کی بنیادی وجوہات میں درآمدات میں کمی، پیٹرولیم مصنوعات پر صفر ریٹنگ اور حالیہ سیلابی صورتحال شامل ہیں، جس سے ظاہر ہوتا ہے کہ حکومت کا اپنے سالانہ ہدف 7,255 ارب روپے پورا کرنے کو بڑے اقدامات اٹھانا ہونگے جن میں ٹیکسوں میں اضافہ اور درآمدات میں نرمی پیدا کرنے جیسے اقدامات شامل ہیں۔

جہاں تک کمپنی کے آپریشنز کا تعلق ہے، کمپنی کی جانب سے اپنی پیداواری گنجائش کو زیادہ سے زیادہ زیر استعمال لاکر، پیداواری لاگت میں کمی لاکر اور خریداری کی موثر حکمت عملی بنا کر یہ کوشش کی جائے گی کہ پیداواری دولت کے عمل کو موثر بنایا جائے تاکہ کمپنی کے حصص داران کی دولت اور فلاح میں اضافہ ممکن ہو سکے۔ علاوہ ازیں، فروخت کیلئے پیش کی جانے والی مصنوعات کے امتزاج کو طلب و رسد کی بنیاد پر بہتر بنایا جائے گا تاکہ منافع کی شرح کو بڑھایا جاسکے۔

مزید برآں، اپنے صارفین کی تعداد میں اضافہ کرنے کے ساتھ ساتھ ویلیو ایڈڈ مصنوعات کے سلسلے میں کارکردگی کو بہتر بنانے کیلئے کمپنی کی جانب سے اس سلسلے میں توجہ مرکوز کی جارہی ہے تاکہ کمپنی اپنی پیداواری صلاحیت میں اضافہ کر سکے، اپنی پیداواری لاگت میں کمی لاسکے اور نتیجتاً اپنے منافع میں اضافہ کر سکے۔

بورڈ کی اسامی پر تعیناتی (Casual Vacancy)

بورڈ پر خالی ہونے والی اسامی کو ڈائریکٹرز کی جانب سے جناب عمران یونس صاحب کی بحیثیت غیر انتظامی ڈائریکٹر تعیناتی کے ذریعے پر کیا گیا جو کہ بقیہ مدت تک بطور ڈائریکٹر بھی اپنی ذمہ داریاں نبھائیں گے۔
علاوہ ازیں، ڈائریکٹرز کی جانب سے بقیہ مدت کیلئے جناب محمد علی منیر کو بطور چیئر مین بورڈ تعینات کیا گیا ہے۔

بورڈ کا استرجاع

لسٹڈ کمپنیوں کے قواعد (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تحت کمپنی کی جانب سے بورڈ میں غیر جانبدار اور غیر انتظامی ڈائریکٹرز کی نمائندگی کو یقینی بنایا گیا ہے۔ اس کے علاوہ بورڈ میں ضمنی متنوع نمائندگی کو بھی یقینی بنایا گیا ہے۔ بمطابق 31 دسمبر 2022 بورڈ درج ذیل ڈائریکٹرز پر مشتمل ہے:
کمپنی کے بورڈ آف ڈائریکٹرز میں ڈائریکٹرز کی کل تعداد آٹھ ہے بشمول چیف ایگزیکٹو بحیثیت ڈائریکٹر:

ڈائریکٹرز کی تعداد	
06	الف) مرد
01	ب) خواتین

بقیہ مدت کیلئے بورڈ کا استرجاع درج ذیل ہے:

تعداد	تفصیلات
02	الف) غیر جانبدار ڈائریکٹرز
01	ب) انتظامی ڈائریکٹرز
03	ج) دیگر غیر انتظامی ڈائریکٹرز
01	د) خواتین غیر انتظامی ڈائریکٹر

علاوہ ازیں، غیر انتظامی ڈائریکٹرز کے مشاہرے کی پالیسی میں کوئی تبدیلی نہیں کی گئی جسے سالانہ رپورٹ 2022 میں بیان کیا جا چکا ہے۔

اظہار تشکر

ڈائریکٹرز کی جانب سے کمپنی کے ورکروں، اسٹاف اور ایگزیکٹوز کی کارکردگی کے مؤثر ہونے کے اعتراف کو ریکارڈ کا حصہ بنایا جاتا ہے۔

برائے و منجانب بورڈ


محمد سہیل منیر
چیئر ایگزیکٹو آفیسر


محمد علی منیر
چیئر مین ڈائریکٹر
کراچی: 26 جنوری 2023



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