



Yousaf Weaving Mills Limited



Half Yearly Report
Un-Audited
For The Period Ended
December 31, 2016

COMPANY INFORMATION**BOARD OF DIRECTORS**

Khawaja Mohammad Nadeem	(Chief Executive)
Khawaja Mohammad Jawed	(Director)
Khawaja Mohammad Jahangir	(Director)
Khawaja Mohammad Tanveer	(Director)
Khawaja Mohammad Kaleem	(Director)
Mr. Mohammad Naveed	(Director)
Mr. Danish Tanveer	(Director)
Mr. Mohammad Tariq Sufi	(Independent Director)

AUDIT COMMITTEE

Mr. Mohammad Tariq Sufi	(Chairman)
Khawaja Mohammad Kaleem	(Member)
Mr. Danish Tanveer	(Member)

HR & REMUNERATION COMMITTEE

Khawaja Mohammad Kaleem	(Chairman)
Khawaja Mohammad Nadeem	(Member)
Mr. Mohammad Naveed	(Member)

COMPANY SECRETARY

Mr. Nadeem Anwar	(ACA)
------------------	-------

CHIEF FINANCIAL OFFICER

Mr. Nadeem Anwar	(ACA)
------------------	-------

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 Phero
Tel : (04943) 540083-4

Spinning Unit

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



Aslam Malik & Co.
Chartered Accountants

Phone : +92-42-35858693-35858694
 : +92-42-35856819
Fax : +92-42-35856019
e-mail : aslammalik@brain.net.pk
 : info@aslammalik.com
web : www.aslammalik.com
Suite # 18-19 First Floor,
Central Plaza, Civic Centre,
New Garden Town, Lahore-Pakistan.

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of **YOUSAF WEAVING MILLS LIMITED** (the Company) as at December 31, 2016 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2016 and December 31, 2015 have not been reviewed, as we are required to review only the cumulative figures for the six-months ended December 31, 2016.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

- (a) The company's unsecured Loan from directors is carried in the statement of financial position at Rs. 500 million. As per Technical Release 32 issued by Institute of Chartered Accountants of Pakistan, this loan should be classified under current liabilities. Management of the Company has classified the said Loan as Long term loan, which constitutes a departure from "Technical Release (TR) - 32 issued by ICAP. The company's records indicate that had management stated the loan as per "TR - 32, its current liabilities would have been increased by an amount of Rs. 500 million and non-current liabilities would have been decreased by an amount of Rs. 500 million, and company's liquidity and current ratios would have been deteriorated.

Conclusion

Based on our review except as stated in above paragraph (a), nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2016 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Without qualifying our conclusion, we draw attention to Note 1.2 in the interim financial statements which indicates that Company has incurred loss after tax of Rs. 49.21 million (December 31, 2015: Rs. 122.23 million) and at half year end and as of the year end, its accumulated losses stood at Rs. 1062.01 million (at June 30, 2016: 1,012.8 million), its current liabilities exceed its current assets by Rs. 731.94 million (at June 30, 2016: Rs. 700.11 million). These conditions along with other matters as set forth in Note 1.2 indicate the existence of a material uncertainty that may cause significant doubt about the Company's ability to continue as a going concern.



Mohammad Aslam Malik
(Aslam Malik & Co.)
Chartered Accountants

Engagement Partner: Mohammad Aslam Malik

Lahore:
February 28, 2017

Other Offices at:

Islamabad: House # 726, Street 34, Margalla Town, off Murree Road, Islamabad.
Tel: +92-51-2840487-88, Fax: +92-51-2840486

Karachi: Suite # 602-B, 6th Floor, Business & Finance Center, I.I. Chundrigar Road, Karachi
Tel: +92-21-32412212, 32443706 Fax: +92-21-32472235

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of the company are pleased to present before you the un-audited Financial Statements for the half year ended December 31, 2016 in compliance with section 245 of the Companies Ordinance 1984.

Although the company suffered losses during the six month period but the things looks improved as compared to corresponding period this depicts the dedicated efforts of the management to put the company again on the path of profitability. The company earned a gross profit of Rs. 10.817 million as compared to gross loss of Rs. 39.559 million which exhibits that things are going toward right direction to make the company profitable. The efforts of the management to control the cost in all possible areas are looking successful as reflect in the operating results. However the company remained suffered net loss of Rs. 49.208 million as compared to net loss of Rs. 122.231 million for the corresponding period.

The Government after continued hue and cry has announced package to textile industry including 28~40 % supply of gas which will substantially reduced the energy cost and shall make the industry more competitive. We believe that affect of this relief will be materialized in the coming period and will improve the operating performance of the company. The management is making serious efforts to regularize its relations with bank and is negotiating for restructuring its financing facilities on soft terms and believes to mature them safely without any default. The management is focusing to get back its lost export market with consistent efficiency and quality product. The management is also envisaging to enhance its production capacity in both spinning and weaving units which will contribute in the overall profitability of the company.

Auditors observation regarding going concern has been disclosed in note no 1.2 of the interim financial statement and as regard directors long term loan, the same is proposed to be converted into the share capital after taking necessary approvals from shareholders and SECP. It will be in the interest of the company as well as its shareholders to reduce its liabilities which will enhance the capital base and give a comfort to the creditors and facilitate future business prospects without having any negative impact on the cash flow.

The directors of your company like to put on record their appreciation and gratitude to the executives, officers, staff members and workers of the company in performance of their duties. We would further put on record our profound and sincere gratitude to valued customers, regulators, external auditors, bankers, and shareholders.

For and on behalf of the Board

Lahore:
February 28, 2017

(Khawaja Mohammad Nadeem)
Chief Executive

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز کی جانب سے 31 دسمبر 2016 کے اختتام شدہ ششماہی کی مدت کے لئے کیفیت و غیر جانچ شدہ حسابات پیش کرتے ہوئے سرت کا اظہار کرتے ہیں۔

اگرچہ کمپنی کو چھ ماہ کے دوران خسارے کا سامنا رہا مگر پچھلے سال کے اسی عرصے کے مقابلے میں عمومی بہتری نظر آئی جو کہ کمپنی کو منافع بخش بنانے کے لئے انتظامیہ کی مختلف کوششوں کو ظاہر کرتا ہے۔ کمپنی کو پچھلے سال کے اسی عرصے کے 39.559 ملین روپوں کے مجموعی نقصان کے مقابلے میں 10.817 ملین روپوں کا مجموعی منافع ہوا جو کمپنی کو منافع بخش بنانے کے لئے صحیح سمت میں کی جانے والی کوششوں کو ظاہر کرتا ہے۔ لاگت کو ہر گز حد سے کم کرنے کے لئے انتظامیہ کی کوششیں بار آور ہوئی ہوئی نظر آتی ہیں جیسے کہ ٹیلی منانج سے ظاہر ہے۔ تاہم کمپنی کو پچھلے سال کے اسی عرصے کے 122.23 ملین روپوں کے خالص نقصان کے مقابلے میں 49.208 ملین روپوں کا خالص نقصان ہوا۔

حکومت نے خاصے شور وغل کے بعد نیک نائل کی صنعت کے لئے پیکج کا اعلان کیا ہے جس میں 28% سے 40% گیس کی سپلائی شامل ہے جو توانائی کی لاگت کو کافی حد تک کم کرے گا اور صنعت کو مقابلے کے مزید قابل بنائے گا۔ ہمیں یقین ہے کہ اس رعایت کا اثر آنے والے وقت میں فائدہ مند ہوگا جو کہ کمپنی کی عملی کارکردگی کو بہتر بنائے گا۔ انتظامیہ بیجوں کے ساتھ اپنے تعلقات کو باضابطہ بنانے کے لئے مربوط کوششیں کر رہی ہے اور مالی سہولیات کو نرم شرائط پر لینے کے لئے بات چیت کر رہی ہے۔ انتظامیہ اپنی کھوئی ہوئی بین الاقوامی برآمدات کو اپنی بہتر کارکردگی اور اپنی مصنوعات کے اعلیٰ معیار کے بل بوتے پر دوبارہ حاصل کرنے کی ہمتن کوشش کر رہی ہے۔ انتظامیہ دونوں سہولت اور یونٹ یونٹوں میں پیداواری استعداد کو بڑھانے کے لئے پیش پیش کر رہی ہے جو کہ کمپنی کے منافع کمانے کی استعداد کو بہتر کرنے میں کارگر ثابت ہوگی۔

آڈیٹرز کے جاری کاروبار کے اندر پیش کی وضاحت کو مالی رپورٹس کے نوٹ 1.2 میں بیان کیا گیا ہے اور جہاں تک ڈائریکٹرز کے طویل مدتی قرضوں کا تعلق ہے اس بات حصر داروں اور SECP کی ضروری منظوری کے بعد اسکو جاری شدہ سرمائے میں تبدیل کرنے کی تجویز ہے۔ یہ کمپنی اور حصر داروں کے باہمی مفاد میں ہوگا کہ کمپنی کے واجبات کم ہوں جو سرمائے کی حد میں بھی اضافہ کرے گا اور قرضہ خواہوں کو آسانی ہوگی اور مستقبل کے کاروباری امکانات بغیر کسی منفی عمل کے سرانجام پائیں گے۔

آپ کی کمپنی کے ڈائریکٹرز اپنے اعلیٰ افسران، سٹاف اور کارکنان کی خوش اسلوبی سے فرمائش کی ادائیگی پر ان کو فریج حسیں پیش کرتے ہیں اور ان کا شکریہ ادا کرتے ہیں۔ ہم اپنے معزز گاہکوں، انتظامی اداروں، بیجوں، حصر داروں اور آڈیٹرز کے تعاون پر مدلی منون اور شکر گزار ہیں۔

مخانب بورڈ آف ڈائریکٹرز

خواجہ محمد ندیم

چیف ایگزیکٹو

لاہور

فروری 28، 2017

CONDENSED INTERIM BALANCE SHEET

	Notes	December 31, 2016 (Un-audited) Rupees	June 30, 2016 (Audited) Rupees
CAPITAL AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
40,000,000 (June 30, 2016: 40,000,000) ordinary shares of Rs. 10 each		400,000,000	400,000,000
Issued, subscribed and paid up capital		400,000,000	400,000,000
Accumulated loss		(1,062,007,106)	(1,012,798,277)
		(662,007,106)	(612,798,277)
NON CURRENT LIABILITIES			
Long term loans	5	531,992,620	532,550,927
Liabilities against assets subject to finance lease		3,574,252	4,637,688
Deferred liabilities		40,200,908	42,387,301
		575,767,780	579,575,916
CURRENT LIABILITIES			
Trade and other payables		323,148,407	449,522,247
Accrued mark up		63,427,885	44,137,155
Short term borrowings		486,063,269	438,615,113
Current maturity of non current liabilities		46,393,766	34,893,171
Provision for taxation		21,436,056	13,102,727
		940,469,383	980,270,413
CONTIGENCIES AND COMMITMENTS			
	6	-	-
		854,230,057	947,048,052

Lahore:
February 28, 2017

(Khawaja Mohammad Nadeem)
Chief Executive

AS AT DECEMBER 31, 2016 - (UN-AUDITED)

	Note	December 31, 2016 (Un-audited) Rupees	June 30, 2016 (Audited) Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	8	624,000,267	645,144,973
Intangible assets		511,315	568,128
Long term loans		16,463,890	16,444,262
Long term deposits		4,728,224	4,728,224
		645,703,696	666,885,587
CURRENT ASSETS			
Stores and spares		23,999,280	23,690,461
Stock in trade		83,619,434	169,536,796
Trade debts		27,144,045	12,928,452
Loans and advances		32,334,746	32,414,993
Trade deposits, prepayments and other receivables		13,972,621	14,191,913
Sales tax refundable		24,460,025	23,477,045
Cash and bank balances		2,996,210	3,922,805
		208,526,361	280,162,465
		854,230,057	947,048,052

The annexed notes form an integral part of this condensed interim financial information.

(Khawaja Mohammad Jahangir)
Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2016**

	Half Year Ended July 01, 2016 to December 31, 2016	Half Year Ended July 01, 2015 to December 31, 2015	Quarter Ended Oct 01, 2016 to December 31, 2016	Quarter Ended Oct 01, 2015 to December 31, 2015
	(Un-audited) Rupees	(Un-audited) Rupees	(Un-audited) Rupees	(Un-audited) Rupees
Sales - net	832,616,927	764,943,934	406,386,144	364,121,372
Cost of sales	(821,799,790)	(804,503,142)	(397,443,104)	(361,047,311)
Gross Profit / (Loss)	10,817,137	(39,559,208)	8,943,040	3,074,061
Operating expenses:				
- Distribution costs	(2,025,229)	(2,790,082)	(1,116,816)	(822,444)
- Administrative expenses	(23,104,526)	(23,060,045)	(11,695,205)	(9,682,284)
	(25,129,755)	(25,850,127)	(12,812,021)	(10,504,728)
Operating Loss	(14,312,618)	(65,409,335)	(3,868,981)	(7,430,667)
Other operating expenses	(740,100)	(24,621,666)	(684,545)	(23,254,397)
Finance cost	(25,822,783)	(24,972,783)	(12,831,811)	(12,924,539)
Other operating income	-	420,695	-	-
Loss before Taxation	(40,875,501)	(114,583,089)	(17,385,337)	(43,609,603)
Taxation	(8,333,329)	(7,648,761)	(11,848,556)	(3,641,220)
Loss after Taxation	(49,208,830)	(122,231,850)	(29,233,893)	(47,250,823)
Loss for the Period from Discontinued Operations	-	(31,515,052)	-	(25,877,925)
Loss for the Period from Continued Operations	(49,208,830)	(90,716,798)	(29,233,893)	(21,372,898)
Loss per Share - Basic:				
- From continuing operations	(1.23)	(2.27)	(0.73)	(0.53)
- From discontinuing operations	-	(0.79)	-	(0.65)
Loss per share for the period	(1.23)	(3.06)	(0.73)	(1.18)

The annexed notes form an integral part of this condensed interim financial information.

Lahore:
February 28, 2017

(Khawaja Mohammad Nadeem)
Chief Executive

(Khawaja Mohammad Jahangir)
Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2016**

	Half Year Ended July 01, 2016 to December 31, 2016	Half Year Ended July 01, 2015 to December 31, 2015	Quarter Ended Oct 01, 2016 to December 31, 2016	Quarter Ended Oct 01, 2015 to December 31, 2015
	(Un-audited) Rupees	(Un-audited) Rupees	(Un-audited) Rupees	(Un-audited) Rupees
Loss for the Period	(49,208,830)	(122,231,850)	(29,233,893)	(47,250,823)
Other comprehensive income for the period	-	-	-	-
Total Comprehensive loss for the Period	(49,208,830)	(122,231,850)	(29,233,893)	(47,250,823)

The annexed notes form an integral part of this condensed interim financial information.

Lahore:
February 28, 2017

(Khawaja Mohammad Nadeem)
Chief Executive

(Khawaja Mohammad Jahangir)
Director

**CONDENCED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2016**

	Half Year Ended July 01, 2016 to December 31, 2016	Half Year Ended July 01, 2015 to December 31, 2015
	(Un-audited) Rupees	(Un-audited) Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(40,875,501)	(114,583,089)
Adjustments for:		
- Depreciation	22,860,705	25,202,412
- Amortization of intangible assets	56,813	71,016
- Provision for gratuity	5,618,116	5,440,000
- (Profit) on sale of property, plant and equipment	-	(267,241)
- Loss on sale of biological assets	-	24,621,666
- Finance cost	25,822,783	24,972,783
Operating profit / (loss) before working capital changes	14,167,461	(34,542,453)
Decrease / (increase) in current assets:		
- Stores and spares	(2,953,428)	7,215,427
- Stock in trade	85,856,568	10,594,443
- Trade debts	(14,215,593)	3,818,480
- Loan and advances	2,059,409	(7,619,684)
- Trade deposits, short term prepayments and other receivables	219,292	9,848,518
- Sales tax refundable	(982,981)	1,440,976
Decrease / (increase) in current liabilities:		
- Trade and other payables	(126,373,840)	6,667,627
	(56,390,573)	31,965,787
Cash used in from operations	(42,223,112)	(2,576,666)
Gratuity paid	(7,804,509)	(5,257,861)
Finance cost paid	(6,532,053)	(16,266,977)
Income tax paid	(1,979,162)	(2,904,693)
Net cash used in Operating Activities	(58,538,836)	(27,006,197)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,716,000)	(7,309,845)
Proceeds from disposal of property, plant and equipment	-	510,000
Proceeds from disposal of biological assets	-	7,219,499
Long term loans to employees	-	(3,745,668)
Long term deposits	(19,628)	430,600
Net Cash generated from / (used in) Investing Activities	285,230	(2,895,414)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loans	10,942,288	59,345,000
Liabilities against assets subject to finance lease	(1,063,436)	(2,498,273)
Short term borrowings	47,448,159	(46,260,441)
Net Cash generted from Financing Activities	57,327,011	10,586,286
Net increase / (decrease) in Cash and Cash Equivalents	(926,595)	(19,315,325)
Cash and cash equivalents at the beginning of the period	3,922,805	20,513,379
Cash and Cash Equivalents at the End of Period	2,996,210	1,198,054

The annexed notes form an integral part of this condensed interim financial information.

Lahore:
February 28, 2017

(Khawaja Mohammad Nadeem)
Chief Executive

(Khawaja Mohammad Jahangir)
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2016**

Particulars	Share Capital	Accumulated Loss	Total
	(Un-audited) Rupees	(Un-audited) Rupees	(Un-audited) Rupees
Balance as at July 01, 2015	400,000,000	(602,188,585)	(202,188,585)
Total comprehensive loss for the half year ended December 31, 2015	-	(122,231,850)	(122,231,850)
Balance as at December 31, 2015	400,000,000	(724,420,435)	(324,420,435)
Balance as at July 01, 2016	400,000,000	(1,012,798,276)	(612,798,276)
Total comprehensive loss for the half year ended December 31, 2016	-	(49,208,830)	(49,208,830)
Balance as at December 31, 2016	400,000,000	(1,062,007,106)	(662,007,106)

The annexed notes form an integral part of this condensed interim financial information.

Lahore:
February 28, 2017

(Khawaja Mohammad Nadeem)
Chief Executive

(Khawaja Mohammad Jahangir)
Director

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED DECEMBER 31, 2016 (UN-AUDITED)**

Note 1

The Company and its Operations

- 1.1 **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. The registered office of the Company is situated at 7/1- E-3, Main Boulevard Gulberg III, Lahore.
- 1.2 During the half year ended December 31, 2016, Company has incurred loss after tax of Rs. 49.21 million (December 31, 2015: Rs. 122.23 million) and at half year end and as of the year end, its accumulated losses stood at Rs. 1062.01 million (at June 30, 2016: 1,012.8 million), its current liabilities exceed its current assets by Rs. 731.94 million (at June 30, 2016: Rs. 700.11 million). The company in order to carry on its business and to meet its current obligation requires generating sufficient cash flows. Accordingly there is a material uncertainty relating to the Company's operation that may cast sufficient doubt on the discharge of its liabilities in the normal course of business. Continuation of the Company as a going concern is dependent on improved cash flows. For this purpose the management of the Company has drawn up plans which includes:-
 - The company is operating at maximum capacity level due to provision of 24 hours RLNG at affordable price.
 - The company is planning to revive its export business with the incentive package of Prime Minister which will improve profitability and liquidity.
 - The sponsors of the company have intention to issue share capital against loan from directors after taking necessary approvals.
 - The company is redefining its financial facilities with banks to strengthen its working capital to meet the challenges.
 - The government provide relief Rs.3 per unit in industrial tariff which will reduce cost of production.
 - The Company is increasing production capacity by adding looms and spindles in Weaving and Spinning units respectively. This capacity enhancement program will improve profitability of the company.
 - Government has announced certain incentives including 28% to 40% supply of System Gas which will reduce energy cost significantly in coming period.
 - The management is negotiating to set up CO2 plant by utilizing exhaust gases of its existing power generation plant. We believe that it will have significant impact on the profitability of the company.
 - In view of the above, these financial statements have been prepared on going concern assumption.

Note 2

Basis of Preparation

- 2.1 This condensed interim financial information of the Company for the half year ended December 31, 2016 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34 Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.
- 2.2 This condensed interim financial information does not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2016. This condensed interim financial information is unaudited and has been subjected to limited scope review by the auditors and is being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and Section 245 of the Companies Ordinance, 1984.
- 2.3 The figures for the quarters ended December 31, 2015 and 2016 presented in the condensed interim profit and loss account, condensed interim statement of comprehensive income and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half year ended December 31, 2015 and 2016.
- 2.4 This condensed interim financial information is presented in Pak rupees, which is the Company's functional and presentational currency. Figures have been rounded off to nearest thousand rupees, 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, 2016.

Note 4

Accounting Estimates and Judgements

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.

During the preparation of this condensed interim financial information, the significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2016.

Note 5

Long Term Loans

This includes unsecured, non contractual interest free loan from directors of the company amounting to Rs. 500.00 million. These loans are under subordination agreement with banks. The director's of the company has confirmed that they would not demand repayment of loan for a period of 12 months from the half year end date. Hence the loan has been classified as long term liability. The company has intention to issue the capital after obtaining necessary approvals in coming period.

Note 6

Contingencies and Commitments**Contingencies**

There is no significant change in the contingencies as reported in the last published audited financial statements for the year ended June 30, 2016.

Commitments	Half Year Ended Dec. 31, 2016	Year Ended June 30, 2016
	(Un-Audited) Rs. in "million"	(Audited) Rs. in "million"
Commitments for lease rentals	0.600	2.400

Note 7

Property, Plant and Equipment

Notes	Half Year Ended Dec. 31, 2016	Year Ended June 30, 2016
	(Un-Audited) Rupees	(Audited) Rupees
Operating fixed assets	7.1	
	624,000,267	645,144,973
	624,000,267	645,144,973
7.1 Opening written down value	645,144,973	692,696,235
Addition during the period / year (at cost)	1,716,000	9,328,490
	646,860,973	702,024,725
Disposal during the period / year (written down value)	-	(8,233,700)
	646,860,973	693,791,025
Depreciation charge for the period / year	(22,860,706)	(48,646,052)
Closing written down value	624,000,267	645,144,973

Note 8

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:

	Half Year Ended Dec 31, 2016	Half Year Ended Dec 31, 2015
	(Un-audited) Rs. In Million	(Un-audited) Rs. In Million
8.1 Significant transaction with related parties are as follows:		
Sales of goods	0.061	-
- Purchase of goods	-	1.328
- Loan received from directors - net	74.043	(1.105)
- Rent of building	0.600	0.600

Note 9

Segment Information

9.1 The Company has two operating segments. The following summary describes the operation in each of the Company's reportable segments:

Weaving: Production of grey and processed cloth.

Spinning: Production of different qualities of yarn using natural and artificial fibers.

Dairy: The company has disposed off the dairy segment in the financial year ended June 30, 2016 the prior period figure are given for comparison.

9.2 Segment revenues and results

For the Half Year Ended December 31, 2016 (Un-audited)				
	Weaving Segment	Spinning Segment	Dairy Segment	Total
Sales - net	499,574,380	333,042,547	-	832,616,927
Cost of sales	(493,639,465)	(328,160,326)	-	(821,799,791)
Gross Profit	5,934,915	4,882,221	-	10,817,136
Distribution cost	(206,548)	(1,818,681)	-	(2,025,229)
Administrative expenses	(18,079,017)	(5,025,509)	-	(23,104,526)
	(18,285,565)	(6,844,190)	-	(25,129,755)
Operating Loss	(12,350,650)	(1,961,969)	-	(14,312,619)
Other operating charges	(740,100)	-	-	(740,100)
Finance cost	(24,049,408)	(1,773,375)	-	(25,822,783)
Other operating income	-	-	-	-
Loss before Taxation	(37,140,158)	(3,735,344)	-	(40,875,502)
Taxation	(5,001,562)	(3,331,768)	-	(8,333,329)
Loss after taxation	(42,141,720)	(7,067,112)	-	(49,208,831)

For the Half Year Ended December 31, 2015 (Un-audited)				
	Weaving Segment	Spinning Segment	Dairy Segment	Total
Sales - net	439,860,652	296,113,931	28,969,351	764,943,934
Cost of sales	(452,161,866)	(317,132,583)	(35,208,693)	(804,503,142)
Gross Loss	(12,301,214)	(21,018,652)	(6,239,342)	(39,559,208)
Distribution cost	(1,463,727)	(1,326,355)	-	(2,790,082)
Administrative expenses	(21,191,702)	(1,578,126)	(290,217)	(23,060,045)
	(22,655,429)	(2,904,481)	(290,217)	(25,850,127)
Operating Loss	(34,956,643)	(23,923,133)	(6,529,559)	(65,409,335)
Other operating charges	-	-	(24,621,666)	(24,621,666)
Finance cost	(24,248,067)	(639,183)	(85,533)	(24,972,783)
Other operating income	409,295	-	11,400	420,695
Loss before taxation	(58,795,415)	(24,562,316)	(31,225,358)	(114,583,089)
Taxation	(4,401,279)	(2,957,789)	(289,694)	(7,648,762)
Loss after taxation	(63,196,694)	(27,520,105)	(31,515,052)	(122,231,850)

9.3 Segment Assets

For the Half Year Ended December 31, 2016 (Un-audited)				
	Weaving Segment	Spinning Segment	Dairy Segment	Total
Segment assets for reportable segments	665,825,579	144,967,888	Disposed off	810,793,467
Unallocated corporate assets				43,436,589
Total assets as per balance sheet				854,230,056

For the Year ended June 30, 2016 (Audited)				
	Weaving Segment	Spinning Segment	Dairy Segment	Total
Segment assets for reportable segments	768,488,684	138,084,920	Disposed off	906,573,604
Unallocated corporate assets				40,474,448
Total assets as per balance sheet				947,048,052

9.4 Segment Liabilities

For the Half Year Ended December 31, 2016 (Un-audited)				
	Weaving Segment	Spinning Segment	Dairy Segment	Total
Segment liabilities for reportable segments	1,431,179,913	63,621,195	Disposed off	1,494,801,108
Unallocated corporate liabilities				21,436,055
Total liabilities as per balance sheet				1,516,237,163

For the Year ended June 30, 2016 (Audited)				
	Weaving Segment	Spinning Segment	Dairy Segment	Total
Segment liabilities for reportable segments	1,400,389,383	52,246,343	93,846,745	1,546,482,471
Unallocated corporate liabilities				13,363,858
Total liabilities as per balance sheet				1,559,846,329

Note 10

Financial Risk Management

The company's activities expose it to a variety of financial risk: market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The condensed interim financial information does not include all financial risk management information and disclosures required in the audited annual financial statements and should be read in conjunction with the audited annual financial statement for the year ended June 30, 2016.

There has been no change in Company's sensitivity to these risks since June 30, 2016 except for general exposure to fluctuations in foreign currency and interest rates. There have been no change in the risk management policies during the period.

There have been no significant changes in the business or economic circumstances during the period that would have affected the fair values of the financial assets of the Company. Further, no re-classifications in the categories of financial assets have been made since June 30, 2016.

Note 11

General

- 11.1 This interim financial information is authorized for issue on February 28, 2017 by the Board of Directors of the Company.
- 11.2 Figures have been rounded off to the nearest Rupee; and
- 11.3 Corresponding figures have been re-arranged wherever necessary to facilitate comparison. No material rearrangement has been made during the period.

Lahore:
February 28, 2017

(Khawaja Mohammad Nadeem)
Chief Executive

(Khawaja Mohammad Jahangir)
Director

Book Post
Printed Matter

If undelivered please return to:
Yousaf Weaving Mills Limited
Corporate & Shares Department
7/1-E-3 Main Boulevard Gulberg III, Lahore,
Tel : (042) 3571 7510 Fax : (042) 3575 5760