



TATA TEXTILE MILLS LIMITED

**Condensed Interim Financial Statements
(UNAUDITED)
for the 1st Quarter ended September 30, 2020**

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Mazhar Valjee	- Chairman
Mr. Shahid Anwar Tata	- Chief Executive
Mr. Adeel Shahid Tata	- Executive Director
Mr. Bilal Shahid Tata	- Non Executive Director
Mr. Farooq Advani	- Independent Director
Mr. Tayyeb Afzal	- Independent Director
Mr. Muhammad Jawaid Iqbal	- Independent Director
Ms. Shahbano Hameed (NIT)	- Non Executive Director
Miss. Samar Shahid Tata	- Non Executive Director

AUDIT COMMITTEE

Mr. Farooq Advani	- Chairman
Mr. Bilal Shahid Tata	- Member
Mr. Tayyeb Afzal	- Member
Mr. Ghazanfer Yaseen	- Secretary

HR & REMUNERATION COMMITTEE

Mr. Farooq Advani	- Chairman
Mr. Shahid Anwar Tata	- Member
Mr. Bilal Shahid Tata	- Member
Miss. Samar Shahid Tata	- Member
Mr. Farooq Kasim	- Secretary

CHIEF FINANCIAL OFFICER

Mr. Haseeb Hafeezuddeen

COMPANY SECRETARY

Mr. Muhammad Hussain

INTERNAL AUDITOR

Mr. Ghazanfer Yaseen

AUDITORS

M/s. Deloitte Yousuf Adil
Chartered Accountants

BANKERS

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Samba Bank Limited
The Bank of Punjab

LEGAL ADVISOR

Rajwana & Rajwana Advocates

REGISTERED OFFICE

6th Floor Textile Plaza,
M.A Jinnah Road Karachi.
Tel# 32412955-3 Lines 32426761-2-4
Fax# 32417710
Email: ttm.corporate@tatapakistan.com

FACTORY LOCATION

10th K.M. M.M. Road
Khanpur-Baggasher,
District Muzaffargarh

SHARE REGISTRAR

CDC Share Registrar Services Limited
CDC House, 99-B
Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal Karachi.
Tel# (Toll Free) 0800-CDCPL (23275)
Fax: (92-21) 34326053

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www.tatapakistan.com



DIRECTORS' REPORT

Assalam-o-Alaikum

The Financial Statements (un-audited) of the Company for the 1st Quarter ended September 30, 2020 is presented. During this quarter the Company has made a Pre-Tax Profit of PKR 88.58 Million (2019 Pre-Tax Loss of PKR 51.89 Million).

Even though, the last quarter, i.e. April-June was the most difficult quarter in our history, due to the havoc played by the Covid'19 pandemic, we started the new year on an apprehensive note given the uncertainties surrounding the demand and supply of textile products, however, as the current quarter progressed, there suddenly appeared a ray of hope as there was a complete turnaround in the local textile market. The demand for yarn picked up from the down-stream Industries on the back of ample orders they were getting which was unprecedented. Gradually, during this quarter, we were able to sell almost all the yarn that had accumulated during the previous quarter.

Moreover, there has been a healthy turnaround in the textile market against all the perceptions that the Covid'19 pandemic will bring down the demand for Textile products. On the contrary, demand has increased, as the world which had stopped or minimized socializing, entertaining or travelling during the pandemic, have now gone back to socializing resulting in increase in local and international retail sales. There is a huge demand for yarn in the domestic market and orders have been booked till December 2020, however, despite the optimism it is difficult to predict the situation beyond December.

Raw Material.

Last year, the cotton crop harvest was not good and we could only produce about 8.6 Mn bales and we were hoping that the current year cotton crop yield will be improved to a level of 10 Million bales but unfortunately, we have witnessed cotton arrivals of only 2.4 Million bales till 15th October. Normally, up to this period 50% of the cotton crop arrives at the ginners, which seems to suggest a cotton crop size of only 4.8 Million bales, which is a very dangerous situation. The crop size estimates and quality issues have led to bullish trend in the local market as the cost of cotton which started at a bearish trend of Rs.8,000/- per maund has now gone up to Rs.10,000/- to Rs.10,500/-. Although there is support of the Yarn price and the coming quarter will be better, but the local cotton crop size has turned very tricky and dangerous, which will result in the increased of imported cotton to meet the local market requirement.

Globally, too the cotton market started the season with a bearish note, but now the commodity market has turned bullish.

Future Prospects

The demand for textile has started to show improvement which has reflected in the results and we are hopeful that the company will perform even better in the coming months. Further, the management is continuously working towards upgradation and enhancement in productivity and cost control.

Acknowledgement

We appreciate the contribution of each and every employee of the Company. We also like to express our thanks to our customers for the trust shown in our products and the financial institution for their continued support to the company. We are also grateful to our shareholders for their confidence in our Management.

On behalf of the Board of Directors



SHAHID ANWAR TATA
CHIEF EXECUTIVE



ADEEL SHAHID TATA
DIRECTOR

Karachi

Dated: October 28, 2020

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020


	September 30, 2020 (Un-Audited)	June 30, 2020 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	4,668,435	4,725,793
Intangible assets	6,477	6,878
Long term deposits	2,902	2,902
	4,677,814	4,735,573
CURRENT ASSETS		
Stores, spares and loose tools	47,738	38,613
Stock-in-trade	1,284,286	2,102,807
Trade debts	1,277,896	1,009,596
Loans and advances	1,292,754	316,269
Short-term prepayments	6,720	1,339
Other receivables	5,309	5,039
Other financial assets	19,670	19,670
Sales tax refundable	91,438	39,235
Cash and bank balances	175,806	375,893
	4,201,617	3,908,461
TOTAL ASSETS	8,879,431	8,644,034
EQUITY AND LIABILITIES		
EQUITY		
Share capital	173,248	173,248
General reserve	1,000,000	1,000,000
Unappropriated profit	685,559	594,696
Surplus on revaluation of' property, plant and equipment	2,367,250	2,394,420
	4,226,057	4,162,364
NON-CURRENT LIABILITIES		
Long-term finance	736,712	668,737
Deferred liabilities	471,391	464,002
Deferred grant	1,891	1,926
	1,209,994	1,134,665
CURRENT LIABILITIES		
Trade and other payables	817,521	482,198
Interest / mark-up accrued on borrowings	49,060	91,794
Short-term borrowings	2,421,859	2,668,360
Current portion of long-term finance	53,670	19,349
Current portion of deferred government grant	3,481	3,445
Unclaimed dividend	4,483	4,483
Provision for income tax	93,306	77,376
	3,443,380	3,347,005
TOTAL EQUITY AND LIABILITIES	8,879,431	8,644,034

CONTINGENCIES AND COMMITMENTS

The annexed notes form an integral part of these condensed interim financial statements.


SHAHID ANWAR TATA
 CHIEF EXECUTIVE


HASEEB HAFEEZUDEEN
 CHIEF FINANCIAL OFFICER


ADEEL SHAHID TATA
 DIRECTOR

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

		September 30, 2020	September 30, 2019
	NoteRupees in '000'.....	
Revenue from contract with customers - net	8	2,196,075	1,771,428
Cost of goods sold	9	(1,978,422)	(1,608,764)
Gross profit		217,653	162,664
Distribution cost		(21,237)	(23,315)
Administrative expenses		(33,584)	(35,158)
Other operating expenses		(7,714)	(59,241)
Finance cost		(67,178)	(97,018)
		(129,713)	(214,732)
		87,940	(52,068)
Other income		641	176
Profit/(loss) before taxation		88,581	(51,892)
Provision for taxation		(24,888)	(11,173)
Profit/(loss) for the period		63,693	(63,065)
Other Comprehensive income for the period		-	-
Total comprehensive income/(loss) for the period		63,693	(63,065)
Earnings/(loss) per share - basic and diluted		3.68	(3.64)

The annexed notes form an integral part of these condensed interim financial statements.



SHAHID ANWAR TATA
CHIEF EXECUTIVE



HASEEB HAFEEZUDDIEN
CHIEF FINANCIAL OFFICER



ADEEL SHAHID TATA
DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

September
30, 2020
.....Rupees in '000'.....

A. CASH FLOWS FROM OPERATING ACTIVITIES

Profit/(loss) before taxation	88,581	(51,892)
Adjustments for :		
Depreciation	58,397	57,391
Amortization	401	76
Provision for staff gratuity	8,511	12,657
Provision for compensated absences	-	4,753
Finance cost	67,178	97,018
Loss on disposal of property, plant and equipment	-	8
Operating cash flows before changes in working capital	223,068	120,011
(Increase) / decrease in current assets		
Stores, spares and loose tools	(9,125)	(17,118)
Stock-in-trade	818,521	202,782
Trade debts	(268,300)	4,703
Loans and advances	(970,517)	(24,965)
Trade deposits and short-term prepayments	(5,381)	(3,741)
Other receivables	(270)	15,591
Sales tax refundable	(52,203)	7,722
Increase / (Decrease) in current liabilities		
Trade and other payables	335,323	264,560
Cash generated from operations	71,116	569,545
Finance cost paid	(109,912)	(85,710)
Income taxes paid	(7,358)	(3,779)
Staff gratuity paid	(7,306)	(6,583)
Staff compensated absences paid	(1,383)	(2,328)
Net cash (used in)/generated from operating activities	(54,843)	471,145

B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(1,039)	(9,653)
Proceeds from disposal of property and equipment	-	31
Long term investments	-	(10,400)
Long-term deposits	-	(15)
Net cash used in investing activities	(1,039)	(20,037)

September 30, 2020 September 30, 2019
Rupees in '000'.....

C. CASH FLOWS FROM FINANCING ACTIVITIES

Long-term finance obtained	108,137	-
Repayment of long-term finance	(5,841)	(24,889)
Repayment of short-term borrowings	(602)	(592,740)
Dividend paid	-	(4)
Net cash generated from/(used in) financing activities	101,694	(617,633)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	45,812	(166,525)
Cash and cash equivalents at July 01	(1,876,592)	(929,517)
Cash and cash equivalents at September 30	(1,830,780)	(1,096,042)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	175,806	120,657
Running / cash finances	(2,006,586)	(1,216,699)
	(1,830,780)	(1,096,042)

The annexed notes form an integral part of these condensed interim financial statements.


 SHAHID ANWAR TATA
 CHIEF EXECUTIVE


 HASEEB HAFEEZUDDEN
 CHIEF FINANCIAL OFFICER


 ADEEL SHAHID TATA
 DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Share Capital	Revenue reserve		Capital reserve		Total
		General reserve	Unappropriated profit	Revaluation surplus	Revaluation surplus	
.....Rupees.....						
Balance at July 01, 2019	173,248	1,000,000	820,630	2,476,256	4,470,134	
Loss for the quarter	-	-	(63,065)	-	(63,065)	
Other comprehensive income - net of tax	-	-	-	-	-	
Transferred from surplus on revaluation of property, plant and equipment on account of: - incremental depreciation						
Balance as at September 30, 2019	173,248	1,000,000	785,824	2,447,997	4,407,069	
Balance at July 01, 2020	173,248	1,000,000	594,696	2,394,420	4,162,364	
Total comprehensive income for the period						
Profit for the quarter	-	-	63,693	-	63,693	
Other comprehensive income - net of tax	-	-	-	-	-	
Transferred from surplus on revaluation of property, plant and equipment on account of: - incremental depreciation						
Balance as at September 30, 2020	173,248	1,000,000	685,559	2,367,250	4,226,057	

The annexed notes form an integral part of these condensed interim financial statements.



SHAHID ANWAR TATA
CHIEF EXECUTIVE



HASEEB HAFEEZUDDEN
CHIEF FINANCIAL OFFICER



ADEEL SHAHID TATA
DIRECTOR

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. THE COMPANY AND ITS OPERATIONS

Tata Textile Mills Limited (the Company) is a public limited company incorporated in Pakistan on April 15, 1987 under the Companies Ordinance, 1984 (repealed by The Companies' Act 2017) and listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 6th floor, Textile Plaza, M.A. Jinnah Road, Karachi, in the province of Sindh. The principal activity of the Company is manufacturing and sale of yarn. The Company's manufacturing facilities are located at District Muzaffargarh, in the province of Punjab.

2. BASIS OF PREPARATION

2.1 This condensed interim financial information of the Company for the 1st quarter ended September 30, 2020 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting where provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information does not include all the information required for the full financial statements and therefore should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2020.

2.2 This condensed interim financial information is presented in Pak Rupees which is also the Company's functional currency and figures presented in this condensed interim financial information has been rounded off to the nearest thousand rupee.

2.3 This condensed interim financial information is un-audited and all relevant compliance with Companies Act, 2017 has been made accordingly. The comparative condensed statement of financial position presented has been extracted from annual financial statements for the year ended June 30, 2020; the comparative condensed statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity of the Company have been extracted from the condensed interim financial statements (un-audited) for the 1st quarter ended September 30, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial position and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2020. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2020, which do not have any impact on this condensed interim financial information. In addition to the foregoing, the Companies Act, 2017 has added certain disclosure requirements which will be applicable on the Company's annual financial statements.

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2020.

5. PROPERTY, PLANT AND EQUIPMENT

	Notes	September 30, 2020 (Un-Audited) ----- Rupees in '000' -----	June 30, 2020 (Audited)
Operating fixed assets	5.1	4,667,358	4,717,937
Capital work-in-progress	5.2	1,077	7,856
		4,668,435	4,725,793

5.1 Details of additions and disposals to operating fixed assets are as under:

	Additions/ transfers from CWIP	Disposals (written down value)	Sale proceeds
During the Three-month ended Sept 30, 2020 (Un-Audited)	----- Rupees in '000' -----		
Plant and machinery	4,427	-	-
Office equipment	3,393	-	-
	7,820	-	-
During the year ended June 30, 2020 (Audited)			
Building on freehold land	18,078	-	-
Plant and machinery	250,123	-	-
Factory and workshop equipment	7,020	-	-
Office equipment	3,807	38	32
Vehicles	13,479	188	2,301
	292,507	226	2,333
		September 30, 2020 (Un-Audited)	June 30, 2020 (Audited)
		----- Rupees in '000' -----	

6. LONG TERM FINANCES

From banking companies (Secured) - At amortized cost

	Notes	September 30, 2020 (Un-Audited)	June 30, 2020 (Audited)
		----- Rupees in '000' -----	
Term finances	6.1	89,926	92,711
SBP-LTFF	6.2	542,331	545,387
SBP - Refinance scheme for salary payments	6.3	158,125	49,988
		790,382	688,086
Less: current portion shown under current liabilities			
Term finances		-	(2,785)
SBP-LTFF		(2,726)	(2,726)
SBP - Refinance scheme for salary payments		(50,944)	(13,838)
		(53,670)	(19,349)
		736,712	668,737

- 6.1 The finances are secured against first pari passu charge on all present and future fixed assets including land, building, plant and machinery and charge on specific machinery. These facilities are subject to markup at the rate 3 and 6 months' average KIBOR plus 1% and 1.75% per annum (2019: 3 and 6 months' average KIBOR plus 1% and 1.75% per annum). These are repayable in equal half yearly installments.
- 6.2 The finances are secured against first pari passu charge on all present and future plant & machineries, land and building as well as charge on specific machineries. These facilities are subject to markup at SBP rate plus bank spread i.e. (2% + 1.5% to 2%) per annum (2019: 2% + 1.5% to 1.75%) per annum. These are repayable in 32 equal quarterly installments.
- 6.3 The payment of principal component of these facilities, payable within next 12 months, has been deferred for 1 year as per the directions of State Bank of Pakistan via its Circular Letter NO. 13 of 2020. However, the mark-up on these facilities is not deferred and payable as soon as its due to be paid. Consequently, the maturity date of these facilities have also been extended by 1 year.

September 30, June 30,
2020 2020
(Un-Audited) (Audited)
----- Rupees in '000' -----

6.2 The movement in long term finance is as follows:

Balance as on July 01	688,086	536,417
Additions	108,137	237,566
Repayment	(5,841)	(85,897)
	790,382	688,086
Less: current portion of long term financing	(53,670)	(19,349)
	736,712	668,737

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

By way of its Judgment dated August 13, 2020, the Supreme Court of Pakistan (SCP) has upheld the GIDC Act, 2015, the management has filed the review petition against the decision of the SCP. Since, the issue is being faced by all industry at large, management is confident based on the discussion with lawyer that the decision of the case will be in the favour of the Company.

7.2 Commitments

		September 30, 2020 (Un-Audited)	June 30, 2020 (Audited)
		----- Rupees in '000' -----	
7.2	Commitments	Note	
(i)	Civil Works	20,675	20,675
(ii)	Letters of credit		
	- stores and spares	9,768	11,865
	- raw material	417,605	428,610
		427,373	440,475
(iii)	Bank guarantees issued on behalf of the Company	220,294	220,294
(iv)	Bills discounted with recourse		
	- Export	31,016	40,547
	- Local	195,500	73,880
		226,516	114,427
(v)	Rentals under Ijarah finance agreements		
	- Not later than one year	39,642	39,642
	- Later than one year but not later than five years	10,521	20,447
		50,163	60,089
(vi)	Outstanding sales contract	849,319	447,409

7.2.1 This includes bank guarantee related to Sindh Development Infrastructure Cess amounting to Rs.91.20 million (2020: Rs. 91.20 million).

7.2.2 Represents two ijarah agreements entered into with an Islamic Bank in respect of machineries. Total future ijarah payments under agreements are Rs. 50.16 million (June,2020: Rs. 60.09 million) and are payable in quarterly installments latest by June, 2022. These commitments are secured against the exclusive ownership of machineries and third ranking charge against property, plant and equipment with 25% margin.

8. Sales

Sales include sales made to local customers (including indirect exports) and direct exports amounting to Rs. 2,162 million (2019: 1,282 million) and Rs. 34 million (2019: 489 million) respectively. The export are made to Asia, Australia & Europe region amounting to Rs. 34 million (2019: 489 million).

9. COST OF GOODS SOLD

		September 30, 2020	September 30, 2019
		----- Un-Audited -----	
	Note	----- Rupees in '000' -----	
Cost of goods manufactured	9.1	1,588,545	1,575,936
Finished goods (including waste)			
As at the beginning of the period		578,545	317,315
Purchases		43,725	-
As at the end of the period		(287,426)	(284,487)
		334,844	32,828
Cost of goods sold		1,923,389	1,608,764
Cost of raw material sold		55,033	-
		1,978,422	1,608,764
9.1 Cost of goods manufactured			
Raw material	9.1.1	1,244,842	1,216,441
Stores and spares		21,468	20,940
Packing material		21,610	19,040
Power and fuel		124,572	144,973
Salaries, wages and benefits		101,614	105,156
Depreciation		56,505	56,080
Amortization		306	-
Insurance		2,239	3,269
Repairs and maintenance		1,907	2,182
ljara rentals		10,846	11,276
Other overheads		1,237	2,162
		1,587,146	1,581,519
Work-in-process			
Opening stock		78,158	60,210
Closing stock		(76,759)	(65,793)
		1,399	(5,582)
		1,588,545	1,575,936
9.1.1 Raw material consumed			
Opening stock		1,446,104	1,738,890
Purchases - net		718,839	963,522
		2,164,943	2,702,412
Closing stock		(920,101)	(1,485,971)
		1,244,842	1,216,441
9.2			
Net realizable value of finished goods was lower than its cost, resulting in a write-down of Rs. 11.38 million (Sept 30, 2019: Rs. 4.80 million) charged to cost of goods sold.			

10. TAXATION

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credit, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

Deferred tax is provided using the balance sheet liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. After considering, the effects on deferred taxation on the portion of income subject to final tax regime.

11. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings, directors, key management personnel and their relatives. The transactions between the Company and the related parties are carried out as per agreed terms. Name of the associated companies are same as disclosed in annual audited financial statements of the June 30, 2020. Transactions with related parties are as follows:

Relationship with the party	Nature of transactions	<u>Three-month period ended</u>	
		<u>September 30, 2020</u>	<u>September 30, 2019</u>
		----- (Unaudited) -----	
		----- Rupees in '000' -----	
Associated undertakings	Share of expenses received	445	1,429
	Share of expenses paid	3,319	1,129
	Purchase of store	304	-
	Purchase of Yarn	43,725	-
Key management personnel	Short term benefits	13,609	18,530
Directors	Short term benefits	3,164	4,376
	Meetings fee	190	160
	Rent expense		
	-godown	60	60
	-office premises	1,023	1,023

12. FAIR VALUE HIERARCHY

The Company's free hold land, building and plant and machinery are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent depreciation and subsequent impairment losses, if any. The fair value measurements of the Company's free hold land, building and plant and machinery were last carried out as at June 30, 2019, by Messers Iqbal A.Nanjee & Company (Private) Limited (valuer) on the basis of market value or depreciated replacement values as applicable. The valuer is listed on panel of Pakistan Banks Association and they have appropriate qualification and experience in the fair value measurement of properties, plant and machinery.

Levels of fair value are defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities ;

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) ;

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Details of Company's free hold land, building, plant and machinery and electric installations information about the fair value hierarchy are as follows:

	Level 1	Level 2	Level 3	Total
-----Rupees '000'-----				
As at September 30, 2020 (Un-audited)				
Free hold land	-	-	317,400	317,400
Building on free hold land	-	-	888,005	888,005
Plant and machinery	-	-	3,301,549	3,301,549
Electric installations	-	-	74,389	74,389
	-	-	4,581,343	4,581,343
As at June 30, 2020 (Audited)				
Free hold land	-	-	317,400	317,400
Building on free hold land	-	-	899,246	899,246
Plant and machinery	-	-	3,338,914	3,338,914
Electric installations	-	-	76,296	76,296
	-	-	4,631,856	4,631,856

There were no transfers between levels of fair value hierarchy during the period.

As at September 30, 2020 and June 30, 2020, there were no other financial assets and financial liabilities that warranted classification under above levels.

The carrying value of all other financial assets and liabilities approximate their fair values.

13. DATE OF AUTHORIZATION FOR ISSUE


This condensed interim financial information was authorized for issue on October 28, 2020 by the Board of Directors of the Company.



SHAHID ANWAR TATA
CHIEF EXECUTIVE



HASEEB HAFEEZUDDEN
CHIEF FINANCIAL OFFICER



ADEEL SHAHID TATA
DIRECTOR

ڈائریکٹرز رپورٹ

السلام و علیکم

30 ستمبر 2020ء کو ختم ہونے والی پہلی سہ ماہی کیلئے کمپنی کے (غیر آڈٹ شدہ) مالیاتی حسابات آپ کو پیش کئے جا رہے ہیں۔ دوران سہ ماہی کمپنی نے قبل از ٹیکس منافع مبلغ 88.58 ملین روپے (2019 میں قبل از ٹیکس خسارہ مبلغ 51.89 ملین روپے) حاصل کیا۔

اگرچہ، آخری سہ ماہی یعنی اپریل جون ہمارے لئے کافی مشکل تھی، کورونا وبا سے ہونے والی تاخیروں کے باوجود ہم نے ٹیکسٹائل مصنوعات کی طلب اور سروس سے متعلق غیر یقینی صورتحال کو مد نظر رکھتے ہوئے نئے سال کا آغاز کیا۔ تاہم جیسے ہی موجودہ سہ ماہی میں پیشرفت ہوئی اچانک مقامی ٹیکسٹائل مارکیٹ میں تبدیلی اور امید کی کرن نظر آئی۔ صنعتوں سے کئی قیمت پر یاران حاصل کی گئی۔ آہستہ آہستہ دوران سہ ماہی ہم گذشتہ سہ ماہی کے دوران کی جمع ہونے والی تقریباً تمام یاران کو فروخت کرنے میں کامیاب ہو گئے۔

مزید یہ کہ ٹیکسٹائل مارکیٹ میں ان تمام تاثرات کو کورونا وبا ٹیکسٹائل کی مصنوعات کی طلب کو کم کر دے گی، کے برعکس بدلاؤ آیا ہے۔ اس کے برعکس طلب میں اضافہ ہوا ہے کیونکہ جس دن نئے کورونا وبا کے دوران سماجی و معاشرتی کاموں میں حصہ لینا، تفریح یا سفر کرنا چھوڑ دیا تھا یا انہیں کم سے کم کر دیا تھا اب وہ مقامی اور بین الاقوامی ریٹیل فروخت میں اضافے کے نتیجے میں سماجی و معاشرتی کاموں کی طرف واپس لوٹ چکے ہیں۔ ملکی مارکیٹ میں یاران کی زیادہ مانگ ہے اور دسمبر 2020ء تک آرڈرز بک کئے جا چکے ہیں، تاہم امید کے باوجود دسمبر کے بعد کی صورتحال کی پیش گوئی کرنا مشکل ہے۔

خام مال:

گذشتہ سال کپاس کی فصل کٹائی اچھی نہیں تھی اور ہم صرف 8.6 ملین کانٹون کی پیداوار کر سکتے تھے اور ہم امید کر رہے تھے کہ رواں سال کپاس کی فصل کی پیداوار 10 ملین کانٹون تک ہو جائے گی لیکن بد قسمتی سے ہم 15 اکتوبر تک صرف 2.4 ملین کانٹون ہی تیار کر سکے ہیں۔ عام طور پر اس مدت تک کپاس کی فصل 50 فیصد جزر کے پاس پہنچتا ہے جس سے لگتا ہے کہ کپاس کی فصل صرف 4.8 ملین کانٹون کی ہوگی جو ایک بہت ہی خطرناک صورتحال ہے۔ فصلوں کے سائز کا تخمینہ اور معیار کے مسائل کے باعث ملکی مارکیٹ میں تیزی کی کارخانہ ربا کیونکہ کپاس کی قیمت مبلغ 8,000 روپے پی من کے حساب سے مندی کے رجحان سے شروع ہوئی تھی وہ اب مبلغ 10,000 روپے سے مبلغ 10,500 روپے تک پہنچ گئی ہے۔ اگرچہ یہاں یاران کی قیمت کو سپورٹ حاصل ہے اور آنے والی سہ ماہی بہتر ہوگی لیکن ملکی کپاس کی فصل کا سائز انتہائی مشکل اور خطرناک ہو گیا ہے جس کے نتیجے میں ملکی مارکیٹ کی ضرورت پوری کرنے کے لئے درآمد شدہ کپاس میں اضافہ ہوگا۔

عالمی سطح پر بھی کپاس کی مارکیٹ نے مندی کا آغاز رواں باقی نوٹ کے ساتھ کیا، لیکن اب اجناس کی مارکیٹ میں تیزی دیکھنے میں آئی ہے۔

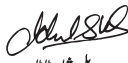
مستقبل کے امکانات:

ٹیکسٹائل کی طلب میں بہتری آنا شروع ہوگی جس کے نتائج سامنے آرہے ہیں اور ہمیں امید ہے کہ آنے والے مہینوں میں کمپنی اس سے بھی بہتر کارکردگی کا مظاہرہ کرے گی۔ مزید یہ کہ انتظامیہ اپ گریڈیشن اور پیداواری صلاحیت میں اضافہ اور قیمت پر قابو پانے کیلئے مسلسل کوشاں ہے۔

اظہار تشکر:

ہم کمپنی کے ہر ملازم کی شمولیت کا شکریہ ادا کرتے ہیں اس کے علاوہ ہمارے کسٹمرز جو کہ ہماری پروڈکٹس پر اعتماد کرتے ہیں اور ہمارے ٹیکسٹائل جو کہ مستقل طور پر کمپنی کو سپورٹ کر رہے ہیں ان کے بھی مشکور ہیں اس کے علاوہ ہماری انتظامیہ شیئرز ہولڈرز کے مکمل اعتماد پر بھی مشکور ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



عبدمل شاہد
ڈائریکٹر



شاہد انوار
چیف ایگزیکٹو

کراچی مورخہ 28 اکتوبر 2020ء

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