

# QUARTERLY REPORT

UN-AUDITED

1<sup>st</sup> QUARTER ENDED

SEPTEMBER 30, 2022



**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  
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 1st quarter ended September 30, 2022.

For the first quarter ended on September 30, 2022, the Company earned a gross profit of Rs. 18.549 million as compared to a gross profit of Rs. 15.726 million in the corresponding period, whereas it could be able to get a net profit of Rs. 1.870 million as compared to a net profit of Rs. 1.697 million during the last comparative period.

During the current period sales have improved significantly with respect to the previous period by 85% whereas the gross profit is increased by 18% with respect to the comparative period. On the other hand, there is no major change in distribution, administrative and financial charges.

Although the management could be able to maintain profitability during the first quarter but economic indicators are not positive enough to sustain the current level of profitability. Continuous fluctuation in the US \$ exchange rate, inflation, and slowdown in local and export markets have erased profit margins substantially. Unfortunately, Pakistan has faced the worst flood of its history during this quarter which caused huge financial losses for the economy, infrastructure has been demolished, agricultural production has been wiped out, livestock has been damaged severally, and the people in the affected area living hand to mouth. Due to a shortage of raw materials, we have to import raw materials and other inputs which will ultimately escalate the cost to do business and squeeze profit margins. Keep into considering all these factors the management deems that the upcoming periods would be arduous not only for the industry but also for our country.

To avoid a complete economic disaster, the government should take remedial steps to save the economy through; political stability in the country, controlling the US \$ exchange rate and inflation along with the provision of energy at the subsidized rate.

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 for their hard work, loyalty and dedication.

For and on behalf of the Board

Lahore

October 29, 2022

عاليہ خانم  
Alia Khanum  
Chairman

Khawaja Mohammad Nadeem  
Chief Executive Officer







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## ڈائریکٹر رپورٹ:

یوسف ویونگ ملز کے بورڈ آف ڈائریکٹر کی جانب سے 30 ستمبر 2022 پر اختتام شدہ سہ ماہی کے لیے غیر جانچ اور کثیف شدہ حسابات بشمول اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

30 ستمبر 2022 کو ختم ہونے والی سہ ماہی میں کمپنی نے 18.549 ملین روپے کا مجموعی منافع کمایا جو کہ پچھلے دورانیہ میں 15.726 ملین روپے تھا۔ جب کہ خالص منافع پچھلے سال کے خالص منافع جو کہ 1.698 ملین روپے کے مقابلہ میں 1.870 ملین روپے رہا۔

اس سہ ماہی میں کمپنی کی فروخت میں 85% کی شرح سے نمایاں بہتری آئی جب کہ مجموعی منافع 18% کی شرح سے بڑھا دوسری طرف انتظامی اور مالیاتی لاگت میں کوئی نمایاں تبدیلی نہیں آئی۔

حالانکہ انتظامیہ پہلی سہ ماہی میں منافع کی شرح کو برقرار رکھنے میں کامیاب رہی تاہم معاشی اشارے موجودہ منافع کو برقرار رکھنے کے لیے مثبت دکھائی نہیں دیتے، ڈالر ریٹ میں مسلسل اتار چڑھاؤ، مہنگائی، مقامی اور غیر ملکی مارکیٹ میں مندی کی وجہ سے منافع میں نمایاں کمی آئی ہے۔ بد قسمتی سے پہلی سہ ماہی میں پاکستان کو اپنی تاریخ کے بدترین سیلاب کا سامنا کرنا پڑا جس کی وجہ سے معیشت کو بڑا دھچکا لگا، سیلاب زدہ علاقوں میں انفراسٹرکچر تباہ ہو چکا ہے، فصلیں اور مویشی بہہ گئے ہیں اور لوگ بہ مشکل اپنی زندگی گزر بسر کر رہے ہیں۔ خام مال کی کمی کی وجہ سے ہمیں اپنی ضروریات کے لیے مال بیرونی ممالک سے درآمد کرنا پڑے گا، جس کی وجہ سے پیداواری لاگت میں اضافہ ہوگا اور منافع میں کمی آئے گی، ان تمام حالات کو مد نظر رکھتے ہوئے انتظامیہ یہ سمجھتی ہے کہ آنے والے وقت نا صرف معیشت بلکہ ملک کے لیے بہت مشکل ہوگا۔

مکمل معاشی بحران سے بچنے کے لیے حکومت کو چاہیے کہ وہ ملک میں سیاسی استحکام لائے، ڈالر ریٹ اور مہنگائی کو کنٹرول کرنے اور ساتھ توانائی کی ارزیاں نرخوں پر فراہمی کو ممکن بنائے۔

کمپنی کے ملازمین مسلسل وفاداری، لگن اور ہر سطح پر اچھے تعلقات کے لیے تعریف کے مستحق ہیں اس کے علاوہ ڈائریکٹر تمام حصص کنندگان کا مسلسل حمایت کی وجہ سے شکریہ ادا کرتے ہیں۔

بورڈ آف ڈائریکٹر کی طرف سے

عالیہ خانم

چیرمین

خواجہ محمد ندیم

چیف ایگزیکٹو آفیسر

تاریخ: 29 اکتوبر 2022

**YOUSAF WEAVING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2022**

	Note	September 30, 2022 (Un-audited) Rupees	June 30, 2022 (Audited) Rupees
<b>CAPITAL AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized share capital 90,000,000 (2021: 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		454,106,400	449,106,400
Accumulated loss		(1,426,195,677)	(1,428,065,888)
Surplus on revaluation of land		385,563,327	385,563,327
		313,474,050	306,603,839
<b>Non Current Liabilities</b>			
Long term loan		-	-
Lease liabilities		48,345,975	50,251,334
Deferred liabilities		49,455,158	47,637,641
		97,801,133	97,888,975
<b>Current Liabilities</b>			
Trade and other payables		317,050,232	294,889,837
Unclaimed dividend		3,247,016	3,247,016
Accrued mark up		133,956,688	132,939,518
Short term borrowings		592,128,819	586,589,859
Current portion of long term loan		67,258,461	67,258,461
Current portion of lease liabilities		8,003,700	8,260,715
Provision for taxation		58,987,694	54,844,202
		1,180,632,610	1,148,029,608
<b>Contingencies and Commitments</b>			
	5	-	-
		1,591,907,793	1,552,522,422

**YOUSAF WEAVING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2022**

	Note	September 30, 2022 (Un-audited) Rupees	June 30, 2022 (Audited) Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	6	916,826,561	925,961,304
Right-of-use assets		59,558,058	60,618,889
Intangible assets		141,484	148,932
Long term loans		10,312,450	10,312,450
Long term deposits		51,632,222	51,632,222
		1,038,470,775	1,048,673,797
<b>Current Assets</b>			
Stores and spares		27,151,669	13,266,123
Stock in trade		335,915,896	233,870,187
Trade debts		89,907,795	168,180,759
Loans and advances		28,253,690	31,424,099
Trade deposits and other receivables		5,608,901	5,608,901
Tax refunds due from government		64,845,500	50,485,632
Cash and bank balances		1,753,567	1,012,924
		553,437,018	503,848,625
		<u>1,591,907,793</u>	<u>1,552,522,422</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, 2022**

	Quarter Ended	
	September 30, 2022	September 30, 2021
	Un-audited Rupees	Un-audited Rupees
Sales - net	331,336,599	179,454,556
Cost of sales	(312,786,800)	(163,728,275)
<b>Gross profit</b>	<b>18,549,799</b>	<b>15,726,281</b>
Distribution cost	(1,990,748)	(1,624,570)
Administrative expenses	(9,304,580)	(8,936,172)
	(11,295,328)	(10,560,742)
<b>Operating profit</b>	<b>7,254,471</b>	<b>5,165,539</b>
Finance cost	(1,240,768)	(1,222,430)
Other operating income	-	7,198
<b>Profit before taxation</b>	<b>6,013,703</b>	<b>3,950,307</b>
Taxation	(4,143,492)	(2,252,716)
<b>Profit for the period</b>	<b>1,870,211</b>	<b>1,697,591</b>
<b>Earning per share - basic &amp; diluted</b>	<b>0.02</b>	<b>0.02</b>

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, 2022**

	Quarter Ended	
	September 30, 2022	September 30, 2021
	Rupees	Rupees
Profit for the period	1,870,211	1,697,591
Other comprehensive income for the period	-	-
Total comprehensive income for the period	1,870,211	1,697,591

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



CHIEF EXECUTIVE OFFICER

DIRECTOR

عالیہ خانم

CHIEF FINANCIAL OFFICER



**YOUSAF WEAVING MILLS LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Quarter Ended	
	September 30, 2022	September 30, 2021
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	6,013,703	3,950,307
Adjustments for:		
- Depreciation	10,195,574	9,787,712
- Amortization of intangible assets	7,447	37,232
- Provision for gratuity	3,334,017	3,412,944
- Gain on disposal of property, plant and equipment	-	(7,198)
- Finance cost	1,240,768	1,204,979
Operating profit before working capital changes	20,791,509	18,385,976
(Increase) / Decrease in current assets:		
- Stores and spares	(13,885,546)	(4,157,274)
- Stock in trade	(102,045,709)	(23,883,525)
- Trade debts	78,272,964	5,111
- Loan and advances	3,170,409	1,394,562
- Trade deposits and other receivables	-	14,861,818
- Tax refundable due from government	(10,498,524)	(4,272,803)
Increase / (Decrease) in current liabilities:		
- Trade and other payables	22,160,395	23,920,301
	(22,826,011)	7,868,190
<b>CASH (USED IN) / GENERATED FROM OPERATIONS</b>	(2,034,502)	26,254,166
Finance cost paid	(27,268)	(1,227,731)
Gratuity paid	(1,516,500)	(1,968,380)
Income tax paid	(3,861,342)	(720,821)
Net cash (used in) / generated from operating activities	(7,439,612)	22,337,234
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment purchased	-	(16,195,825)
Proceeds from disposal of property, plant and equipment	-	25,000
Long term deposits	-	(5,809,526)
Net cash used in investing activities	-	(21,980,351)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term loans	5,000,000	(1,930,077)
Short term borrowings - net	5,538,960	4,568,088
Liabilities against assets subject to finance lease	(2,358,705)	-
Net cash generated from financing activities	8,180,255	2,638,011
Net increase in cash and cash equivalents	740,643	2,994,894
Cash and cash equivalents at the beginning of the period	1,012,924	1,327,778
Cash and cash equivalents at the end of the period	1,753,567	4,322,672

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, 2022**

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, 2021	900,000,000	(1,440,716,881)	106,600,000	385,563,327	(48,553,554)
Net profit for the period	-	1,697,591	-	-	1,697,591
Balance as at September 30, 2021	900,000,000	(1,439,019,290)	106,600,000	385,563,327	(46,855,963)
Balance as at July 1, 2022	900,000,000	(1,428,065,888)	449,106,400	385,563,327	306,603,839
Net profit for the period	-	1,870,211	5,000,000	-	6,870,211
Balance as at September 30, 2022	900,000,000	(1,426,195,677)	454,106,400	385,563,327	313,474,050

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, 2022

#### Note 1

##### The Company and its Operations

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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, 2022.
- 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

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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, 2022.

#### Note 4

##### Accounting Estimates and Judgments

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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, 2022.

#### Note 5

##### Contingencies and Commitments

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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, 2022.

Note 6

Property, Plant and Equipment

	Quarter Ended Sep 30, 2022 (Un-audited) Rupees	Year Ended June 30, 2022 (Audited) Rupees
Operating fixed assets	916,826,561	925,961,304
Opening written down value	925,961,304	947,395,316
Addition during the period / year (at cost)	-	17,690,355
Disposal during the period / year (written down value)	-	(193,284)
	925,961,304	964,892,387
Depreciation charge for the period / year	(9,134,743)	(38,931,083)
Closing written down value	916,826,561	925,961,304

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, 2022	Sep 30, 2021
	(Un-audited) Rs. '000'	(Un-audited) Rs. '000'
Significant transaction with related parties are as follows:		
- Loan term loan received from directors	5,000	-
- Short term loan received/(paid) from/to directors - net	5,539	(1,093)

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, 2022 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, 2022 (Un-audited)			
	Weaving Segment Rupees	Spinning Segment Rupees	Total Rupees
Sales - net	331,336,599	-	331,336,599
Cost of sales	(311,668,017)	(1,118,783)	(312,786,800)
Gross profit / (loss)	19,668,582	(1,118,783)	18,549,799
Distribution cost	(1,990,748)	-	(1,990,748)
Administrative expenses	(9,296,376)	(8,204)	(9,304,580)
	(11,287,124)	(8,204)	(11,295,328)
Operating profit / (loss)	8,381,458	(1,126,987)	7,254,471



Note 8 - Segment Information - Continued...

For the Quarter Ended September 30, 2022 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Finance cost	(1,240,768)	-	(1,240,768)
Other operating income	-	-	-
Profit / (loss) before taxation	7,140,690	(1,126,987)	6,013,703
Taxation	(4,143,492)	-	(4,143,492)
Profit / (loss) after taxation	2,997,198	(1,126,987)	1,870,211

For the Quarter Ended September 30, 2021 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Sales - net	179,454,556	-	179,454,556
Cost of sales	(162,527,719)	(1,200,556)	(163,728,275)
Gross profit / (loss)	16,926,837	(1,200,556)	15,726,281
Distribution cost	(1,624,570)	-	(1,624,570)
Administrative expenses	(8,926,109)	(10,063)	(8,936,172)
	(10,550,679)	(10,063)	(10,560,742)
Operating profit / (loss)	6,376,158	(1,210,619)	5,165,539
Finance cost	(1,222,430)	-	(1,222,430)
Other operating income	7,198	-	7,198
Profit before taxation / (loss)	5,160,926	(1,210,619)	3,950,307
Taxation	(2,252,716)	-	(2,252,716)
Profit after taxation / (loss)	2,908,210	(1,210,619)	1,697,591

8.3 Segment assets and liabilities

As at September 30, 2022 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	1,412,128,698	108,587,877	1,520,716,575
Unallocated assets			71,191,218
Total assets as per balance sheet			1,591,907,793
Segment liabilities for reportable segments	1,244,212,570	229,415,446	1,473,628,016
Unallocated liabilities			(195,194,273)
Total liabilities as per balance sheet			1,278,433,743

As at June 30, 2022 (Audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	1,385,976,208	109,239,408	1,495,215,616
Unallocated assets			57,306,806
Total assets as per balance sheet			1,552,522,422
Segment liabilities for reportable segments	1,215,904,406	229,890,902	1,445,795,308
Unallocated liabilities			(199,876,725)
Total liabilities as per balance sheet			1,245,918,583

Note 9  
Financial Risk Management

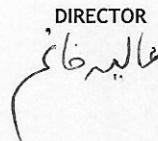
The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual published financial statements of the Company for the year ended June 30, 2022.

Note 10  
General

10.1 This interim financial information is authorized for issue on October 29, 2022 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

DIRECTOR  


  
CHIEF FINANCIAL OFFICER

