

Yousaf Weaving Mills Limited



**Quarterly Report
Un-Audited
1st Quarter Ended
September 30, 2019**

YOUSAF WEAVING MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Mst. Alia Khanum	(Chairman)
Khawaja Mohammad Nadeem	(Chief Executive)
Khawaja Shahzad Younus	(Director)
Mst. Nargis Sultana	(Director)
Mr. Khalid Mehmood	(Director)
Mr. Waseem Baig	(Director)
Sheikh Maqbool Ahmed	(Independent Director)
Mr. Mohammad Tariq Sufi	(Independent Director)

AUDIT COMMITTEE

Mr. Mohammad Tariq Sufi	(Chairman)
Mr. Khalid Mehmood	(Member)
Khawaja Shahzad Younus	(Member)

HR & REMUNERATION COMMITTEE

Mr. Mohammad Tariq Sufi	(Chairman)
Mr. Waseem Baig	(Member)
Mr. Khalid Mehmood	(Member)

COMPANY SECRETARY

Mr. Nadeem Anwar	(ACA)
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CHIEF FINANCIAL OFFICER

Mr. Tauseef Ahmad

BANKERS

Habib Metro Bank Limited
National Bank of Pakistan
Askari Bank Limited
The Bank of Punjab

AUDITORS

Aslam Malik & Co.
Chartered Accountants
Suite # 18-19, 1st Floor,
Central Plaza, Civic Centre,
New Garden Town, Lahore. Pakistan

CORPORATE & REGISTERED OFFICE

7/1-E-3 Main Boulevard Gulberg III, Lahore
Tel : (042) 35717510
Fax : (042) 35755760

SHARE REGISTRARS

Corp link (Pvt) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore
Tel: (042) 35839182
Fax: (042) 35869037

Weaving unit

49-Kilometer
Multan Road, Bhai Pheru
Tel: (04943) 540083-4

Spinning unit

7-Kilometer
Multan Road, Pattoki
Tel: (04943) 540083-4


YOUSAF WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2019

	September 30, 2019	June 30, 2019
Note	(Un-audited) Rupees	(Audited) Rupees
CAPITAL AND LIABILITIES		
Share Capital and Reserves		
Authorized share capital 90,000,000 (2019: 90,000,000) ordinary shares of Rs. 10 each	900,000,000	900,000,000
Issued, subscribed and paid up share capital	900,000,000	900,000,000
Accumulated loss	(1,386,808,160)	(1,375,617,141)
Surplus on revaluation of property, plant and equipment	203,833,327	203,833,327
	(282,974,833)	(271,783,814)
Non Current Liabilities		
Deferred liability	22,121,501	21,491,451
Current Liabilities		
Trade and other payables	413,626,787	433,842,930
Unclaimed dividend	3,247,016	3,247,016
Accrued mark up	135,933,540	135,933,540
Short term borrowings	609,154,970	584,072,509
Current portion of non current liabilities	93,676,269	93,771,269
Provision for taxation	58,461,208	55,818,081
	1,314,099,790	1,306,685,345
Contingencies and Commitments	5	-
	1,053,246,458	1,056,392,982

YOUSAF WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2019

	Note	September 30, 2019 (Un-audited) Rupees	June 30, 2019 (Audited) Rupees
ASSETS			
Non Current Assets			
Property, plant and equipment	6	816,443,900	825,389,867
Intangible assets		276,335	290,881
Long term loans		8,212,377	8,212,377
Long term deposits		37,762,809	37,762,809
		862,695,421	871,655,934
Current Assets			
Stores and spares		10,920,592	15,292,701
Stock in trade		36,468,240	35,996,754
Short term investment		7,300,000	7,500,000
Trade debts		83,305,343	52,697,603
Loans and advances		10,116,476	10,811,885
Trade deposits and other receivables		1,370,015	8,618,182
Tax refunds due from government		37,604,064	51,473,139
Cash and bank balances		3,466,307	2,346,784
		190,551,037	184,737,048
		<u>1,053,246,458</u>	<u>1,056,392,982</u>

The annexed notes form an integral part of these condensed interim financial information (Unaudited).


CHIEF EXECUTIVE OFFICER



DIRECTOR


CHIEF FINANCIAL OFFICER

YOUSAF WEAVING MILLS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Quarter Ended	
	September 30, 2019	September 30, 2018
	Un-audited Rupees	Un-audited Rupees
Sales - net	174,070,661	334,494,516
Cost of sales	(172,883,692)	(358,098,903)
Gross / profit / (loss)	1,186,969	(23,604,387)
Distribution cost	(1,132,520)	(824,533)
Administrative expenses	(8,569,722)	(11,009,307)
	(9,702,242)	(11,833,840)
Operating loss	(8,515,273)	(35,438,227)
Finance cost	(32,619)	(15,757,835)
Loss before taxation	(8,547,892)	(51,196,062)
Taxation	(2,643,127)	(3,907,554)
Loss for the year	(11,191,019)	(55,103,616)
Loss per share - basic & diluted	(0.12)	(0.61)

The annexed notes form an integral part of these condensed interim financial information (Unaudited).


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

YOUSAF WEAVING MILLS LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Quarter Ended	
	September 30, 2019	September 30, 2018
	Un-audited Rupees	Un-audited Rupees
Loss for the period	(11,191,019)	(55,103,616)
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	<u>(11,191,019)</u>	<u>(55,103,616)</u>

The annexed notes form an integral part of these condensed interim financial information (Unaudited).


 CHIEF EXECUTIVE OFFICER

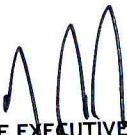

 DIRECTOR


 CHIEF FINANCIAL OFFICER

YOUSAF WEAVING MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Quarter Ended	
	September 30, 2019	September 30, 2018
	Un-audited Rupees	Un-audited Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(8,547,892)	(51,196,062)
Adjustments for:		
- Depreciation	10,675,967	10,249,980
- Amortization of intangible assets	14,545	18,180
- Provision for gratuity	2,000,000	3,210,000
- Finance cost	32,619	15,757,835
Operating/profit/(loss) before working capital changes	4,175,239	(21,960,067)
(Increase) / Decrease in current assets:		
- Stores and spares	4,372,109	843,652
- Stock in trade	(471,486)	(7,172,073)
- Short term investment	200,000	-
- Trade debts	(30,607,740)	710,250
- Loan and advances	695,409	11,831,461
- Trade deposits and other receivables	-	(5,729,516)
- Sales tax refundable	15,245,898	2,085,032
Increase / (Decrease) in current liabilities:	(12,967,976)	28,565,771
- Trade and other payables	(23,533,786)	31,134,577
CASH (USED IN) / GENERATED FROM OPERATIONS	(19,358,547)	9,174,510
Finance cost paid	(32,619)	(120,805)
Gratuity paid	(1,369,950)	(184,230)
Income tax paid	(1,376,821)	(500,599)
Net cash (used in) / generated from operating activities	(22,137,937)	8,368,876
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(1,730,000)	(17,310,200)
Long term loans to employees	-	(375,668)
Long term deposits	-	(30,042,460)
Net cash used in investing activities	(1,730,000)	(47,728,328)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of liabilities against assets subject to finance lease	(95,000)	(225,000)
Short term borrowings - net	25,082,461	42,402,011
Net cash generated from financing activities	24,987,461	42,177,011
Net / increase in cash and cash equivalents	1,119,523	2,817,559
Cash and cash equivalents at the beginning of the period	2,346,784	2,461,509
Cash and cash equivalents at the end of the period	3,466,307	5,279,068

The annexed notes form an integral part of these condensed interim financial information (Unaudited).


CHIEF EXECUTIVE OFFICER



DIRECTOR


CHIEF FINANCIAL OFFICER

YOUSAF WEAVING MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

Particulars	Issued, Subscribed and Paid up Share Capital	Accumulated Loss	Revaluation Surplus	Total
	Rupees	Rupees	Rupees	Rupees
Balance as at July 1, 2018	900,000,000	(1,301,536,986)	203,833,327	(197,703,659)
Net loss for the period	-	(75,192,370)	-	(75,192,370)
Balance as at September 30, 2018	900,000,000	(1,376,729,356)	203,833,327	(272,896,029)
Balance as at July 1, 2019	900,000,000	(1,375,617,141)	203,833,327	(271,783,814)
Net loss for the period	-	(11,191,019)	-	(11,191,019)
Balance as at September 30, 2019	900,000,000	(1,386,808,160)	203,833,327	(282,974,833)

The annexed notes form an integral part of these condensed interim financial information (Unaudited).


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

YOUSAF WEAVING MILLS LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

Note 1

The Company and its Operations

Yousaf Weaving Mills Limited was incorporated on January 17, 1988 as a public limited company in Pakistan under the Companies Ordinance, 1984 and is quoted on Pakistan Stock Exchange. The Company is engaged in the business of textile weaving, spinning, sale of processed fabric and home textile products. The registered office of the Company is situated at 7/1-E-3, Main Boulevard Gulberg III, Lahore.

Note 2

Basis of Preparation

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- 2.1 These condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June, 2019.
- 2.3 This condensed interim financial information is presented in Pak rupees, which is the Company's functional and presentational currency. The financial statements have been prepared under the historical cost convention. Figures have been rounded off to the nearest thousand rupee, unless stated otherwise.

Note 3

Significant Accounting Policies

The accounting policies and methods of computation of the interim financial information are the same as those followed in the preparation of annual financial information for the preceding year ended June 30, 2019.

Note 4

Accounting Estimates and Judgments

The accounting estimates and associated assumptions used in preparation of this condensed interim financial information are consistent with those applied in the preparation of annual financial statement of the Company Limited for the year ended June 30, 2019.

Note 5

Contingencies and Commitments

There is no other significant change in the contingencies and commitments as reported in the last published audited financial statements for the year ended June 30, 2019.

Note 6

Property, Plant and Equipment

	Quarter Ended Sep 30, 2019	Year Ended June 30, 2019
	(Un-audited) Rupees	(Audited) Rupees
Operating fixed assets	816,443,900	825,389,867
Opening written down value	825,389,867	783,754,312
Addition during the period / year (at cost)	1,730,000	84,536,519
Disposal during the period / year (written down value)	-	(14,810)
	827,119,867	868,276,021
Depreciation charge for the period / year	(10,675,967)	(42,886,154)
Closing written down value	816,443,900	825,389,867

Note 7

Transactions with Related Parties

The related parties and associated undertakings comprise related group companies, associated companies, directors and key management personnel. Transactions with related parties and associated undertakings, other than remuneration and benefits to key management personnel under the term of their employment are as follows:

	Quarter Ended	
	Sep 30, 2019	Sep 30, 2018
	(Un-audited) Rs. "000"	(Un-audited) Rs. "000"
Significant transaction with related parties are as follows:		
- Loan (paid)/received to/from directors - net	(6,687)	10,111

Note 8

Segment Information

7.1 For management purposes, the activities of the Company are organized into two operating segment:

Weaving:	Production of grey and processed cloth.
Spinning:	Production of different qualities of yarn using natural and artificial fibers.

The Company operates in the said reportable operating segments bases on the nature of products, risks and returns, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these condensed financial statements related to the Company's reportable segment.

Information regarding the Company's reportable segment for the Quarter ended September 30, 2019 are as follows:

7.2 Segment revenues and results

There were no transactions with key management personnel other than undertaken as per terms of their employment.

	For the Quarter Ended September 30, 2019 (Un-audited)		
	Weaving Segment Rupees	Spinning Segment Rupees	Total Rupees
Sales - net	174,070,661	-	174,070,661
Cost of sales	(173,068,924)	185,232	(172,883,692)
Gross/profit/(loss)	1,001,737	185,232	1,186,969
Distribution cost	(1,132,520)	-	(1,132,520)
Administrative expenses	(8,549,272)	(20,450)	(8,569,722)
	(9,681,792)	(20,450)	(9,702,242)
Operating loss	(8,680,055)	164,782	(8,515,273)

Note 7 - Segment Information - Continued...

For the Quarter Ended September 30, 2019 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Finance cost	(32,619)	-	(32,619)
Loss before taxation	(8,712,674)	164,782	(8,547,892)
Taxation	(2,643,127)	-	(2,643,127)
Loss after taxation	(11,355,801)	164,782	(11,191,019)

For the Quarter Ended September 30, 2018 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Sales - net	104,246,202	230,248,314	334,494,516
Cost of sales	(110,580,767)	(247,518,136)	(358,098,903)
Gross loss	(6,334,565)	(17,269,822)	(23,604,387)
Distribution cost	(682,153)	(142,380)	(824,533)
Administrative expenses	(7,798,850)	(3,210,457)	(11,009,307)
Operating loss	(8,481,003)	(3,352,837)	(11,833,840)
Operating loss	(14,815,568)	(20,622,659)	(35,438,227)
Finance cost	(14,871,259)	(886,576)	(15,757,835)
Loss before taxation	(29,686,827)	(21,509,235)	(51,196,062)
Taxation	(1,029,450)	(2,878,104)	(3,907,554)
Loss after taxation	(30,716,277)	(24,387,339)	(55,103,616)

11.3 Segment assets and liabilities

As at September 30, 2019 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	809,236,349	213,654,212	1,022,890,561
Unallocated assets			30,355,897
Total assets as per balance sheet			1,053,246,458
Segment liabilities for reportable segments	1,016,959,635	75,856,455	1,092,816,090
Unallocated liabilities			243,405,201
Total liabilities as per balance sheet			1,336,221,291

As at June 30, 2019 (Audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	788,911,337	216,008,505	1,004,919,842
Unallocated assets			51,473,140
Total assets as per balance sheet			1,056,392,982
Segment liabilities for reportable segments	984,775,628	89,001,668	1,073,777,296
Unallocated liabilities			254,399,500
Total liabilities as per balance sheet			1,328,176,796

Note 8
Financial Risk Management

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

Note 9
General

9.1 This interim financial information is authorized for issue on November 29, 2019 by the Board of Directors of the Company.

9.2 Corresponding figures have been re-arranged wherever necessary to facilitate comparison. No material rearrangement has been made during the period.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER