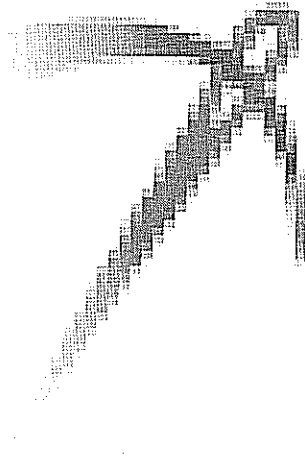


# QUARTERLY REPORT

UN-AUDITED

NINE MONTHS ENDED

MARCH 31, 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  
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 un-audited condensed interim financial statements for the nine months ended March 31, 2022.

For the period ended on March 31, 2022, the Company earned gross profit of Rs. 66.434 million as compared to gross profit of Rs. 57.804 million in the corresponding period, whereas it could be able to get net profit of Rs. 15.319 million as compared to net profit of Rs. 12.423 million during the last comparative period.

During the current period sales have been increased by 31% whereas the gross profit is increased by 13% with respect to comparative period. There is no significant change in distribution and administrative expenses however finance cost has been increased due to mark-up on long term loan of BOP.

The management has successfully installed 1.8 MW solar system at the plant from which energy production has been initiated, the management expected that it would impacted positively on production cost through reduction in energy charges.

The members has given their approval for the management's "Revival Business Plan" in the Extraordinary General Meeting (EOGM) held on March 04, 2022 on following matters:

1. To increase the authorized share capital from Rs. 900 million to 2,000 million.
2. To reduce the share capital under Revival Business plan.
3. To consider multiple steps and measures in respect of spinning unit's contribution to the revival scheme of the company but not limited to disposal/transfer of "Spinning Unit" assets.

In this regard the management has signed a MoU with a potential buyer for sale of spinning unit's assets against outstanding loans of HMBL and NBP on which initial arrangement has been started with the concern stakeholders. The management is hopeful that it would be able to complete this transaction in an amicable manner.

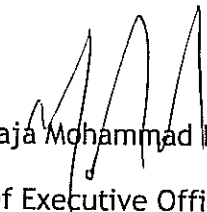
The Board is thankful to the shareholders of the company for their continued confidence in the company and also wished to express its gratitude to all the employees of the company their hard work, loyalty and dedication.

For and on behalf of the Board

Lahore

April 26, 2022

  
Alia Khanum  
Chairman

  
Khawaja Mohammad Nadeem  
Chief Executive Officer



## ڈائریکٹرز رپورٹ

یوسف ویونگ ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2022 کو ختم ہونے والے دورانیہ کے لیے غیر جانچ اور کشف شدہ حسابات بشمول اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

31 مارچ 2022 کو ختم ہونے والے دورانیہ میں کمپنی نے پچھلے دورانیہ کے 57.804 ملین روپے کے مقابلے میں 66.434 ملین روپے کا مجموعی منافع کمایا جبکہ خالص منافع پچھلے دورانیہ کے 12.423 ملین روپے کے مقابلے میں 15.319 ملین روپے رہا۔ اس دورانیہ میں سیلز میں 31% کا اضافہ ہوا جبکہ مجموعی منافع 13% سے بڑھا۔ کسی اور انتظامی لاگت میں کوئی قابل ذکر اضافہ نہیں ہوا تاہم مالیاتی لاگت بینک آف پنجاب کے طویل المدتی قرضے کی وجہ سے بڑھی۔

انتظامیہ نے 1.8 میگا واٹ کے سولر سسٹم کی کامیابی سے تنصیب مکمل کر لی ہے۔ جس سے بجلی کی پیداوار شروع ہو چکی ہے۔ انتظامیہ پر امید ہے کہ اس سے پیداواری لاگت پر مثبت اثر پڑھے گا اور توانائی کی لاگت میں کمی ہوگی۔

حصص کنندگان نے 4 مارچ 2022 کو منعقد ہونے والے غیر معمولی اجلاس عام میں کاروبار کی بحالی کے پلان کی منظوری دے دی ہے جس کے مطابق:

- 1- مجاز سرمائے کو 900 ملین روپے سے 2000 ملین روپے تک بڑھایا جائے گا۔
- 2- شیئر کیپٹل میں کمی کی جائے۔
- 3- کاروبار کی بحالی کے پلان میں سپینگ یونٹ کی شراکت کے بارے میں غور کیا جائے گا۔ جو کہ سپینگ یونٹ کی فروخت / ٹرانسفر تک محدود نہ ہو گا۔

اس تناظر میں انتظامیہ نے ایک ممکنہ خریدار کے ساتھ ایک مفاہمت کی یادداشت پر دستخط کیے ہیں جس کے مطابق سپینگ یونٹ کے اثاثہ جات کو حبیب میٹرو پولیٹین بینک اور نیشنل بینک آف پاکستان کے واجب الادا قرضہ جات کے عوض سیٹل کیا جائے گا انتظامیہ پر امید ہے کہ وہ اس معاملہ کو خوش اسلوبی سے پایا تکمیل تک پہنچا سکے گی۔

کمپنی کے ملازمین مسلسل وفاداری لگن اور ہر سطح پر اچھے تعلقات کیلئے تعریف کے مستحق ہیں اسکے علاوہ ڈائریکٹرز تمام حصص کنندگان کا مسلسل حمایت کی وجہ سے شکر یہ ادا کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے

خواجہ محمد ندیم

چیف ایگزیکٹو آفیسر

عالیہ خانم

چیئر مین

عالیہ خانم

لاہور

26 اپریل 2022




**YOUSAF WEAVING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2022**

	Note	March 31, 2022 (Un-audited) Rupees	June 30, 2021 (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		589,937,400	106,600,000
Accumulated loss		(1,425,398,113)	(1,440,716,881)
Surplus on revaluation of land		385,563,327	385,563,327
		450,102,614	(48,553,554)
<b>Non Current Liabilities</b>			
Long term loan		-	-
Deferred liability		39,147,774	35,553,393
		39,147,774	35,553,393
<b>Current Liabilities</b>			
Trade and other payables		325,695,129	305,174,689
Unclaimed dividend		3,247,016	3,247,016
Accrued mark up		133,221,966	133,827,820
Short term borrowings		392,204,386	593,508,622
Current portion of non current liabilities		71,861,538	80,977,769
Provision for taxation		48,518,167	50,160,909
		974,748,202	1,166,896,825
<b>Contingencies and Commitments</b>			
	5	-	-
		<u>1,463,998,590</u>	<u>1,153,896,664</u>


**YOUSAF WEAVING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2022**

		March 31, 2022	June 30, 2021
	Note	(Un-audited) Rupees	(Audited) Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	6	935,336,585	947,395,316
Intangible assets		158,239	186,164
Long term loans		10,316,677	10,472,827
Long term deposits		51,632,222	45,822,696
		997,443,723	1,003,877,003
<b>Current Assets</b>			
Stores and spares		14,020,237	9,826,528
Stock in trade		112,011,329	17,277,547
Trade debts		227,109,937	37,469,134
Loans and advances		52,745,482	22,220,053
Trade deposits and other receivables		8,450,707	23,312,525
Tax refunds due from government		48,866,452	38,586,096
Cash and bank balances		3,350,723	1,327,778
		466,554,867	150,019,661
		<u>1,463,998,590</u>	<u>1,153,896,664</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 NINE MONTHS ENDED MARCH 31, 2022**

	Nine Months Ended		Quarter Ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Un-audited Rupees	Un-audited Rupees	Un-audited Rupees	Un-audited Rupees
Sales - net	739,379,269	513,209,117	380,974,747	203,536,831
Cost of sales	(672,945,483)	(455,405,131)	(352,048,794)	(181,033,798)
<b>Gross profit</b>	<b>66,433,786</b>	<b>57,803,986</b>	<b>28,925,953</b>	<b>22,503,033</b>
Distribution cost	(5,044,120)	(4,717,845)	(1,648,600)	(1,027,500)
Administrative expenses	(35,528,636)	(34,672,414)	(16,882,131)	(14,829,368)
	(40,572,756)	(39,390,259)	(18,530,731)	(15,856,868)
<b>Operating profit</b>	<b>25,861,030</b>	<b>18,413,727</b>	<b>10,395,222</b>	<b>6,646,165</b>
Finance cost	(3,460,820)	(74,736)	(1,080,427)	(8,445)
Other operating income	2,190,331	1,824,818	631,293	860,484
<b>Profit before taxation</b>	<b>24,590,541</b>	<b>20,163,809</b>	<b>9,946,088</b>	<b>7,498,204</b>
Taxation	(9,271,773)	(7,740,756)	(4,774,782)	(3,076,938)
<b>Profit for the period</b>	<b>15,318,768</b>	<b>12,423,053</b>	<b>5,171,306</b>	<b>4,421,266</b>
<b>Earning per share - basic &amp; diluted</b>	<b>0.17</b>	<b>0.14</b>	<b>0.06</b>	<b>0.05</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 NINE MONTHS ENDED MARCH 31, 2022**


	Nine Months Ended		Quarter Ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Rupees	Rupees	Rupees	Rupees
Profit for the period	15,318,768	12,423,053	5,171,306	4,421,266
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	15,318,768	12,423,053	5,171,306	4,421,266

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 NINE MONTHS ENDED MARCH 31, 2022**

	Nine Months Ended	
	March 31, 2022	March 31, 2021
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	24,590,541	20,163,809
Adjustments for:		
- Depreciation	29,434,887	30,710,453
- Amortization of intangible assets	27,924	34,905
- Provision for gratuity	10,238,831	7,450,000
- Gain on disposal of property, plant and equipment	(2,190,331)	(1,824,818)
- Finance cost	3,416,345	74,736
Operating profit before working capital changes	65,518,197	56,609,085
(Increase) / Decrease in current assets:		
- Stores and spares	(4,193,709)	1,154,647
- Stock in trade	(94,733,782)	(24,059,418)
- Trade debts	(189,640,803)	(29,738,493)
- Loan and advances	(30,525,429)	(2,929,106)
- Trade deposits and other receivables	14,861,818	(15,174,810)
- Tax refundable due from government	(13,655,163)	16,056,727
Increase / (Decrease) in current liabilities:		
- Trade and other payables	21,820,203	(38,102,193)
	(296,066,865)	(92,792,646)
<b>CASH USED IN OPERATIONS</b>	(230,548,668)	(36,183,561)
Finance cost paid	(4,022,199)	(3,333,040)
Gratuity paid	(6,644,450)	(7,175,141)
Income tax paid	(8,839,470)	(7,113,040)
Net cash used in operating activities	(250,054,787)	(53,804,782)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment purchased	(17,545,825)	-
Proceeds from disposal of property, plant and equipment	2,360,000	2,715,000
Long term deposits	(5,809,526)	-
Net cash (used in) / generated from investing activities	(20,839,201)	2,715,000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term loans	280,821,169	50,090,688
Short term borrowings - net	(7,904,236)	-
Net cash generated from financing activities	272,916,933	50,090,688
Net increase / (decrease) in cash and cash equivalents	2,022,945	(999,094)
Cash and cash equivalents at the beginning of the period	1,327,778	4,062,293
Cash and cash equivalents at the end of the period	3,350,723	3,063,199

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 NINE MONTHS ENDED MARCH 31, 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, 2020	900,000,000	(1,455,491,996)	231,050,797	203,833,327	(120,607,872)
Net profit for the period	-	12,423,053	-	-	12,423,053
Loan from directors during the period	-	-	60,626,872	-	60,626,872
Balance as at March 31, 2021	900,000,000	(1,443,068,943)	291,677,669	203,833,327	(47,557,947)
Balance as at July 1, 2021	900,000,000	(1,440,716,881)	300,000,000	385,563,327	144,846,446
Net profit for the period	-	15,318,768	-	-	15,318,768
Loan from directors during the period	-	-	289,937,400	-	289,937,400
Balance as at March 31, 2022	900,000,000	(1,425,398,113)	589,937,400	385,563,327	450,102,614

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 NINE MONTHS ENDED MARCH 31, 2022**

**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.

As at March 31, 2022 the Company earned profit after tax of Rs. 15.319 million (March 31, 2021: Rs. 12.423 million) and its accumulated losses stood at Rs. 1,425.398 million (June 30, 2021: 1,440.717 million), its current liabilities exceed its current assets by Rs. 508.193 million (June 30, 2021: Rs. 1,016.877 million). The Company in order to carry on its business and to meet its current obligation requires sufficient cash flows. Further, the banking companies also filed suit against the Company for recovery of outstanding balances and related interest accrued thereon. 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.

**Management Plan of Action**

The management of the Company has drawn up plans which include:-

**1.1 Continuously Striving to Enhance its Production Capacity**

The Company has imported a warping machinery during the current reporting period which will benefit to improve the production capacity & efficiency of weaving unit. Further the management is planning to purchase new looms during up-coming period for which initial evaluation has been started.

**1.2 Directors Financial Support**

During the current period the directors of the Company has provide long term loan of Rs. 290 million which has been used to meet working capital requirements of the Company. To strengthen shareholder equity, the Directors aimed to covert long term loan of director into ordinary shares in the up-coming period. The directors / sponsors of the Company have shown their commitment to support the Company in every hour of need to stabilize the Company's operations and committed to provide their enduring support to achieve sustainable growth in future.

**1.3 Revival Business Plan**

The management has drawn the "Revival Business Plan" to transact the following:

- 1.3.1 To increase the authorized share capital of the Company from Rs. 900 million to 2,000 million.
- 1.3.2 To reduce the share capital under Revival Business plan.
- 1.3.3 To consider multiple steps and measures in respect of spinning unit's contribution to the revival scheme of the company but not limited to disposal/transfer of "Spinning Unit" assets.

In view of the above, these financial statements have been prepared on going concern assumption.

**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, 2021.
- 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, 2021.

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, 2021.

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, 2021.

Note 6  
Property, Plant and Equipment

	Nine Months Ended Mar 31, 2022	Year Ended June 30, 2021
	(Un-audited) Rupees	(Audited) Rupees
Operating fixed assets	935,336,585	947,395,316
Opening written down value	947,395,316	807,551,842
Addition during the period / year (at cost)	17,545,825	-
Revaluation adjustment	-	181,730,000
Disposal during the period / year (written down value)	(169,669)	(882,088)
	964,771,472	988,399,754
Depreciation charge for the period / year	(29,434,887)	(41,004,438)
Closing written down value	935,336,585	947,395,316

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:

	Nine Months Ended	
	Mar 31, 2022	Mar 31, 2021
	(Un-audited) Rs. '000'	(Un-audited) Rs. '000'
Significant transaction with related parties are as follows:		
- Loan received/(paid) from/to directors - net	289,937	60,627

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 period ended March 31, 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 Nine Months Ended March 31, 2022 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Sales - net	739,379,269	-	739,379,269
Cost of sales	(669,343,816)	(3,601,667)	(672,945,483)
Gross profit / (loss)	70,035,453	(3,601,667)	66,433,786
Distribution cost	(5,044,120)	-	(5,044,120)
Administrative expenses	(35,498,448)	(30,188)	(35,528,636)
	(40,542,568)	(30,188)	(40,572,756)
Operating profit / (loss)	29,492,885	(3,631,855)	25,861,030
Finance cost	(3,460,820)	-	(3,460,820)
Other operating income	2,190,331	-	2,190,331
Profit / (loss) before taxation	28,222,396	(3,631,855)	24,590,541
Taxation	(9,271,773)	-	(9,271,773)
Profit / (loss) after taxation	18,950,623	(3,631,855)	15,318,768

For the Nine Months Ended March 31, 2021 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Sales - net	513,209,117	-	513,209,117
Cost of sales	(451,540,066)	(3,865,065)	(455,405,131)
Gross profit / (loss)	61,669,051	(3,865,065)	57,803,986
Distribution cost	(4,717,845)	-	(4,717,845)
Administrative expenses	(34,635,322)	(37,092)	(34,672,414)
	(39,353,167)	(37,092)	(39,390,259)
Operating profit / (loss)	22,315,884	(3,902,157)	18,413,727
Finance cost	(74,736)	-	(74,736)
Other operating income	1,824,818	-	1,824,818
Profit before taxation / (loss)	24,065,966	(3,902,157)	20,163,809
Taxation	(7,740,756)	-	(7,740,756)
Profit after taxation / (loss)	16,325,210	(3,902,157)	12,423,053

Note 8 - Segment Information - Continued...

8.3 Segment assets and liabilities

As at March 31, 2022 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	1,296,946,228	110,560,192	1,407,506,420
Unallocated assets			56,492,170
Total assets as per balance sheet			<u>1,463,998,590</u>
Segment liabilities for reportable segments	1,128,418,082	231,589,361	1,360,007,443
Unallocated liabilities			(346,111,467)
Total liabilities as per balance sheet			<u>1,013,895,976</u>
As at June 30, 2021 (Audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	982,788,856	124,895,992	1,107,684,848
Unallocated assets			46,211,816
Total assets as per balance sheet			<u>1,153,896,664</u>
Segment liabilities for reportable segments	829,256,150	232,013,624	1,061,269,774
Unallocated liabilities			141,180,444
Total liabilities as per balance sheet			<u>1,202,450,218</u>

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, 2021.

Note 10  
General

10.1 This interim financial information is authorized for issue on April 26, 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

