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Third Quarterly Report
March 2020



godaddy

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Company Information

Board of Directors	Mr. Muhammad Yunus Tabba (Chairman) Mr. Muhammad Sohail Tabba (Chief Executive Officer) Mr. Muhammad Ali Tabba Mr. Jawed Yunus Tabba Ms. Zulekha Tabba Maskatiya Mr. Saleem Zamindar (Independent Director) Mr. Zafar Masud (Independent Director)	
Audit Committee	Mr. Saleem Zamindar (Chairman) Mr. Zafar Masud Mr. Muhammad Ali Tabba Mr. Jawed Yunus Tabba	
HR and Remuneration Committee	Mr. Saleem Zamindar (Chairman) Mr. Jawed Yunus Tabba Ms. Zulekha Tabba Maskatiya	
Executive Director Finance and Company Secretary	Mr. Abdul Sattar Abdullah	
Chief Financial Officer	Mr. Muhammad Imran Moten	
Chief Internal Auditor	Mr. Haji Muhammad Mundia	
Auditors	Deloitte Yousuf Adil Chartered Accountants A Member of Deloitte Touche Tohmatsu	
Registered Office	200-201, Gadoon Amazai Industrial Estate, Distt. Swabi, Khyber Pakhtunkhwa. Phone: 093-8270212-3 Fax: 093-8270311 Email: secretary@gadoontextile.com	
Karachi Office	7-A, Muhammad Ali Society, Abdul Aziz Haji Hashim Tabba Street, Karachi 75350. Phone: 021-35205479-80 Fax: 021-34382436	
Liaison Office	Syed's Tower, Third Floor, Opposite Custom House, Jamrud Road, Peshawar. Phone: 091-5701496 Fax: 091-5702029 E-mail: secretary@gadoontextile.com	
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 Shahrāh-e-Faisal, Karachi. Toll Free: 0800 23275	
Bankers	Allied Bank Limited Askari Bank Limited Bank Al-Falah Limited Bank Al-Habib Limited Bank Islami Pakistan Limited Dubai Islamic Bank Pakistan Limited Faisal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited	MCB Bank Limited Meezan Bank Limited National Bank of Pakistan Soneri Bank Limited Standard Chartered Bank Pakistan Limited The Bank of Punjab The Bank of Khyber United Bank Limited

Directors' Report to the Members

Dear Members

The Directors of your Company take pleasure in presenting before you the performance review and the un-audited standalone and consolidated financial statements for the nine months ended March 31, 2020.

Overview

During the period under review, your Company recorded consolidated turnover of Rs. 24.72 billion against Rs. 22.25 billion for the Same Period Last Year (SPLY); there is an increase of 11.09% during this nine month when compared to SPLY. Despite of the fact that during this period the conversion costs were on a higher side on account of inflationary including the gas prices which also increased from Rs .600 per MMBTU to Rs. 786 per MMBTU w.e.f July 01, 2019 which resultantly increased the power cost. However, the Company still able to increase its gross profit margins from 7.65% to 9.82% from SPLY mainly on account of better products mix, increased quantity and better sales price.

After the stability of foreign currency on account better current account balance, the Company has been managing its working capital requirements using foreign exchange borrowing. There is an abrupt devaluation in the Pak Rupees in the month of March 2020, which effected company's profitability by Rs. 911 million, out of which Rs. 830 million is unrealized. The net profit margin of the company has accordingly reduced from 2.54% to 1.29% as compared to SPLY.

Economic Prospects

The Pakistan Economy which has started fencing its way towards stability on account of strict policy measures being adopted by the government, is seems to be in burden again mainly on account of the COVID-19 pandemic which is on the urge of impacting almost all the global giants including the country's Economy.

The inflation rate which was on the increasing trend since the start of this financial year has witnessed the decline in the last two months of this financial year wherein the general inflation for the month of March 2020 was recorded at 10.2%. The inflation rate has reduced primarily on account of recent deceleration in domestic food prices, significant decline in consumer price expectations, sharp fall in global oil prices, and slowdown in external and domestic demand due to the COVID19 pandemic.

In light of the reduction in growth and inflation expectations, the State Bank of Pakistan has recently, within a span of one month, has reduced the discount rate by 4.25%, thereby bringing the discount rate to 9% from 13.25% (being effective from July 2019 till March 2020), which might prove helpful in the reviving the economy.

Further, during the period under review the country witnessed the growth of 2.23% in exports and reduction of 14.42% in import bill in USD term as compared to SPLY, which resultantly reduce the current account deficit by 26.45%. Moreover, inflows from remittance have also increased by 5.99% in USD term, thereby adding positive impact on Country's foreign reserves.

Financial Performance

A comparison of the key consolidated financial results of the Company for the nine months ended March 31, 2020 is as under.

Profit and Loss Summary

	March 31, 2020	March 31, 2019	Percentage Favorable / (Unfavorable)
	—— (Rupees in '000) ——		
Direct Export	7,561,070	5,301,128	42.63
Indirect Export	6,069,437	-	100.00
Local	11,088,049	16,950,196	(34.58)
Sales (net)	24,718,556	22,251,324	11.09
Gross Profit	2,428,075	1,701,755	42.68
Distribution Cost	(407,463)	(277,749)	(46.70)
Administrative Expenses	(222,357)	(205,669)	(8.11)
Finance Cost	(709,296)	(774,922)	8.47
Other Income	473,183	371,726	27.29
Profit Before Taxation	613,055	770,384	(20.42)
Profit After Taxation	317,670	565,891	(43.86)
Earnings Per Share (Rs.)	11.33	20.19	

Before the ongoing COVID-19 pandemic, the Company has increased its sales both in terms of Value and Units during this period as compared to SPLY. The effects of COVID-19 were being witnessed on the Pakistan's economy since the start of March 2020 after which the Company's operations were being planned and then curtailed accordingly.

During this period exports sales have seen a significant improvement with increase of almost 42.63% in values term from SPLY despite the ongoing trade war among world economies, increased competition at national / international levels and global impact of COVID-19 pandemic. However, the local sales remain at the similar with slight increase of 1.22% when compared to SPLY. The local sales could have been increased if the government and the businessmen (mainly traders) could have reached to consensus on certain policy measure including the resolution of CNIC matter. Further, the withdrawal of SRO 1125(1) of 2011 w.e.f July 01, 2019 have also negatively impacted the local sales in this period.

During the period the Company in order to outweigh the higher KIBOR rates, has shifted its working capital and capex requirements to other cheaper source of financing including foreign exchange loans and was able to keep its finance cost at a quite manageable level with the decrease in finance cost by 8.47% in this period as compared to SPLY. However, the benefits of saving in finance cost was outweighed by a larger extent from the abrupt devaluation in Pakistan Rupees in the month of March 2020, which resulted in exchange loss of Rs. 911 million (realized: Rs. 81 million, unrealized: Rs. 830 million) to the Company on the foreign exchange loans and accordingly was the significant contributor for decrease in net profits of the Company for this period as compared to SPLY.

The returns from the Company's strategic decision in diversified avenues contributed Rs. 359.76 million against Rs. 300.87 million in SPLY, up by Rs. 58.89 million, thereby strengthening Company's profitability and covering the Company from risk exposure from a specific segment.

Further, the tax expense has also increased in this period as compared to SPLY, mainly on account of withdrawal of tax credit on investments under section 65(B) of the Income Tax Ordinance, 2001 having the impact of approximately Rs.48 million for the period.

Resultantly, consolidated net profits of the company have decreased by 43.86 % in this period as compared to SPLY.

Segmental Review of Business Performance

During the current period knitting segment of the Company has shown improvement both in terms of sales and profit as compared to SPLY. The sales of spinning segment also witnessed improvement, however, the profit has reduced on account of the factors mentioned above.

Status of Strategic Investments

During the current period, the Company decided to no longer proceed with the proposed investment in the Company's associated company i.e. Tricom Wind Power (Private) Limited, as previously approved by the shareholders of the Company, pursuant to a re-evaluation carried out by the Company's management, particularly in light of:

- the abrupt increase in the interest rates i.e. from 7% to 13.85%;
- the devaluation of the currency; and
- the significant capital expenditure carried out during the year 2018-2019 on account of Balancing, Modernization and Replacement (BMR).

Corporate Social Responsibility

The company generally takes an interest in broader social issues. Hence, the Company is consistently involved in activities that serve the best interest of society. During the period, the Company paid particular emphasis on being an environmentally conscious organization. Employees were provided tree saplings on Independence Day to promote a greener environment. Several tree plantation drives were also carried out in collaboration with different educational institutes.

To invest in community development, the company arranged a factory visit for students about to step into their professional life to familiarize them with the norms of the textile industry.

Furthermore, on the occasion of International Women's Day, an in-house session was conducted for the senior management of the Company, whereby the benefits of gender diversity were being highlighted. A similar message was also delivered at a local community school by company volunteers, stressing on the importance of female education and their contribution to the economy.

Future Outlook

The COVID19 pandemic has surely placed a great challenge for global community by reducing the global economic activities and it may take more than expected time when global economies start to normalize. The government targets for the current year will also get impacted as not only the economic activities have been slowed down, but this has also resulted in increased expenditures of government in health and social sectors to curb the impacts of this pandemic.

The recent debt relief measures by G20 Countries, IMF and World bank for the developing countries including for Pakistan will help the Country to provide financing for targeted and temporary spending increases aimed at containing this pandemic and mitigating its economic impact

It is also expected that on account of the above debt relief measures, declining global oil prices, diminishing inflationary pressure on the economy, there would be a positive impact on the Country's Current Account balance and resultantly on the exchange rate which might result in appreciation of Pak Rupees.

Further, the recent steps taken by the government and State Bank of Pakistan to revive the economy and boost the confidence of investors including billions of Rupees relief package and rescheduling of loans / concessional financing etc. will work out in true essence, only if the government is able to control the spread of this pandemic at its earliest and businesses are re-started to operate at their normal levels, which once resumed, will surely have a positive impact on the Country's Economy.

As regards to the Company's operations are concerned, the management of the Company has always placed strong efforts to sustain its cost through maximum capacity utilization,

cost rationalization, effective procurement strategy etc., and accordingly the Company is following its footprint to ensure that maximum wealth can be generated for the wellbeing of the Company's shareholders.

In response to the increasing global demand of textile products in the medical field i.e. face mask, gowns, gloves, bed sheets etc., the sales and marketing team of the Company are also exploring avenues to cater the demand of this sector as well which will accordingly support Company's bottom line and will generate positive cash flows. Further, it is also expected that significant CAPEX incurred by the Company in this period including over the last couple of years will help Company to sustain its cost and provide a competitive edge.

Acknowledgements

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



MUHAMMAD YUNUS TABBA
Chairman / Director

For and on behalf of the Board



MUHAMMAD SOHAIL TABBA
Chief Executive Officer

Karachi: April 22, 2020

Unconsolidated Condensed Interim Statement of Financial Position

As at March 31, 2020

			March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
			— (Rupees in '000) —	
ASSETS				
Non-Current Assets				
	5		10,358,768	9,870,361
Property, plant and equipment			175,213	129,665
Biological asset - animals	6		-	-
Long term advance			44,058	43,677
Long term loans			29,505	29,127
Long term deposits	7		2,992,661	2,869,812
Long term investments			<u>13,600,205</u>	<u>12,942,642</u>
Current Assets				
Stores, spares and loose tools			543,312	606,538
Stock in trade	8		14,900,645	8,407,361
Trade debts			3,745,364	3,517,747
Loans and advances			212,722	199,991
Trade deposits and short term prepayments			50,736	8,901
Other receivables			648,290	719,879
Current tax asset			534,863	659,202
Sales tax refund bond			-	110,797
Cash and bank balances			<u>82,106</u>	<u>106,297</u>
			<u>20,718,038</u>	<u>14,336,713</u>
Total Assets			<u><u>34,318,243</u></u>	<u><u>27,279,355</u></u>
EQUITY AND LIABILITIES				
Share Capital and Reserves				
Authorized				
57,500,000 ordinary shares of Rs.10/- each			<u>575,000</u>	<u>575,000</u>
Issued, subscribed and paid-up capital			280,296	280,296
Capital reserves			137,541	137,541
Revenue reserves			<u>8,838,328</u>	<u>8,771,640</u>
Total Equity			9,256,165	9,189,477
Non-Current Liabilities				
Long term finance	9		3,480,463	2,622,363
Retirement benefit obligation			642,748	562,984
Deferred tax liabilities			840,156	889,350
			<u>4,963,367</u>	<u>4,074,697</u>
Current Liabilities				
Short term borrowings	10		15,738,333	9,926,683
Trade and other payables			4,122,159	3,695,695
Unclaimed dividend			23,640	21,879
Current portion of long term finance	9		70,318	52,728
Accrued mark-up			144,261	318,196
			<u>20,098,711</u>	<u>14,015,181</u>
Total Liabilities			25,062,078	18,089,878
Total Equity and Liabilities			<u><u>34,318,243</u></u>	<u><u>27,279,355</u></u>
CONTINGENCIES AND COMMITMENTS				
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The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



MUHAMMAD YUNUS TABBA
Chairman / Director



MUHAMMAD SOHAIL TABBA
Chief Executive Officer



MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Profit or Loss (Un-audited)
For the Nine Months Ended March 31, 2020

	Note	Nine months ended		Quarter ended	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
(Rupees in '000)					
Sales - net		24,718,556	22,251,324	7,894,435	7,885,038
Cost of sales	12	(22,290,481)	(20,549,569)	(7,147,652)	(7,476,413)
Gross profit		2,428,075	1,701,755	746,783	408,625
Distribution cost		(407,463)	(277,749)	(136,927)	(104,180)
Administrative expenses		(222,274)	(205,655)	(72,620)	(63,136)
		(629,737)	(483,404)	(209,547)	(167,316)
		1,798,338	1,218,351	537,236	241,309
Finance cost		(709,296)	(774,692)	(187,759)	(334,445)
Other operating expenses		(949,087)	(43,827)	(881,215)	2,068
		139,955	399,832	(531,738)	(91,068)
Other income		113,419	65,028	24,156	18,413
Share of profit from associates		342,845	287,847	60,326	105,375
Profit / (loss) before taxation		596,219	752,707	(447,256)	32,720
Taxation					
Current tax		(332,997)	(99,575)	(92,367)	(10,768)
Prior year tax		(7,477)	(4,011)	-	-
Deferred income / (expense)		49,194	(98,995)	36,819	(29,419)
		(291,280)	(202,581)	(55,548)	(40,187)
Profit / (loss) for the period		304,939	550,126	(502,804)	(7,467)
Earnings per share					
- basic and diluted (Rupees)		10.88	19.63	(17.94)	(0.28)

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



MUHAMMAD YUNUS TABBA
Chairman / Director



MUHAMMAD SOHAIL TABBA
Chief Executive Officer



MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Other Comprehensive Income (Un-audited)

For the Nine Months Ended March 31, 2020

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	----- (Rupees in '000) -----			
Profit / (loss) for the period	304,939	550,126	(502,804)	(7,467)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>304,939</u>	<u>550,126</u>	<u>(502,804)</u>	<u>(7,467)</u>

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



MUHAMMAD YUNUS TABBA
Chairman / Director



MUHAMMAD SOHAIL TABBA
Chief Executive Officer



MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Cash Flows (Un-audited)
For the Nine Months Ended March 31, 2020

		Nine months ended			
		March 31, 2020	March 31, 2019		
		Note --- (Rupees in '000) ---			
A. CASH FLOWS FROM OPERATING ACTIVITIES					
Cash used in operations	13	(4,089,967)	(1,642,659)		
Retirement benefits paid		(95,151)	(96,712)		
Income taxes paid		(216,135)	(167,577)		
Rebate received		35,919	54,280		
Finance cost paid		(883,231)	(643,948)		
		<u>(1,158,598)</u>	<u>(853,957)</u>		
Net cash used in operating activities		<u>(5,248,565)</u>	<u>(2,496,616)</u>		
B. CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(1,253,316)	(2,107,504)		
Sale proceeds from disposal of property, plant and equipment		27,073	41,489		
Purchase of animals		(30,389)	-		
Sale proceeds from disposal of biological asset - animals		10,002	-		
Loans paid to employees		(15,149)	(36,590)		
Long term deposits given		(378)	-		
Dividend received		219,996	261,162		
Investment in subsidiary		-	(100)		
Profit received from bank deposits		4,623	1,195		
Net cash used in investing activities		<u>(1,037,538)</u>	<u>(1,840,348)</u>		
C. CASH FLOWS FROM FINANCING ACTIVITIES					
Long term finance obtained		913,819	1,584,592		
Repayment of long term finance		(38,129)	-		
Dividend paid		(236,490)	(244,192)		
Net cash generated from financing activities		<u>639,200</u>	<u>1,340,400</u>		
Net decrease in cash and cash equivalents (A+B+C)		<u>(5,646,903)</u>	<u>(2,996,564)</u>		
Cash and cash equivalents at the beginning of the period		<u>(9,218,650)</u>	<u>(9,520,886)</u>		
Cash and cash equivalents at the end of the period		<u>(14,865,553)</u>	<u>(12,517,450)</u>		
CASH AND CASH EQUIVALENTS					
Cash and bank balances		82,106	130,154		
Short-term borrowings (except export refinance)	10	(14,947,659)	(12,647,604)		
		<u>(14,865,553)</u>	<u>(12,517,450)</u>		
CHANGES ARISING FROM FINANCING ACTIVITIES					
	July 01, 2019	Financing cash inflows	Financing cash outflows	Non- cash changes	March 31, 2020
	(Rupees in '000)				
Loan from financial institutions	2,675,091	913,819	(38,129)	-	3,550,781
Unclaimed dividend	21,879	-	(236,490)	238,251	23,640

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial information.


MUHAMMAD YUNUS TABBA
Chairman / Director


MUHAMMAD SOHAIL TABBA
Chief Executive Officer


MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)
For the Nine Months Ended March 31, 2020

	---Capital Reserves---				----- Revenue Reserves -----				Grand total
	Issued, subscribed and paid-up share capital	Share premium	Amalgamation reserve	Sub total	General reserve	Amalgamation reserve	Unappropriated profit	Sub total	
----- (Rupees in '000) -----									
Balance as at July 1, 2018	280,296	103,125	34,416	137,541	1,000,000	727,333	6,068,340	7,795,673	8,213,510
Transaction with owners									
Final dividend @ Rs. 8.75/- per share for the year ended June 30, 2018	-	-	-	-	-	-	(245,259)	(245,259)	(245,259)
Effects of restructuring of investment	-	-	-	-	-	-	(3,695)	(3,695)	(3,695)
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	550,126	550,126	550,126
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	550,126	550,126	550,126
Balance as at March 31, 2019	280,296	103,125	34,416	137,541	1,000,000	727,333	6,373,207	8,100,540	8,514,682
Balance as at July 01, 2019	280,296	103,125	34,416	137,541	1,000,000	727,333	7,044,307	8,771,640	9,189,477
Transaction with owners									
Final dividend @ Rs. 8.50/- per share for the year ended June 30, 2019	-	-	-	-	-	-	(238,251)	(238,251)	(238,251)
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	304,939	304,939	304,939
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	304,939	304,939	304,939
Balance as at March 31, 2020	280,296	103,125	34,416	137,541	1,000,000	727,333	7,110,995	8,838,328	9,256,165

The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial information.


MUHAMMAD YUNUS TABBA
Chairman / Director


MUHAMMAD SOHAIL TABBA
Chief Executive Officer


MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the Nine Months Ended March 31, 2020

1. THE COMPANY AND ITS OPERATIONS

- 1.1 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 fabrics. The company is a part of Yunus Brothers Group (The Group) and the parent company of the group is YB Holdings (Private) Limited.

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

These are the separate financial statements of the Company in which investment in subsidiary is accounted for at cost less impairment, if any, and investment in associate is accounted for using equity basis of accounting.

Following are the geographical locations and addresses 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:

Syed's Tower, Third Floor, Opposite Custom House, Jamrud Road, Peshawar, Province of Khyber Pakhtunkhwa, North, Pakistan.

2. BASIS OF PREPARATION

- 2.1 These unconsolidated condensed interim financial statements of the Company for the nine months ended March 31, 2020 has 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 unconsolidated 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 unconsolidated financial statements of the Company for the year ended June 30, 2019.
- 2.2 These unconsolidated condensed interim financial statements is presented in Pak Rupees which is also the Company's functional currency and figures presented in these unconsolidated condensed interim financial statements has been rounded off to the nearest thousand rupee.
- 2.3 These unconsolidated condensed interim financial statements are un-audited and all relevant compliance with Companies Act, 2017 has been made accordingly. The comparative unconsolidated condensed interim statement of financial position presented has been extracted from annual unconsolidated financial statements for the year ended June 30, 2019; the comparative

unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of other comprehensive income, unconsolidated condensed interim statement of cash flows and unconsolidated condensed interim statement of changes in equity of the Company have been extracted from the unaudited condensed interim financial statements for the Nine months ended March 31, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these unconsolidated 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 unconsolidated financial statements as at and for the year ended June 30, 2019. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2019, which do not have any impact on the Company's financial reporting and therefore have not been detailed in these unconsolidated condensed interim financial statements.

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited unconsolidated financial statements as at and for the year ended June 30, 2019.

	Note	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
— (Rupees in '000) —			
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	9,901,891	9,610,034
Capital work-in-progress	5.2	456,877	260,327
		<u>10,358,768</u>	<u>9,870,361</u>

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

	Nine Months Ended March 31, 2020		Nine Months Ended March 31, 2019	
	Additions/ transfers	Disposals at book value	Additions/ transfers	Disposals at book value
(Rupees in '000)				
Buildings	39,289	-	30,735	-
Plant and machinery	939,909	4,335	201,300	26,920
Power plant	12,830	-	6,823	-
Electric installations	6,631	-	958	-
Tools and equipment	575	-	-	-
Computer equipment	10,449	264	5,178	17
Office equipment and installations	2,994	-	4,293	10
Vehicles	44,089	13,433	61,940	11,702
	<u>1,056,766</u>	<u>18,032</u>	<u>311,227</u>	<u>38,649</u>

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

	Nine Months Ended March 31, 2020		Nine Months Ended March 31, 2019	
	Additions	Transfers	Additions	Transfers
----- (Rupees in '000) -----				
Plant and machinery	1,031,495	935,932	1,749,099	203,571
Civil Works	109,043	37,621	256,611	30,519
Electric installations	6,631	6,631	958	958
Vehicles	49,463	44,089	55,237	61,940
Markup capitalized	42,666	18,475	36,128	4,768
	<u>1,239,298</u>	<u>1,042,748</u>	<u>2,098,033</u>	<u>301,756</u>

	Note	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
----- (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.

	Note	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
----- (Rupees in '000) -----			
7. LONG - TERM INVESTMENTS			

Investment in associates

Investment in subsidiary - cost	7.1	164,216	164,216
Investment in associates - equity method	7.2	2,828,445	2,705,596
		<u>2,992,661</u>	<u>2,869,812</u>

7.1 This represents investment in Gadoon Holdings (Private) Limited (GHPL) - a wholly owned subsidiary. The principal place of business of GHPL is in Pakistan.

	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
Note	(Rupees in '000)	
7.2 Investment in associates		
ICI Pakistan Limited	1,818,846	1,761,406
Lucky Holdings Limited	1,385	4,284
Yunus Energy Limited	1,008,214	939,906
	<u>2,828,445</u>	<u>2,705,596</u>
8. STOCK-IN-TRADE		
Raw material in		
- in hand	9,364,233	6,080,886
- in transit	2,289,642	632,267
- feed	15,162	9,186
	<u>11,669,037</u>	<u>6,722,339</u>
Work-in-process	281,679	345,359
Finished goods		
- yarn	2,817,622	1,261,788
- knitted fabric	33,687	41,104
- waste	97,920	36,522
- unprocessed milk	700	249
	<u>2,949,929</u>	<u>1,339,663</u>
8.1	<u>14,900,645</u>	<u>8,407,361</u>

8.1 The stock of finished goods has been written down to net realizable value by Rs. 45 million (2018: Rs. Nil).

	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
Note	(Rupees in '000)	
9. LONG TERM FINANCE		
Banking companies - secured		
Long term finance	3,550,781	2,675,091
Less: Current portion of long term finance	(70,318)	(52,728)
	<u>3,480,463</u>	<u>2,622,363</u>

9.1 The Company is availing long term finance loan with various commercial banks, with an approved limit of Rs. 4.30 billion (June 30, 2019: Rs. 3.09 billion). The facilities carry a mark-up ranging from SBP Base Rate + 0.1% to SBP Base Rate + 0.6% payable on a quarterly basis (June 30, 2019: SBP Base Rate + 0.1% to SBP Base Rate + 0.6% payable on a quarterly basis). The tenure of these facilities is 10 years including grace period of 2 years, starting from July 10, 2017. The Company has drawn Rs. 3.55 billion up to March 31, 2020 (June 30, 2019: Rs. 2.67 billion).

The above financing agreements are secured by pari passu charge over plant and machinery of the Company.

		March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
	Note	--- (Rupees in '000) ---	
10. SHORT TERM BORROWINGS			
Banking companies - secured			
Running finance under markup arrangements	10.1	3,358,329	8,629,697
Short term finance	10.2	-	695,250
Export Loan	10.3	759,756	-
Import Loan	10.4	10,829,574	-
		14,947,659	9,324,947
Export refinance	10.5	790,674	601,736
		<u>15,738,333</u>	<u>9,926,683</u>

10.1 Facilities for running finance, import finance, export finance and export refinance are available from various banks up to Rs. 29.32 billion (June 30, 2019: Rs. 28.61 billion). The terms and conditions of the short-term borrowings including markup rates and securities have not materially changed from June 30, 2019.

10.2 This represents short-term finance facilities from various commercial banks having mark-up ranging between KIBOR - 0.05% to KIBOR 1.00% per annum (June 30, 2019: KIBOR - 0.05% to KIBOR 1.00% per annum)

10.3 The rate of mark-up on export loan is 2.5% to 2.75% per annum.

10.4 The rate of mark-up on import loan is 2.5% to 2.85% per annum.

10.5 The rate of mark-up on export re-finance is 2.5% to 3.0% per annum (June 30, 2019: 2.1% to 2.5% per annum).

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

11.1.1 As at period end, bank guarantees given in favour of the Company by banks in normal course of business amounted to Rs. 1.21 billion (June 30, 2019: Rs. 1.13 billion).

11.1.2 Other contingencies are same as disclosed in notes 23.1.2 to 23.1.8 to the annual unconsolidated financial statements for the year ended June 30, 2019.

		March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
		--- (Rupees in '000) ---	
11.1.3 Others			
Export bills discounted with recourse		1,098,400	1,277,307
Local bills discounted		133,999	192,333
Indemnity bond in favour of Collector of Customs against imports		5,966	5,906
Post-dated cheques in favour of Collector of Customs against imports		1,344,328	974,071

	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
	— (Rupees in '000) —	
11.2 Commitments		
Letters of credit opened by banks for:		
Plant and machinery	65,182	836,937
Raw materials	297,476	225,272
Stores and spares	43,756	38,500

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

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Note	————— (Rupees in '000) —————			

12. COST OF SALES

Opening stock				
- finished goods	1,339,663	866,680	1,964,220	1,731,707
Cost of goods				
manufactured 12.1	23,900,747	20,914,118	8,133,361	6,975,935
	25,240,410	21,780,798	10,097,581	8,707,642
Closing stock				
- finished goods 8	(2,949,929)	(1,231,229)	(2,949,929)	(1,231,229)
	<u>22,290,481</u>	<u>20,549,569</u>	<u>7,147,652</u>	<u>7,476,413</u>

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Note	————— (Rupees in '000) —————			

12.1 Cost of goods manufactured

Opening stock				
- work in process	345,359	286,033	345,978	323,010
Raw and packing				
material consumed	18,154,136	16,898,942	6,218,331	5,460,959
Other manufacturing				
expenses	5,682,931	4,065,409	1,850,731	1,528,232
	23,837,067	20,964,351	8,069,062	6,989,191
	24,182,426	21,250,384	8,415,040	7,312,201
Closing stock				
- work in process 8	(281,679)	(336,266)	(281,679)	(336,266)
	<u>23,900,747</u>	<u>20,914,118</u>	<u>8,133,361</u>	<u>6,975,935</u>

		Nine Months ended	
		March 31, 2020	March 31, 2019 (Restated)
Note		— (Rupees in '000) —	
13. CASH (USED IN) / GENERATED FROM OPERATIONS			
Profit before taxation		596,219	752,707
Adjustments for:			
Depreciation		746,877	561,734
Gain on disposal of property, plant and equipment		(9,041)	(2,840)
Gain arising from changes in fair value of biological asset - animals		(31,424)	-
Loss on sale of biological asset - animals		6,263	-
Profit on deposits		(4,984)	(1,182)
Profit accrued on sales tax refund bonds		(5,261)	-
Provision for retirement benefit obligation		174,915	137,350
Share of profit from associates		(342,845)	(287,847)
Rebate on export sales		(15,013)	(31,834)
Finance cost		709,296	774,692
Working capital changes	13.1	(5,914,969)	(3,545,439)
		(4,686,186)	(2,395,366)
Cash used in operations		(4,089,967)	(1,642,659)
13.1 Working capital changes			
(Increase) / decrease in current assets			
Stores, spares and loose tools		63,226	(93,774)
Stock in trade		(6,493,284)	(3,982,788)
Trade debts		(227,617)	(350,425)
Loans and advances		2,037	(84,005)
Trade deposits and short term prepayments		(41,835)	12,555
Sales tax refund bonds		116,058	-
Other receivables		51,044	28,082
		(6,530,371)	(4,470,355)
Increase / (decrease) in current liabilities			
Export refinance		188,938	617,591
Trade and other payables		426,464	307,325
Working capital changes		(5,914,969)	(3,545,439)

14. TRANSACTIONS WITH RELATED PARTIES

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

a. **Related Companies**

Name of Related Party	Basis of relationship	% of Share holding	Nature of Transaction	Nine Month Ended	
				March 31, 2020	March 31, 2019
				----- (Rupees in '000) -----	
Y.B.Holdings (Private) Limited	Holding Company	-	Reimbursement of expenses to Company	1,033	1,044
				158,182	170,623
Gadoon Holdings (Private) Limited	Subsidiary	100%	Investment in shares	-	100
ICI Pakistan Limited	Associate	6.48%	Purchase of fiber	1,356,791	1,277,657
				Share of profit on investment	150,144
Yunus Energy Limited	Associate	19.98%	Reimbursement of expenses	2,342	2,384
				Share of profit on investment	190,581
Lucky Holdings Limited	Associate	1%	Dividend received	122,273	183,410
				Share of profit on investment	2,119
Lucky Cement Limited	Associated Company	-	Purchase of cement	5,019	-
				Reimbursement of expenses to Company	18,304
Lucky Knits (Private) Limited	Associated Company	-	Reimbursement of expenses to Company	1,423	-
				Yarn sold	874
Yunus Textile Mills Limited	Associated Company	-	Knitting & processing Charges	1,003,799	939,237
				Reimbursement of expenses to Company	45,478
Lucky Textile Mills Limited	Associated Company	-	Sale of Laptop	2,264	3,652
				Sale of Vehicle	73
Yunus Textile Mills Limited	Associated Company	-	Waste sold	1,901	-
				Yarn sold	607,872
Lucky Textile Mills Limited	Associated Company	-	Sale of fabric	153,421	8,324
				Reimbursement of expenses to Company	2,564,657
Lucky Energy (Private) Limited	Associated Company	-	Purchase of electricity	26,974	108,166
				Reimbursement of expenses to Company	1,880
Lucky Landmark (Private) Limited	Associated Company	-	Processing charges	-	267
				Purchase Store Items	209
Tricom Wind Power (Private) Limited	Associated Company	-	Subordinated loan	952,539	825,825
				Interest income on subordinate loan	1,701
Tricom Wind Power (Private) Limited	Associated Company	-	Advance & interest refunded	2,400	3,000
				Interest income on subordinate loan	7,100
Tricom Wind Power (Private) Limited	Associated Company	-	Advance & interest refunded	-	9,996
				Interest income on subordinate loan	1,932
Tricom Wind Power (Private) Limited	Associated Company	-	Advance & interest refunded	52,327	-
				Interest income on subordinate loan	-

Name of Related Party	Basis of relationship	% of Share holding	Nature of Transaction	Nine Month Ended	
				March 31, 2020	March 31, 2019
				----- (Rupees in '000) -----	
Tricom Solar Power (Private) Limited	Associated Company	-	Subordinated loan	150	5,955
			Interest income on subordinate loan	616	-
Yunus Wind Power Limited	Associated Company	-	Subordinated loan	-	4,735
			Interest income on subordinate loan	485	-
KIA Lucky Motors Pakistan Limited	Associated Company	-	Purchase of vehicle	15,406	-
b. Benefits to key management personnel				80,543	78,323

15. 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 these condensed interim 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.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from 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. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at March 31, 2020, the Company has no financial instruments that falls into any of the above category.

16. OPERATING SEGMENTS

The financial information regarding operating segment is as follows:

	Nine Months Ended March 31, 2020				Nine Months Ended March 31, 2019			
	Spinning	Knitting	Unallocated	Total	Spinning	Knitting	Unallocated	Total
	----- (Rupees in '000) -----							
Segment revenues								
Export	6,634,228	926,842	-	7,561,070	4,551,492	749,636	-	5,301,128
Indirect Export	6,069,437	-	-	6,069,437	-	-	-	-
Local	10,911,668	41,799	134,582	11,088,049	16,830,983	119,213	-	16,950,196
Profit before tax:	61,852	198,825	335,542	596,219	294,210	170,650	287,847	752,707
Finance cost	690,482	2,893	15,921	709,296	771,813	2,879	-	774,692
Depreciation	740,141	795	5,941	746,877	554,660	958	6,116	561,734
	March 31, 2020 (Unaudited)				June 30, 2019 (Audited)			
	Spinning	Knitting	Unallocated	Total	Spinning	Knitting	Unallocated	Total
	----- (Rupees in '000) -----							
Segment assets								
Property, plant and equipment	10,041,097	8,864	308,807	10,358,768	9,656,030	4,261	210,070	9,870,361
Other non-current assets	-	-	3,241,437	3,241,437	-	-	3,072,281	3,072,281
Current assets	18,872,474	316,847	1,528,717	20,718,038	12,112,757	409,452	1,814,504	14,336,713

17. CORRESPONDING FIGURES

Comparative information has been re-classified, re-arranged or additionally incorporated in these interim unconsolidated financial information, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period.

18. SIGNIFICANT EVENT

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. In compliance with directives of the Government authorities to contain the spread of COVID-19, the Company had curtailed its operations for the time being. Although the operations have not been materially affected as of March 31, 2020, however, at this time it is difficult to ascertain the future impact of COVID-19 on the Company's operations.

19. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements have been approved and authorized for issue on April 22, 2020 by the Board of Directors of the Company.



MUHAMMAD YUNUS TABBA
Chairman / Director



MUHAMMAD SOHAIL TABBA
Chief Executive Officer



MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Consolidated Condensed Interim Statement of Financial Position

As at March 31, 2020

			March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
	Note		— (Rupees in '000) —	
ASSETS				
Non-Current Assets				
Property, plant and equipment	5		10,358,768	9,870,361
Biological asset - animals			175,213	129,665
Long term advance	6		-	-
Long term loans			44,058	43,677
Long term deposits			29,505	29,127
Long term investments	7		3,019,928	2,890,606
			<u>13,627,472</u>	<u>12,963,436</u>
Current Assets				
Stores, spares and loose tools			543,312	606,538
Stock in trade	8		14,900,645	8,407,361
Trade debts			3,745,364	3,517,747
Loans and advances			212,722	199,991
Trade deposits and short term prepayments			50,736	8,901
Other receivables			648,289	719,879
Current tax asset			533,296	658,310
Sales tax refund bond			-	110,797
Cash and bank balances			96,229	112,519
			<u>20,730,593</u>	<u>14,342,043</u>
Total Assets			<u>34,358,065</u>	<u>27,305,479</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			8,871,015	8,791,596
Total Equity			<u>9,288,852</u>	<u>9,209,433</u>
Non-Current Liabilities				
Long term finance	9		3,480,463	2,622,363
Retirement benefit obligation			642,748	562,984
Deferred tax liabilities			842,167	890,390
			<u>4,965,378</u>	<u>4,075,737</u>
Current Liabilities				
Short term borrowings	10		15,738,333	9,926,683
Trade and other payables			4,127,283	3,700,823
Unclaimed dividend			23,640	21,879
Current portion of long term finance	9		70,318	52,728
Accrued mark-up			144,261	318,196
			<u>20,103,835</u>	<u>14,020,309</u>
Total Liabilities			<u>25,069,213</u>	<u>18,096,046</u>
Total Equity and Liabilities			<u>34,358,065</u>	<u>27,305,479</u>
CONTINGENCIES AND COMMITMENTS				
	11			

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial statements.



MUHAMMAD YUNUS TABBA
Chairman / Director



MUHAMMAD SOHAIL TABBA
Chief Executive Officer



MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Consolidated Condensed Interim Statement of Profit or Loss (Un-audited)
For the Nine Months Ended March 31, 2020

	Note	Nine months ended		Quarter ended	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
(Rupees in '000)					
Sales - net		24,718,556	22,251,324	7,894,435	7,885,038
Cost of sales	12	(22,290,481)	(20,549,569)	(7,147,652)	(7,476,413)
Gross profit		2,428,075	1,701,755	746,783	408,625
Distribution cost		(407,463)	(277,749)	(136,927)	(104,180)
Administrative expenses		(222,357)	(205,669)	(72,645)	(63,142)
		(629,820)	(483,418)	(209,572)	(167,322)
		1,798,255	1,218,337	537,211	241,303
Finance cost		(709,296)	(774,922)	(187,759)	(334,521)
Other operating expenses		(949,087)	(44,757)	(881,215)	1,727
		139,872	398,658	(531,763)	(91,491)
Other income		113,419	70,855	24,156	18,413
Share of profit from associates		359,764	300,871	63,771	112,293
Profit / (loss) before taxation		613,055	770,384	(443,836)	39,215
Taxation					
Current tax		(334,564)	(100,904)	(93,479)	(11,224)
Prior year tax		(7,477)	(4,011)	-	-
Deferred income / (expense)		46,656	(99,578)	36,302	(30,892)
		(295,385)	(204,493)	(57,177)	(42,116)
Profit / (loss) for the period		317,670	565,891	(501,013)	(2,901)
Earnings per share					
- basic and diluted (Rupees)		11.33	20.19	(17.87)	(0.11)

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial statements.



MUHAMMAD YUNUS TABBA
Chairman / Director



MUHAMMAD SOHAIL TABBA
Chief Executive Officer



MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Consolidated Condensed Interim Statement of Other Comprehensive Income

(Un-audited)
For the Nine Months Ended March 31, 2020

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	(Rupees in '000)			
Profit / (loss) for the period	317,670	565,891	(501,013)	(2,901)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>317,670</u>	<u>565,891</u>	<u>(501,013)</u>	<u>(2,901)</u>

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial statements.



MUHAMMAD YUNUS TABBA
Chairman / Director



MUHAMMAD SOHAIL TABBA
Chief Executive Officer




MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Consolidated Condensed Interim Statement of Cash Flows (Un-audited)
For the Nine Months Ended March 31, 2020

	Note	Nine months ended			
		March 31, 2020	March 31, 2019		
— (Rupees in '000) —					
A. CASH FLOWS FROM OPERATING ACTIVITIES					
Cash used in operations	13	(4,090,054)	(1,648,797)		
Retirement benefits paid		(95,151)	(96,712)		
Income taxes paid		(218,594)	(168,014)		
Rebate received		35,919	54,280		
Finance cost paid		(883,231)	(644,384)		
		<u>(1,161,057)</u>	<u>(854,830)</u>		
Net cash used in operating activities		<u>(5,251,111)</u>	<u>(2,503,627)</u>		
B. CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(1,253,316)	(2,107,504)		
Sale proceeds from disposal of property, plant and equipment		27,073	41,489		
Purchase of animals		(30,389)	-		
Sale proceeds from disposal of biological asset - animals		10,002	-		
Sale proceeds from disposal of shares		-	7,998		
Loans paid to employees		(15,149)	(36,590)		
Long term deposits given		(378)	-		
Dividend received		230,442	270,017		
Profit received from bank deposits		4,624	1,195		
Net cash used in investing activities		<u>(1,027,091)</u>	<u>(1,823,395)</u>		
C. CASH FLOWS FROM FINANCING ACTIVITIES					
Long term finance obtained		913,819	1,584,592		
Repayment of long term finance		(38,129)	(9,844)		
Dividend paid		(236,490)	(244,192)		
Net cash generated from financing activities		<u>639,200</u>	<u>1,330,556</u>		
Net decrease in cash and cash equivalents (A+B+C)		<u>(5,639,002)</u>	<u>(2,996,466)</u>		
Cash and cash equivalents at the beginning of the period		<u>(9,212,428)</u>	<u>(9,520,886)</u>		
Cash and cash equivalents at the end of the period		<u>(14,851,430)</u>	<u>(12,517,352)</u>		
CASH AND CASH EQUIVALENTS					
Cash and bank balances		96,229	130,252		
Short-term borrowings (except export refinance)	10	(14,947,659)	(12,647,604)		
		<u>(14,851,430)</u>	<u>(12,517,352)</u>		
CHANGES ARISING FROM FINANCING ACTIVITIES					
	July 01, 2019	Financing cash inflows	Financing cash outflows	Non- cash changes	March 31, 2020
	(Rupees in '000)				
Loan from financial institutions	2,675,091	913,819	(38,129)	-	3,550,781
Unclaimed dividend	21,879	-	(236,490)	238,251	23,640

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial information.


MUHAMMAD YUNUS TABBA
Chairman / Director


MUHAMMAD SOHAIL TABBA
Chief Executive Officer


MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)

For the Nine Months Ended March 31, 2020

	---Capital Reserves---			----- Revenue Reserves -----			Sub total	Grand total	
	Issued, subscribed and paid-up share capital	Share premium	Amalgamation reserve	General reserve	Amalgamation reserve	Unappropriated profit			
----- (Rupees in '000) -----									
Balance as at July 1, 2018	280,296	103,125	34,416	137,541	1,000,000	727,333	6,068,340	7,795,673	8,213,510
Transaction with owners									
Final dividend @ Rs. 8.75/- per share for the year ended June 30, 2018	-	-	-	-	-	-	(245,259)	(245,259)	(245,259)
Effects of restructuring of investment	-	-	-	-	-	-	(3,695)	(3,695)	(3,695)
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	565,891	565,891	565,891
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	565,891	565,891	565,891
Balance as at March 31, 2019	280,296	103,125	34,416	137,541	1,000,000	727,333	6,385,277	8,112,610	8,530,447
Balance as at July 01, 2019	280,296	103,125	34,416	137,541	1,000,000	727,333	7,064,263	8,791,596	9,209,433
Transaction with owners									
Final dividend @ Rs. 8.50/- per share for the year ended June 30, 2019	-	-	-	-	-	-	(238,251)	(238,251)	(238,251)
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	317,670	317,670	317,670
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	317,670	317,670	317,670
Balance as at March 31, 2020	280,296	103,125	34,416	137,541	1,000,000	727,333	7,143,682	8,871,015	9,288,852

The annexed notes from 1 to 19 form an integral part of these condensed interim consolidated financial information.



MUHAMMAD YUNUS TABBA
Chairman / Director



MUHAMMAD SOHAIL TABBA
Chief Executive Officer



MUHAMMAD IMRAN MOTEN
Chief Financial Officer

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For the Nine Months Ended March 31, 2020

1. THE GROUP AND ITS OPERATIONS

The Group consist of Gadoon textile Mills Limited ("the Holding Company") and its subsidiary company Gadoon Holdings (Private) Limited (GHPL). Brief profiles of the Holding Company and its subsidiary company are as follows:

1.1 Gadoon Textile Mills Limited

The Holding 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 Holding Company is manufacturing and sale of yarn and knitted fabrics. The Holding Company is a part of Yunus Brothers Group (The Group) and the Ultimate Holding Company of the group is YB Holdings (Private) Limited.

Following are the geographical locations and addresses of all business units of the Company:

Head Office:

7-A, Muhammud Ali Society, Abdul Aziz Haji Hashim Tabbu 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:

Syed's Tower, Third Floor, Opposite Custom House, Jamrud Road, Peshawar, Province of Khyber Pakhtunkhwa, North, Pakistan.

1.2 Gadoon Holdings (Private) Limited

GHPL is a private limited Holding Company incorporated in Pakistan on July 16, 2018. GHPL is a wholly owned subsidiary of the Holding Company. The subsidiary acts as an investing Holding Company to hold investments. The principal place of business of GHPL is in Pakistan

2. BASIS OF PREPARATION

- 2.1 These consolidated condensed interim financial statements of the Holding Company for the nine months ended March 31, 2020 has 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 consolidated 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 consolidated financial statements of the Holding Company for the year ended June 30, 2019.
- 2.2 These consolidated condensed interim financial statements is presented in Pak Rupees which is also the Holding Company's functional currency and figures presented in these consolidated condensed interim financial statements has been rounded off to the nearest thousand rupee.

2.3 These consolidated condensed interim financial statements is un-audited and all relevant compliance with Companies Act, 2017 has been made accordingly. The comparative consolidated condensed interim statement of financial position presented has been extracted from annual consolidated financial statements for the year ended June 30, 2019; the comparative consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of other comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity of the Holding Company have been extracted from the unaudited condensed interim financial statements for the nine months ended March 31, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these consolidated 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 consolidated financial statements as at and for the year ended June 30, 2019. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2019, which do not have any impact on the Holding Company's financial reporting and therefore have not been detailed in these consolidated condensed interim financial statements.

4. FINANCIAL RISK MANAGEMENT

The Group's financial risk objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements as at and for the year ended June 30, 2019.

		March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
	Note	— (Rupees in '000) —	

5. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	5.1	9,901,891	9,610,034
Capital work-in-progress	5.2	456,877	260,327
		10,358,768	9,870,361

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

	Nine Months Ended March 31, 2020		Nine Months Ended March 31, 2019	
	Additions/ transfers	Disposal at book value	Additions/ transfers	Disposal at book value
	(Rupees in '000)			
Buildings	39,289	-	30,735	-
Plant and machinery	939,909	4,335	201,300	26,920
Power plant	12,830	-	6,823	-
Electric installations	6,631	-	958	-
Tools and equipment	575	-	-	-
Computer equipment	10,449	264	5,178	17
Office equipment and installations	2,994	-	4,293	10
Vehicles	44,089	13,433	61,940	11,702
	1,056,766	18,032	311,227	38,649

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

	Nine Months Ended March 31, 2020		Nine Months Ended March 31, 2019	
	Additions	Transfers	Additions	Transfers
	----- (Rupees in '000) -----			
Plant and machinery	1,031,495	935,932	1,749,099	203,571
Civil Works	109,043	37,621	256,611	30,519
Electric installations	6,631	6,631	958	958
Vehicles	49,463	44,089	55,237	61,940
Markup capitalized	42,666	18,475	36,128	4,768
	<u>1,239,298</u>	<u>1,042,748</u>	<u>2,098,033</u>	<u>301,756</u>

	March 31, 2020 (Un-audited)	June 30, 2019 (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 Holding Company. The Holding 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.

	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
	— (Rupees in '000)	—

7. LONG - TERM INVESTMENTS

Investment in associates

ICI Pakistan Limited	2,010,329	1,946,416
Lucky Holdings Limited	1,385	4,284
Yunus Energy Limited	1,008,214	939,906
	<u>3,019,928</u>	<u>2,890,606</u>

	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
Note	— (Rupees in '000) —	
8. STOCK-IN-TRADE		
Raw material in		
- in hand	9,364,233	6,080,886
- in transit	2,289,642	632,267
- feed	15,162	9,186
	<u>11,669,037</u>	<u>6,722,339</u>
Work-in-process	281,679	345,359
Finished goods		
- yarn	2,817,622	1,261,788
- knitted fabric	33,687	41,104
- waste	97,920	36,522
- unprocessed milk	700	249
	<u>2,949,929</u>	<u>1,339,663</u>
8.1	<u>14,900,645</u>	<u>8,407,361</u>

8.1 The stock of finished goods has been written down to net realizable value by Rs. 45 million (2018: Rs. Nil).

	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
Note	— (Rupees in '000) —	
9. LONG TERM FINANCE		
Banking companies - secured		
Long term finance	3,550,781	2,675,091
Less: Current portion of long term finance	(70,318)	(52,728)
	<u>3,480,463</u>	<u>2,622,363</u>

9.1 The Company is availing long term finance loan with various commercial banks, with an approved limit of Rs. 4.30 billion (June 30, 2019: Rs. 3.09 billion). The facilities carry a mark-up ranging from SBP Base Rate + 0.1% to SBP Base Rate + 0.6% payable on a quarterly basis (June 30, 2019: SBP Base Rate + 0.1% to SBP Base Rate + 0.6% payable on a quarterly basis). The tenure of these facilities is 10 years including grace period of 2 years, starting from July 10, 2017. The Company has drawn Rs. 3.55 billion up to March 31, 2020 (June 30, 2019: Rs. 2.67 billion).

The above financing agreements are secured by pari passu charge over plant and machinery of the Holding Company.

		March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
	Note	— (Rupees in '000) —	
10. SHORT TERM BORROWINGS			
Banking companies - secured			
Running finance under markup arrangements	10.1	3,358,329	8,629,697
Short term finance	10.2	-	695,250
Export Loan	10.3	759,756	-
Import Loan	10.4	10,829,574	-
		14,947,659	9,324,947
Export refinance	10.5	790,674	601,736
		<u>15,738,333</u>	<u>9,926,683</u>

10.1 Facilities for running finance, import finance, export finance and export refinance are available from various banks up to Rs. 29.32 billion (June 30, 2019: Rs. 28.61 billion). The terms and conditions of the short-term borrowings including markup rates and securities have not materially changed from June 30, 2019.

10.2 This represents short-term finance facilities from various commercial banks having mark-up ranging between KIBOR - 0.05% to KIBOR 1.00% per annum (June 30, 2019: KIBOR - 0.05% to KIBOR 1.00% per annum).

10.3 The rate of mark-up on export loan is 2.5% to 2.75% per annum.

10.4 The rate of mark-up on import loan is 2.5% to 2.85% per annum.

10.5 The rate of mark-up on export re-finance is 2.5% to 3.0% per annum (June 30, 2019: 2.1% to 2.5% per annum).

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

11.1.1 As at period end, bank guarantees given in favour of the Holding Company by banks in normal course of business amounted to Rs. 1.21 billion (June 30, 2019: Rs. 1.13 billion).

11.1.2 Other contingencies are same as disclosed in notes 24.1.2 to 24.1.8 to the annual consolidated financial statements for the year ended June 30, 2019.

	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
	— (Rupees in '000) —	
11.1.3 Others		
Export bills discounted with recourse	1,098,400	1,277,307
Local bills discounted	133,999	192,333
Indemnity bond in favour of Collector of Customs against imports	5,966	5,906
Post-dated cheques in favour of Collector of Customs against imports	1,344,328	974,071

	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
	— (Rupees in '000) —	
11.2 Commitments		
Letters of credit opened by banks for:		
Plant and machinery	65,182	836,937
Raw materials	297,476	225,272
Stores and spares	43,756	38,500

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

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Note	————— (Rupees in '000) —————			

12. COST OF SALES

Opening stock				
- finished goods	1,339,663	866,680	1,964,220	1,731,707
Cost of goods manufactured 12.1	23,900,747	20,914,118	8,133,361	6,975,935
	25,240,410	21,780,798	10,097,581	8,707,642
Closing stock				
- finished goods 8	(2,949,929)	(1,231,229)	(2,949,929)	(1,231,229)
	<u>22,290,481</u>	<u>20,549,569</u>	<u>7,147,652</u>	<u>7,476,413</u>

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Note	————— (Rupees in '000) —————			

12.1 Cost of goods manufactured

Opening stock				
- work in process	345,359	286,033	345,978	323,010
Raw and packing material consumed	18,154,136	16,898,942	6,218,331	5,460,959
Other manufacturing expenses	5,682,931	4,065,409	1,850,731	1,528,232
	23,837,067	20,964,351	8,069,062	6,989,191
	24,182,426	21,250,384	8,415,040	7,312,201
Closing stock				
- work in process 8	(281,679)	(336,266)	(281,679)	(336,266)
	<u>23,900,747</u>	<u>20,914,118</u>	<u>8,133,361</u>	<u>6,975,935</u>

		Nine Months Ended	
		March 31, 2020	March 31, 2019
Note		— (Rupees in '000) —	
13. CASH (USED IN) / GENERATED FROM OPERATIONS			
Profit before taxation		613,055	770,384
Adjustments for:			
Depreciation		746,877	561,734
Gain on disposal of property, plant and equipment		(9,041)	(2,840)
Gain arising from changes in fair value of biological asset - animals		(31,424)	-
Loss on sale of biological asset - animals		6,263	-
Profit on deposits		(4,984)	(1,182)
Profit accrued on sales tax refund bonds		(5,261)	-
Provision for retirement benefit obligation		174,915	137,350
Share of profit from associates		(359,764)	(300,871)
Rebate on export sales		(15,013)	(31,834)
Finance cost		709,296	774,922
Realized gain on sale of investment		-	(5,827)
Working capital changes	13.1	(5,914,973)	(3,550,633)
		(4,703,109)	(2,419,181)
Cash used in operations		(4,090,054)	(1,648,797)
13.1 Working capital changes			
(Increase) / decrease in current assets			
Stores, spares and loose tools		63,226	(93,774)
Stock in trade		(6,493,284)	(3,982,788)
Trade debts		(227,617)	(350,425)
Loans and advances		2,037	(86,217)
Trade deposits and short term prepayments		(41,835)	12,555
Sales tax refund bonds		116,058	-
Other receivables		51,044	28,082
		(6,530,371)	(4,472,567)
Increase / (decrease) in current liabilities			
Export refinance		188,938	617,591
Trade and other payables		426,460	304,343
Working capital changes		(5,914,973)	(3,550,633)

14. TRANSACTIONS WITH RELATED PARTIES

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

a. **Related Companies**

Name of Related Party	Basis of relationship	% of Share holding	Nature of Transaction	Nine Month Ended	
				March 31, 2020	March 31, 2019
				----- (Rupees in '000) -----	
Y.B.Holdings (Private) Limited	Holding Company	-	Reimbursement of expenses to Company	1,033	1,044
			Dividend paid	158,182	170,623
ICI Pakistan Limited	Associate	7.21%	Purchase of fiber	1,356,791	1,277,657
			Share of profit on investment	167,063	127,922
Yunus Energy Limited	Associate	19.98%	Dividend Received	103,150	86,607
			Reimbursement of expenses	2,342	2,384
Lucky Holdings Limited	Associate	1%	Share of profit on investment	190,581	170,346
			Dividend received	122,273	183,410
Lucky Cement Limited	Associated Company	-	Share of profit on investment	2,119	2,603
			Dividend received	5,019	-
Lucky Knits (Private) Limited	Associated Company	-	Purchase of cement	18,304	52,769
			Reimbursement of expenses to Company	1,423	-
Yunus Textile Mills Limited	Associated Company	-	Reimbursement of expenses to Company	874	666
			Yarn sold	1,003,799	939,237
Lucky Textile Mills Limited	Associated Company	-	Knitting & processing Charges	45,478	20,378
			Reimbursement of expenses to Company	2,264	3,652
Lucky Energy (Private) Limited	Associated Company	-	Sale of Laptop	73	-
			Sale of Vehicle	1,901	-
Lucky Landmark (Private) Limited	Associated Company	-	Yarn sold	607,872	113,868
			Waste sold	153,421	8,324
Tricom Wind Power (Private) Limited	Associated Company	-	Yarn sold	2,564,657	1,071,581
			Sale of fabric	26,974	108,166
Yunus Textile Mills Limited	Associated Company	-	Reimbursement of expenses to Company	1,880	2,290
			Processing charges	-	267
Lucky Energy (Private) Limited	Associated Company	-	Purchase Store Items	209	-
			Purchase of electricity	952,539	825,825
Lucky Landmark (Private) Limited	Associated Company	-	Reimbursement of expenses	1,701	1,616
			Reimbursement of expenses to Company	2,400	3,000
Tricom Wind Power (Private) Limited	Associated Company	-	Sale of vehicle	7,100	-
			Subordinated loan	-	9,996
Tricom Wind Power (Private) Limited	Associated Company	-	Interest income on subordinate loan	1,932	-
			Advance & interest refunded	52,327	-

Name of Related Party	Basis of relationship	% of Share holding	Nature of Transaction	Nine Month Ended	
				March 31, 2020	March 31, 2019
				----- (Rupees in '000) -----	
Tricom Solar Power (Private) Limited	Associated Company	-	Subordinated loan	150	5,955
				Interest income on subordinate loan	616
Yunus Wind Power Limited	Associated Company	-	Subordinated loan	-	4,735
				Interest income on subordinate loan	485
KIA Lucky Motors Pakistan Limited	Associated Company	-	Purchase of vehicle	15,406	-
b. Benefits to key management personnel				80,543	78,323

15. 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 these condensed interim 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.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from 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. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at March 31, 2020, the Company has no financial instruments that falls into any of the above category.

16. OPERATING SEGMENTS

The financial information regarding operating segment is as follows:

	Nine Months Ended March 31, 2020				Nine Months Ended March 31, 2019			
	Spinning	Knitting	Unallocated	Total	Spinning	Knitting	Unallocated	Total
	------(Rupees in '000) -----							
Segment revenues								
Export	6,634,228	926,842	-	7,561,070	4,551,492	749,636	-	5,301,128
Indirect Export	6,069,437	-	-	6,069,437	-	-	-	-
Local	10,911,668	41,799	134,582	11,088,049	16,830,983	119,213	-	16,950,196
Profit before tax:	61,769	198,825	352,461	613,055	298,863	170,650	300,871	770,384
Finance cost	690,482	2,893	15,921	709,296	772,043	2,879	-	774,922
Depreciation	740,141	795	5,941	746,877	554,660	958	6,116	561,734
	March 31, 2020 (Unaudited)				June 30, 2019 (Audited)			
	Spinning	Knitting	Unallocated	Total	Spinning	Knitting	Unallocated	Total
	------(Rupees in '000) -----							
Segment assets								
Property, plant and equipment	10,041,097	8,864	308,807	10,358,768	9,656,030	4,261	210,070	9,870,361
Other non-current assets	-	-	3,268,704	3,268,704	-	-	3,093,075	3,093,075
Current assets	18,872,474	316,847	1,541,272	20,730,593	12,531,646	409,452	1,400,945	14,342,043

17. CORRESPONDING FIGURES

Comparative information has been re-classified, re-arranged or additionally incorporated in these interim consolidated financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period. Further, the figures of prior period has been restated on account of Scheme of arrangement as detailed in note 2 of the annual consolidated financial statements for the year ended June 30, 2019.

18. SIGNIFICANT EVENT

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. In compliance with directives of the Government authorities to contain the spread of COVID-19, the Holding Company had curtailed its operations for the time being. Although the operations have not been materially affected as of March 31, 2020, however, at this time it is difficult to ascertain the future impact of COVID-19 on the Holding Company's operations.

19. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements have been approved and authorized for issue on April 22, 2020 by the Board of Directors of the Holding Company.


MUHAMMAD YUNUS TABBA
 Chairman / Director


MUHAMMAD SOHAIL TABBA
 Chief Executive Officer


MUHAMMAD IMRAN MOTEN
 Chief Financial Officer

ڈائریکٹرز رپورٹ برائے ممبران

عزیز ممبران

آپ کی کمپنی کے ڈائریکٹرز مسرت کے ساتھ 31 مارچ 2020 کو ختم ہونے والی نو ماہی سے متعلق جائزہ بابت کارکردگی وغیرہ آڈٹ شدہ مفرد ویکیا مالیاتی دستاویزات آپ کی خدمت میں پیش کر رہے ہیں۔

جائزہ

زیر نظر عرصے کے دوران آپ کی کمپنی کی جانب سے 24.72 بلین روپے کا سیکھا کاروباری حجم ریکارڈ کیا گیا ہے، جبکہ گزشتہ سال اسی عرصے کے دوران 22.25 بلین روپے کا کاروباری حجم ریکارڈ کیا گیا تھا یعنی گزشتہ سال کی نو ماہی کے مقابلے میں زیر نظر نو ماہی کے دوران 11.09 فیصد کا اضافی کاروباری حجم ریکارڈ کیا گیا ہے۔ زیر نظر عرصے کے دوران پیداواری لاگت میں افراط زر کی وجہ سے اضافے کا رجحان تھا جس میں گیس کے نرخ بھی شامل تھے جو کہ کم جولائی 2019 سے 600 روپے فی MMBTU سے بڑھ کر 786 روپے فی MMBTU ہو چکے تھے اور گیس کی قیمت میں ہونے والے اس اضافے کی وجہ سے توانائی کی لاگت میں بھی اضافہ ہوا۔ تاہم ان حالات کے باوجود کمپنی کی جانب سے زیر نظر عرصے کے دوران نام منافع کی شرح بڑھ کر 9.82 فیصد ہو چکی ہے جو کہ گزشتہ مالی سال کے اس عرصے کے دوران 7.65 فیصد ریکارڈ کی گئی تھی۔ منسخت میں ہونے والے اس اضافے کا سہرا مصنوعات کے بہتر امتزاج، پیداوار میں اضافے اور بہتر قیمت فروخت کو جاتا ہے۔

رواں کھاتے میں پیدا ہونے والے توازن کے بعد زرمبادلہ میں استحکام پیدا ہوا ہے اور اس کے نتیجے میں کمپنی اپنے ورکنگ کیپٹل کی ضروریات کو پورا کرنے کیلئے غیر ملکی زرمبادلہ قرضوں کو استعمال میں لارہی ہے۔ مارچ 2020 کے مہینے میں پاکستانی روپے کی قدر میں اچانک کمی آئی جس کی وجہ سے کمپنی کے منافع میں 911 بلین روپے کا منفی اثر مرتب ہوا جس میں سے 830 بلین روپے محض تخمینے پر مبنی ہیں۔ اس طرح کمپنی کا صافی منافع 1.29 فیصد رہا جو کہ گزشتہ مالی سال کے اسی عرصے کے دوران 2.54 فیصد درج کیا گیا تھا۔

معاشی منظر نامہ

حکومت پاکستان کی جانب سے سخت پالیسی اقدامات اٹھانے جانے کے بعد ملک کی معیشت اب توازن کی جانب گامزن ہو چکی تھی لیکن کورونا وائرس کی وباء کے بعد اب معیشت ایک مرتبہ پھر وباؤ کا شکار نظر آ رہی ہے۔ اس وباء کی وجہ سے عالمی سطح پر بڑے بڑے کاروباری ادارے بھی بری طرح متاثر ہوئے ہیں جس میں ہمارے ملک کی معیشت بھی شامل ہے۔

افراط زر کی شرح کارہاجان مالی سال کے آغاز سے ہی بلند تھا وہ بعد ازاں گزشتہ دو ماہ کے دوران نیچے جانا شروع ہو گئی جبکہ مارچ 2020 کیلئے عمومی افراط زر 10.2 فیصد درج کی گئی۔ افراط زر میں کمی کی وجوہات میں مقامی سطح پر غذائی اجناس کی قیمتوں میں کمی، صارفین کی جانب سے قیمتوں سے متعلق توقعات میں واضح کمی، عالمی سطح پر تیل کی قیمتوں میں زبردستی اور کورونا وائرس کی وجہ سے مقامی اور بین الاقوامی سطح پر معیشت کی سست روی وغیرہ شامل ہیں۔

شرح نمو میں کمی اور افراط زر کے اشاریوں کو مد نظر رکھتے ہوئے حال ہی میں ایک ماہ کے دوران اسٹیٹ بینک آف پاکستان کی جانب سے شرح سود میں 4.25 فیصد کمی کی گئی ہے جس کے بعد شرح سود 13.25 فیصد (جولائی 2019 تا مارچ 2020 کی مدت کے لئے موثر) سے کم ہو کر 9 فیصد پر آچکی ہے۔ اس اقدام کی وجہ سے معیشت کی بحالی میں مدد ملنے کے قوی امکانات ہیں۔

مزید برآں، زیر نظر عرصے کے دوران ملک کی برآمدات میں 2.23 فیصد کا اضافہ درج کیا گیا ہے اور گزشتہ مالی سال کے اسی عرصے کے مقابلے میں امریکی ڈالر میں ادا کئے جانے والے درآمدی بلوں میں 14.4 فیصد کمی درج کی گئی ہے۔ اس کے نتیجے میں رواں کھاتے کے خسارے میں 26.45 فیصد کمی واقع ہوئی ہے۔ علاوہ ازیں ڈالر کی مد میں بیرون ملک سے ترسیلات زر میں 5.99 فیصد اضافہ درج کیا گیا ہے جس کی وجہ سے ملکی زرمبادلہ کے ذخائر پر مثبت اثرات مرتب ہوئے ہیں۔

مالیاتی کارکردگی

31 مارچ 2020 کو ختم ہونے والی زیر نظر نو ماہی سے متعلق کمپنی کے اہم بیجا مالیاتی نتائج کا موازنہ ذیل میں پیش خدمت ہے:

فیصد ثابت (مضنی)	31 مارچ 2019 روپے ہزاروں میں	31 مارچ 2020	خلاصہ برائے نفع و نقصان
42.63	5,301,128	7,561,070	براہ راست برآمدات
100.00	-	6,069,437	بالواسطہ برآمدات
(34.58)	16,950,196	11,088,049	مقامی
11.09	22,251,324	24,718,556	فروختگی (صافی)
42.68	1,701,755	2,428,075	خام منافع
(46.70)	(277,749)	(407,463)	لاگت برائے ترسیل مال
(8.11)	(205,669)	(222,357)	لاگت برائے انتظامی امور
8.47	(774,922)	(709,296)	تمویلی لاگت
27.29	371,726	473,183	دیگر آمدن
(20.42)	770,384	613,055	منافع قبل از ٹیکس
(43.86)	565,891	317,670	منافع بعد از ٹیکس
	20.19	11.33	آمدن فی حصص (روپے)

حالیہ کو روونا و باء سے قبل رواں مالی سال کے اس عرصے کے دوران کمپنی نے بلحاظ قدر و مقدار اپنی فروخت میں اضافہ کیا ہے۔ مارچ 2020 کے آغاز سے ہی پاکستان کی معیشت پر کو روونا کی و باء کے اثرات کو محسوس کیا جا رہا تھا جس کے بعد سے کمپنی کی جانب سے اپنے کاروباری افعال کی منصوبہ بندی کی گئی اور انہیں محدود بھی کیا گیا۔

زیر نظر عرصے کے دوران برآمدات کی مد میں کی جانے والی فروخت میں خاطر خواہ اضافہ ہوا ہے، عالمی معیشتوں کے مابین جاری تجارتی جنگوں، مقامی اور بین الاقوامی سطح پر بڑھتی ہوئی مسابقتی صورتحال اور کو روونا دائرے سے پھیلنے والی و باء کے باوجود رواں مالی سال کے برآمدات میں 42.63 فیصد کا اضافہ درج کیا گیا ہے۔ تاہم مقامی سطح پر فروخت کی صورتحال میں کوئی خاطر خواہ اضافہ دیکھنے میں نہیں آیا، گزشتہ مالی سال کے اسی عرصے کے مقابلے میں مقامی سطح پر فروخت میں 1.22 فیصد کا اضافہ درج کیا گیا ہے۔ اگر حکومت اور کاروباری طبقہ (بالخصوص تاجر برادری) شناختی کارڈ کے مسئلے پر کسی خاطر قابل قبول حل کی جانب پیش رفت کر لیتے تو مقامی سطح پر بھی فروخت میں خاطر خواہ اضافے کی توقع تھی۔ اس کے علاوہ (1) SRO 1125 بائٹ 2011 بحریہ یکم جولائی 2019 کو واپس لے جانے کی وجہ سے بھی زیر نظر عرصے کے دوران مقامی سطح پر فروخت پر منفی اثرات مرتب ہوئے ہیں۔

زیر نظر عرصے کے دوران KIBOR کی شرح کے اثرات کو کم از کم کرنے کی غرض سے کمپنی نے اپنے ورکنگ کیپیٹل اور کیپیٹل نوعیت کے اخراجات کو پورا کرنے کیلئے فنڈنگ کے دیگر ذرائع کا انتخاب کیا جس میں غیر ملکی زرمبادلہ کے قرضے بھی شامل ہیں، ان اقدامات کی وجہ سے کمپنی اپنے تمویلی اخراجات میں واضح کمی لانے میں کامیاب رہی اور گزشتہ مالی سال کے اسی عرصے کے مقابلے میں اس سال تمویلی اخراجات میں 8.47 فیصد کمی واقع ہوئی ہے۔ تاہم تمویلی لاگت میں واقع ہونے والی اس کمی کے مثبت اثرات، مارچ 2020 میں پاکستانی روپے کی قدر میں اچانک آنے والی کمی کے باعث اس قدر فائدہ مند نہ رہے جتنے کہ ہو سکتے تھے۔ روپے کی قدر میں آنے والی اس کمی کے باعث شرح مبادلہ کی مد میں کمپنی کو غیر ملکی زرمبادلہ کے قرضوں کے سلسلے میں 911 ملین روپے کا نقصان ہوا ہے (جس میں سے 81 ملین روپے واقعتاً اور 830 ملین روپے تخمینے پر مبنی ہیں)۔ اس طرح یہ نقصان زیر نظر عرصے کے دوران کمپنی کے منافع پر واضح منفی اثرات مرتب کرنے کا باعث بنا ہے۔

مختلف النوع ذرائع میں کمپنی کی جانب سے کی جانے والی سرمایہ کاری کے باعث کمپنی 359.76 ملین روپے کا منافع ہوا ہے جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران یہ منافع 300.87 ملین روپے درج کیا گیا تھا، اس طرح منافع کی اس مد میں کمپنی 58.89 ملین روپے زائد وصول ہوئے ہیں جس سے نہ صرف کمپنی کی منفعت کو استحکام ملا بلکہ کمپنی کے کسی ایک شعبے پر انحصار کے خدشے کو بھی محدود کر دیا۔

مزید برآں، گزشتہ مالی سال کے اس عرصے کے دوران کے مقابلے میں کمپنی ٹیکس کے اخراجات میں اضافہ ہوا ہے جس کی وجہ اکٹھی آرڈیننس 2001 کی دفعہ (B) 65 کے تحت ٹیکس کریڈٹ کو واپس لیا جانا تھا اور ایسا کرنے سے زیر نظر عرصے کے دوران تقریباً 48 ملین روپے کا فرق پڑا ہے۔

نتیجہً کمپنی کا مجموعی صافی منافع گزشتہ مالی سال کے اسی عرصے کے مقابلے میں 43.86 فیصد کم درج کیا گیا ہے۔

کاروباری کارکردگی کا شیعہ جاتی جائزہ

زیر نظر عرصے کے دوران گزشتہ مالی سال کے اسی عرصے کے مقابلے میں کمپنی کے بنائی کے شعبے میں فروخت اور منافع کے لحاظ سے بہتری آئی ہے۔ سوت کٹائی کے شعبے میں بھی بہتری دیکھی گئی ہے، تاہم مذکورہ بالا عوامل کی وجہ سے منافع میں کمی واقع ہوئی ہے۔

اہم ترین سرمایہ کاری کی نوعیت

رواں دورانیے میں کمپنی نے حصص داران سے منظور شدہ اپنی منسلک کمپنی ٹرائی کوم ونڈ پاور (پرائیویٹ) لمیٹڈ میں مجوزہ سرمایہ کاری کی دوبارہ جانچ کی اور اس کے نتائج، خاص طور پر درج ذیل عوامل کی روشنی میں مذکورہ سرمایہ کاری کو مزید جاری نہ رکھنے کا فیصلہ کیا:

شرح سود میں 7 فیصد سے 13.85 فیصد کا مزید اچانک اضافہ؛

روپے کی قدر میں کمی؛ اور

توازن، جدیدیت اور تبدیلی (ہیلڈنگ، ہموڈرناٹائزیشن اینڈ ریپلیسمنٹ) کے تحت گزشتہ سال 2018-19 میں کئے جانے والے نمایاں کیپٹل اخراجات۔

کارپوریٹ معاشرتی ذمہ داری

کمپنی عمومی سماجی مفادات کے کاموں میں دلچسپی لیتی رہتی ہے۔ اس لئے کمپنی ایسے افعال میں ہمہ وقت مشغول رہتی ہے جن کے مجموعی طور پر بہترین مثبت اثرات اس معاشرے پر مرتب ہوں۔

زیر نظر عرصے کے دوران کمپنی کی جانب سے بالخصوص ایسے اقدامات کیے گئے جن سے کمپنی کے انسان اور ماحول دوست ہونے کا ثبوت ملتا ہو۔ یوم آزادی کے موقع پر کمپنی کی جانب سے عطلے کے اراکین کو پودے فراہم کئے گئے تاکہ سرسبز ماحول کو پروان چڑھایا جاسکے۔ اس کے علاوہ مختلف تعلیمی اداروں کے ساتھ مل کر شجر کاری کی مہمات بھی چلائی گئیں۔

کمپنی پبلسٹ میں اپنا کردار ادا کرنے کیلئے کمپنی کی جانب سے طلباء کیلئے فیکٹری کے دورے کا انتظام کیا گیا تاکہ طلباء آئے والی عملی زندگی کے ماحول سے مانوس ہو سکیں اور ٹیکسٹائل کی صنعت کے معمولات کا جائزہ لے سکیں۔

مزید برآں، خواتین کے عالمی دن کے موقع پر کمپنی کی انتظامیہ کے سینئر اراکان کیلئے ایک ان ہاؤس تقریب کا اہتمام کیا گیا جس میں صنفی تنوع سے متعلق اہمیت کو اجاگر کیا گیا۔ کمپنی کے رضا کاروں کی جانب سے مقامی کمیونٹی اسکول میں بھی ایسا ہی پیغام پہنچایا گیا جس میں تعلیمی عمل میں خواتین کی شمولیت اور خواتین کی جانب سے معیشت کی ترقی میں ادا کئے جانے والے کردار کی اہمیت کو اجاگر کیا گیا۔

مستقبل پر نظر

بلائنک ڈوشہ کورونا وائرس کی وباء کے باعث عالمی سطح پر معاشی سرگرمیوں کو بڑے خطرات کا سامنا ہے اور عالمی معیشت سست روی کا شکار ہے اور عالمی سطح پر معیشت کی بحالی میں توقع سے زیادہ وقت لگ سکتا ہے۔ چونکہ اس وباء کے ملکی معیشت پر منفی اثرات مرتب ہونے کے ساتھ ساتھ کورونا کے اثرات کو کم از کم کرنے کی غرض سے صحت اور سماجی شعبوں کی مدد میں حکومت کے اخراجات میں واضح اضافہ ہوا ہے اس لئے رواں مالی سال کیلئے حکومتی اہداف کے حصول بھی متاثر ہو سکتے۔

حال ہی میں G-20 ممالک، آئی ایم ایف اور عالمی بینک کی جانب سے ترقی پذیر ممالک بشمول پاکستان کو قرضوں میں دیئے جانے والی سہولت کی وجہ سے حکومت کو مدد ملے گی کہ کورونا سے پیدا ہونے والی وبائی صورتحال کی وجہ سے عارضی طور پر بڑھے جانے والے اخراجات کو پورا کرے اور کورونا کے باعث معیشت پر مرتب ہونے والے منفی اثرات کا تدارک بھی کیا جاسکے۔

قرضوں کی ادائیگی کے سلسلے میں ملنے والی مزکورہ بلا سہولیات کے پیش نظر اس بات کی امید بھی کی جاسکتی ہے کہ عالمی سطح پر تیل کی گرتی ہوئی قیمتوں اور معیشت پر افراط زر کے کم ہونے والے دباؤ کی وجہ سے رواں کھاتے کے توازن پر مثبت اثرات مرتب ہو سکتے اور ان تمام حالات کی وجہ سے یقیناً پاکستانی روپے کی قدر میں بھی اضافہ ہوگا۔

علاوہ ازیں، حکومت پاکستان اور اسٹیٹ بینک آف پاکستان کی جانب سے معیشت کی بحالی اور سرمایہ کاروں کا اعتماد بحال کرنے کے سلسلے میں اربوں روپے کے ریلیف پیکیج، قرضوں کی شیڈولنگ اور رعایتی قرضوں کے جو اقدامات اٹھائے گئے ہیں ان خاطر خواہ نتائج لازماً برآمد ہو سکتے بشرطیکہ حکومت آغاز میں ہی کورونا کی وبا کو پھیلنے سے روکے اور کاروباری سرگرمیاں اپنے معمول پر واپس آجائیں۔ ایک مرتبہ ایسا ہو جائے تو اس بات میں کوئی شک نہیں کہ ملکی معیشت پر ان اقدامات کے مثبت اثرات واضح طور پر سامنے آنا شروع ہو جائیں گے۔

جہاں تک کمپنی کے کاروباری افعال کا تعلق ہے، کمپنی کی انتظامیہ کی ہمیشہ یہ کوشش رہی ہے کہ پیداواری صلاحیت کو بھرپور انداز سے بروئے کار لاتے ہوئے، پیداواری لاگت کو کم از کم کرتے ہوئے اور موثر خریداری کی حکمت عملی اپناتے ہوئے کمپنی کے اخراجات کو کنٹرول کیا جائے۔ کمپنی اپنے انجی نیفٹس پر چلتے ہوئے اس بات کو یقینی بنانے کیلئے پرعزم ہے کہ کمپنی کے حصص داران کی فلاح اور ان کی سرمایہ کاری کی قدر میں از حد اضافہ کیا جائے۔

شعبہ طب میں استعمال ہونے والی ٹیکسٹائل مصنوعات جیسا کہ چہرے کے ماسک، گاؤن، دستاں، چادر وغیرہ کی بڑھتی ہوئی عالمی طلب کے پیش نظر، کمپنی کی بیلز و مارکیٹنگ ٹیم اس شعبے کی طلب کو پورا کرنے کے مواقع کی تلاش میں ہیں جس سے کمپنی کی حتمی مننعت کو سہارا ملے گا اور مثبت نقد رقم کی ترسیل بھی ہو گی۔ علاوہ ازیں، زیر نظر عرصے اور گزشتہ چند سالوں کے دوران کمپنی کی جانب سے کپٹیل نوعیت کے بڑے اخراجات کئے جانے کے بعد اس بات کی بھی قوی امید ہے کہ کمپنی نہ صرف اپنے اخراجات کو کنٹرول کر پائے گی بلکہ کمپنی کو مسابقت کے سلسلے میں بھی فوقیت حاصل ہوگی۔

اظہار تشکر

ڈائریکٹروں کی جانب سے کمپنی کے تمام ورکروں، اسٹاف اور تنظیمین کی کارکردگی کو خراج تحسین پیش کرتے ہوئے اسے ریکارڈ کا حصہ بنایا جاتا ہے۔

برائے و مخائب بورڈ

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