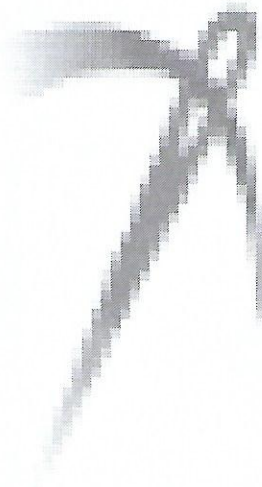


**QUARTERLY REPORT**

**UN-AUDITED**

**1<sup>ST</sup> Quarter Ended**

**September 30, 2020**



**YOUSAF WEAVING MILLS LIMITED**



# YOUSAF WEAVING MILLS LIMITED

A Project of Chakwal Group

7/1 - E-3, Main Boulevard  
Gulberg III, Lahore, Pakistan  
Tel: +92 42 35757108 & 35717510 - 17  
Fax: +92 42 35764036, 35764043 & 35757105  
E-mail: yousaf@chakwalgroup.com.pk  
Web: www.yousafweaving.com

## DIRECTORS' REPORT TO THE SHAREHOLDERS

The directors of the company are pleased to present their report together with the unaudited condensed interim financial statements for the 1<sup>st</sup> quarter ended September 30, 2020.

For the first quarter ended on September 30, 2020, the Company earned gross profit of Rs. 11.933 million as compared to gross profit of Rs. 1.187 million in the corresponding period, whereas it could be able to get net profit of Rs. 1.421 as compared to net loss of Rs. 11.191 million during the last comparative period. Although the sales figure has been reduced with respect to previous period but management take effective measures to cut down its expenditure to achieve break even.

During the 1<sup>st</sup> quarter industry remained struggling due to Covid-19 pandemic. However easing of government's lock down restrictions, provisional measures of State Bank of Pakistan and reduction in covid cases impacted positively and confidence of the business community has resuscitate up to some extent. Despite these positive indicators, it is expected that next quarter would be crucial for the industry because threat of Covid second wave is growing day by day. It is the time that government should back industry through reduction in sales tax rate up to single digit, restoration of zero rated status of textile industry, provision of energy at subsidized rates.

The management believes that with more dedicated efforts in the coming period it will put the company on sustainable path of operating performance.

The Board is thankful to the shareholders of the company for their continued confidence in the company and also wished to express its gratitude to all the employees of the company their hard work, loyalty and dedication.

For and on behalf of the Board

Lahore

November 29, 2020

Alia Khanum

Chairman

Khawaja Mohammad Nadeem

Chief Executive Officer



**YOUSAF WEAVING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2020**

	September 30, 2020 (Un-audited) Rupees	June 30, 2020 (Audited) Rupees
<b>CAPITAL AND LIABILITIES</b>		
<b>Share Capital and Reserves</b>		
Authorized share capital 90,000,000 (2020: 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
Loan from directors	234,663,326	231,050,797
Accumulated loss	(1,454,070,803)	(1,455,491,996)
Surplus on revaluation of land	203,833,327	203,833,327
	(115,574,150)	(120,607,872)
<b>Non Current Liabilities</b>		
Long term loan	75,455,000	-
Deferred liability	34,882,595	32,430,735
	110,337,595	32,430,735
<b>Current Liabilities</b>		
Trade and other payables	407,409,913	403,860,412
Unclaimed dividend	3,247,016	3,247,016
Accrued mark up	135,859,375	135,859,375
Short term borrowings	392,204,386	392,204,386
Current portion of non current liabilities	17,721,953	93,176,953
Provision for taxation	46,654,109	45,551,741
	1,003,096,752	1,073,899,883
<b>Contingencies and Commitments</b>	5	-
	997,860,197	985,722,746

**YOUSAF WEAVING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2020**

	Note	September 30, 2020 (Un-audited)	June 30, 2020 (Audited)
		Rupees	Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	6	796,784,849	807,551,842
Intangible assets		221,069	232,705
Long term loans		8,191,377	8,191,377
Long term deposits		37,762,809	37,762,809
		842,960,104	853,738,733
<b>Current Assets</b>			
Stores and spares		15,232,748	10,856,819
Stock in trade		20,375,745	15,351,226
Trade debts		28,266,921	18,260,998
Loans and advances		18,948,290	21,965,116
Trade deposits and other receivables		8,150,707	8,150,707
Tax refunds due from government		60,869,185	53,336,854
Cash and bank balances		3,056,497	4,062,293
		154,900,093	131,984,013
		997,860,197	985,722,746

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, 2020**

	Quarter Ended	
	September 30, 2020	September 30, 2019
	Un-audited Rupees	Un-audited Rupees
Sales - net	73,080,905	174,070,661
Cost of sales	<u>(61,147,408)</u>	<u>(172,883,692)</u>
<b>Gross profit</b>	11,933,497	1,186,969
Distribution cost	<u>(1,865,345)</u>	<u>(1,132,520)</u>
Administrative expenses	<u>(8,489,422)</u>	<u>(8,569,722)</u>
	<u>(10,354,767)</u>	<u>(9,702,242)</u>
<b>Operating profit / (loss)</b>	1,578,730	(8,515,273)
Finance cost	<u>(19,503)</u>	<u>(32,619)</u>
Other operating income	<u>964,334</u>	<u>-</u>
<b>Profit / (loss) before taxation</b>	2,523,561	(8,547,892)
Taxation	(1,102,368)	(2,643,127)
<b>Profit / (loss) for the period</b>	<u><u>1,421,193</u></u>	<u><u>(11,191,019)</u></u>
<b>Earning / (loss) per share - basic &amp; diluted</b>	0.02	(0.12)

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



CHIEF EXECUTIVE OFFICER



معالیه خانم  
DIRECTOR



CHIEF FINANCIAL OFFICER

**YOUSAF WEAVING MILLS LIMITED**  
**STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter Ended	
	September 30, 2020	September 30, 2019
	Rupees	Rupees
Profit / (loss) for the period	1,421,193	(11,191,019)
Other comprehensive income for the period	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>1,421,193</b>	<b>(11,191,019)</b>

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

CHIEF EXECUTIVE OFFICER



DIRECTOR

عالية خانم

CHIEF FINANCIAL OFFICER



**YOUSAF WEAVING MILLS LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter Ended	
	September 30, 2020	September 30, 2019
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	2,523,561	(8,547,892)
Adjustments for:		
- Depreciation	10,281,328	10,675,967
- Amortization of intangible assets	11,635	14,545
- Provision for gratuity	3,000,000	2,000,000
- Gain on disposal of property, plant and equipment	(964,334)	-
- Finance cost	19,503	32,619
<b>Operating profit before working capital changes</b>	<b>14,871,693</b>	<b>4,175,239</b>
(Increase) / Decrease in current assets:		
- Stores and spares	(4,375,929)	4,372,109
- Stock in trade	(5,024,519)	(471,486)
- Short term investment	-	200,000
- Trade debts	(10,005,923)	(30,607,740)
- Loan and advances	3,016,826	695,409
- Sales tax refundable	(7,165,694)	15,245,898
Increase / (Decrease) in current liabilities:		
- Trade and other payables	3,549,501	(12,967,976)
	(20,005,738)	(23,533,786)
<b>CASH USED IN OPERATIONS</b>	<b>(5,134,045)</b>	<b>(19,358,547)</b>
Finance cost paid	(19,503)	(32,619)
Gratuity paid	(548,140)	(1,369,950)
Income tax paid	(366,636)	(1,376,822)
<b>Net cash used in operating activities</b>	<b>(6,068,324)</b>	<b>(22,137,938)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment purchased	-	(1,730,000)
Proceeds from disposal of property, plant and equipment	1,450,000	-
<b>Net cash generated from / (used in) investing activities</b>	<b>1,450,000</b>	<b>(1,730,000)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Loan from directors	3,612,529	-
Repayment of lease liabilities	-	(95,000)
Short term borrowings - net	-	25,082,461
<b>Net cash generated from financing activities</b>	<b>3,612,529</b>	<b>24,987,461</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(1,005,796)</b>	<b>1,119,523</b>
Cash and cash equivalents at the beginning of the period	4,062,293	2,346,784
<b>Cash and cash equivalents at the end of the period</b>	<b>3,056,497</b>	<b>3,466,307</b>

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

CHIEF EXECUTIVE OFFICER

عاليه خانم  
DIRECTOR

CHIEF FINANCIAL OFFICER

**YOUSAF WEAVING MILLS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

Particulars	Issued, Subscribed and Paid up Share Capital	Accumulated Loss	Loan from Directors	Revaluation Surplus	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at July 1, 2019	900,000,000	(1,375,617,141)	191,630,686	203,833,327	(80,153,128)
Net loss for the period	-	(11,191,019)	-	-	(11,191,019)
<b>Balance as at September 30, 2019</b>	<b>900,000,000</b>	<b>(1,386,808,160)</b>	<b>191,630,686</b>	<b>203,833,327</b>	<b>(91,344,147)</b>
Balance as at July 1, 2020	900,000,000	(1,455,491,996)	231,050,797	203,833,327	(120,607,872)
Net profit for the period	-	1,421,193	-	-	1,421,193
Loan from directors during the period	-	-	3,612,529	-	3,612,529
<b>Balance as at September 30, 2020</b>	<b>900,000,000</b>	<b>(1,454,070,803)</b>	<b>234,663,326</b>	<b>203,833,327</b>	<b>(115,574,150)</b>

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

CHIEF EXECUTIVE OFFICER

عاليه ظن  
DIRECTOR

CHIEF FINANCIAL OFFICER

**YOUSAF WEAVING MILLS LIMITED**  
**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

**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**

---

- 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, 2020.
- 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, 2020.

**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, 2020.

**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, 2020.

Note 6

Property, Plant and Equipment

	Quarter Ended	Year Ended
	Sep 30, 2020	June 30, 2020
	(Un-audited)	(Audited)
	Rupees	Rupees
Operating fixed assets	796,784,849	807,551,842
Opening written down value	807,551,842	825,389,867
Addition during the period / year (at cost)	-	26,130,000
Disposal during the period / year (written down value)	(485,666)	(981,676)
	807,066,176	850,538,191
Depreciation charge for the period / year	(10,281,327)	(42,986,349)
Closing written down value	796,784,849	807,551,842

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, 2020	Sep 30, 2019
	(Un-audited)	(Un-audited)
	Rs. '000'	Rs. '000'
Significant transaction with related parties are as follows:		
- Loan received/(paid) from/to directors - net	3,613	(6,687)

Note 8

Segment Information

8.1 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, 2020 are as follows:

8.2 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, 2020 (Un-audited)		
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Sales - net	73,080,905	-	73,080,905
Cost of sales	(59,859,053)	(1,288,355)	(61,147,408)
Gross profit / (loss)	13,221,852	(1,288,355)	11,933,497
Distribution cost	(1,865,345)	-	(1,865,345)
Administrative expenses	(8,477,058)	(12,364)	(8,489,422)
	(10,342,403)	(12,364)	(10,354,767)
Operating profit / (loss)	2,879,449	(1,300,719)	1,578,730

Note 8 - Segment Information - Continued...

For the Quarter Ended September 30, 2020 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Finance cost	(19,503)	-	(19,503)
Other operating income	964,334	-	964,334
Profit / (loss) before taxation	3,824,280	(1,300,719)	2,523,561
Taxation	(1,102,368)	-	(1,102,368)
Profit / (loss) after taxation	2,721,912	(1,300,719)	1,421,193

For the Quarter Ended September 30, 2019 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Sales - net	174,070,661	-	174,070,661
Cost of sales	(173,068,924)	185,232	(172,883,692)
Gross profit	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) / profit	(8,680,055)	164,782	(8,515,273)
Finance cost	(32,619)	-	(32,619)
Other operating income	-	-	-
(Loss) / profit before taxation	(8,712,674)	164,782	(8,547,892)
Taxation	(2,643,127)	-	(2,643,127)
(Loss) / profit after taxation	(11,355,801)	164,782	(11,191,019)

8.3 Segment assets and liabilities

As at September 30, 2020 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	852,403,988	76,958,805	929,362,793
Unallocated assets			68,497,404
Total assets as per balance sheet			997,860,197
Segment liabilities for reportable segments	866,710,257	200,069,981	1,066,780,238
Unallocated liabilities			46,654,109
Total liabilities as per balance sheet			1,113,434,347

As at June 30, 2020 (Audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	845,388,148	79,289,524	924,677,672
Unallocated assets			61,045,074
Total assets as per balance sheet			985,722,746
Segment liabilities for reportable segments	860,708,896	200,069,981	1,060,778,877
Unallocated liabilities			45,551,741
Total liabilities as per balance sheet			1,106,330,618

Note 9  
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, 2020.

Note 10  
General

---

10.1 This interim financial information is authorized for issue on November 29, 2020 by the Board of Directors of the Company.

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

  
CHIEF EXECUTIVE OFFICER

عاليضان  
DIRECTOR

  
CHIEF FINANCIAL OFFICER