



Half Yearly Report

***Condensed Interim Financial Information
For The Half Year Ended December 31, 2017***

Company Information

BOARD OF DIRECTORS	<p>Mohomed Bashir Zain Bashir Mohammed Zaki Bashir Ziad Bashir S.M. Nadim Shafiqullah Dr. Amjad Waheed Ehsan A. Malik</p>	<p>- Chairman - Vice Chairman/ Executive Director - Chief Executive Officer - Non Executive Director - Non Executive Director - Independent Director - Independent Director</p>
CHIEF FINANCIAL OFFICER	Abdul Aleem	
COMPANY SECRETARY	Salim Ghaffar	
AUDIT COMMITTEE	<p>Dr. Amjad Waheed Mohomed Bashir S.M. Nadim Shafiqullah Salim Ghaffar</p>	<p>- Chairman & Member - Member - Member - Secretary</p>
HUMAN RESOURCE AND REMUNERATION COMMITTEE	<p>Ehsan A. Malik Mohomed Bashir Zain Bashir Salim Ghaffar</p>	<p>- Chairman & Member - Member - Member - Secretary</p>
BANKERS	<p>Allied Bank Limited Bank Al Habib Limited Askari Bank Limited Al Baraka Bank (Pakistan) Limited Bank Alfalah Limited Bankislami Pakistan Limited The Bank Of Punjab Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited Meezan Bank Limited National Bank Of Pakistan Samba Bank Limited Silkbank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited United Bank Limited The Bank of Khyber</p>	
AUDITORS	<p>Kreston Hyder Bhimji & Co. Chartered Accountants</p>	
INTERNAL AUDITORS	<p>Grant Thornton Anjum Rahman Chartered Accountants</p>	
LEGAL ADVISORS	<p>A.K. Brohi & Co Advocates</p>	
REGISTERED OFFICE	<p>Plot No.82, Main National Highway, Landhi, Karachi-75120</p>	
SHARE REGISTRAR	<p>FAMCO Associates (Private) Limited 8-F, Next To Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-E-Faisal, Karachi. Phone No. (+92-021) 34380101-5 Fax No. (+92-021) 34380106</p>	
MILLS	<p>Landhi Industrial Area, Karachi-75120</p>	
E-MAIL	finance@gulahmed.com	
URL	www.gulahmed.com	

DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS

The Directors of your Company are pleased to present their review of the affairs of the Company for the half year ended December 31, 2017.

ECONOMIC AND INDUSTRIAL OVERVIEW

The financial year 2018 started with few positive economic indicators like promising GDP growth, continuity in remittance inflow with an increase of 2.5 percent over the same period in the previous year. Exports increased by 11.24 percent to over \$11 billion. However, the current account deficit widened to 4.1 percent of GDP compared to 1.7 percent in the previous year on account of relative increase in imports as compared to exports. In absolute terms, trade deficit stood at almost \$18 billion during the first half of the current fiscal year which is 25 percent higher than previous year. Further, as at December 31, 2017, total external debt has crossed \$88 billion against the central bank's net reserves of around \$14.1 billion.

The performance of the textile sector is heavily dependent on the local cotton crop. Pakistan, despite being the world's fourth largest cotton producer, is currently relying on imported cotton to meet the estimated annual demand of 15 to 16 million bales. This is due to the wide gap of approximately 24% in demand and expected local production (12.1 million bales) of cotton in the year 2017/18, which is also lower than the revised production target of 12.6 million bales. Nonetheless, the country's textile exports rose by 8% when compared with corresponding period showing an even increasing trend where 10% year on year increase was witnessed during December 2017. Silver-lining for the sector has been higher value-added exports, helped by the textile package, GSP plus scheme of the EU and the recent adjustment of the PKR by around 5%. However, exports of cotton cloth remained flat due to weak demand from China.

You are all aware that though the textile sector absorbs 40% of the total industrial workforce and contributes 62% towards exports, it still has immense untapped potential. As mentioned above, the textile package and adjustment of PKR has provided some respite, however, challenges such as disallowance of adjustment of input tax on packing material, increase in minimum wages, higher production costs as compared to global competitors and long outstanding receivables from the Government continue to halt revival. Notably, the industrial gas tariff in Pakistan is 100% higher and electricity tariff is almost 50% higher as compared to other regional competitors which hampers competitiveness of spinning, weaving and processing industries on a global scale. Hence, despite being the fourth-largest producer of cotton, Pakistan is not even in the list of the top 10 textile exporters.

FINANCIAL PERFORMANCE

The management continued to focus on profitable avenues, maximizing efficiency in production activities and cost rationalization through lean management has resulted in boosting the overall sales and profit as compared to the corresponding period of previous year. This was spearheaded through increased domestic sales which reaped benefits of BMR investment made during the last year. The Company registered half yearly net sales of Rs. 20,925 million against Rs. 18,525 million in the corresponding period of previous year thus, registering a healthy increase of around 13%. Further, owing to the effects of cost rationalization measures and BMR activities, the gross profit of the Company improved by 10% over the corresponding period of the last year increasing from 17.8% to 19.6%. Resultantly the increase in Profit before Tax is 281% from Rs. 194 million to Rs. 740 million. Hence, this resulted in an impressive increase from Rs. 83 million to Rs. 618 million in profit after tax. The Company's EPS also improved from Rs. 0.26 to Rs. 1.73 for the period under review.

Key financial numbers are presented below:

Description	Units	Half year ended December 31, 2017	Half year ended December 31, 2016
Net export sales	Rs. in millions	12,125	12,823
Net local sales	Rs. in millions	8,800	5,702
Net total sales	Rs. in millions	20,925	18,525
Gross profit	Rs. in millions	4,106	3,305
Profit before tax	Rs. in millions	740	194
Profit after tax	Rs. in millions	618	83
Earnings per share (EPS)	Rupees	1.73	0.26
Break-up-value per share	Rupees	31.35	29.30
Debt to equity ratio	Times	0.60	0.73
Current ratio	Times	1.09	1.01

FUTURE OUTLOOK

Economic indicators, in light of rising petroleum prices combined with machinery imports, suggest that pressures will continue to mount on both fiscal consolidation and external balances. Accordingly, expected increase in trade deficit and depleting reserves would keep PKR-US\$ parity in lime light as import cover falls under 3 months. Added to this challenge are the consequences emerging out of suspension of the US economic and military support and its influence on the conduct of donors such as the IMF, the World Bank, Asian Development Bank - all largely supported by the US may make the situation further challenging. Nonetheless, we see financial year 2018 to be a positive year for the textile sector, especially for export orientated companies, due to the textile package announced by the government and the anticipated further incentives to export-driven sectors.

Hence, despite the challenging operating environment and increased competition, we are optimistic about the future outlook of your Company. Accordingly, the management will continue to drive the agenda of attracting customers through innovation and stronger brand equity both locally and internationally. The Company is taking more measures that should make the results improve and be sustainable. These benefits are owing to adoption of multiple strategies with regards to marketing and operations and for these reasons we are confident that this upward trend will continue in future.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated financial statements for the half year ended December 31, 2017 of the Company and its subsidiaries Gul Ahmed International Limited (FZC) - UAE, GTM (Europe) Limited – UK, GTM USA Corp. - USA and Sky Home Corp. – USA are annexed.

ACKNOWLEDGEMENT

We acknowledge and appreciate the efforts and valuable support of all stakeholders.

For and on behalf of the Board

February 26, 2018
Karachi

Mohomed Bashir
Chairman

Mohammed Zaki Bashir
Chief Executive Officer

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

Introduction

We have reviewed the accompanying condensed interim unconsolidated balance sheet of **GUL AHMED TEXTILE MILLS LIMITED** ("the Company") as of December 31, 2017, and the related condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated cash flow statement and condensed interim unconsolidated statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the "interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

The figures for the quarters ended December 31, 2017 and December 31, 2016 in the condensed interim unconsolidated profit and loss account and condensed interim unconsolidated statement of comprehensive income have not been reviewed, as we are required to review only cumulative figures for the half year ended December 31, 2017.

Scope of Review

We conducted our review in accordance with the 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.


Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half year ended December 31, 2017 is not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

Karachi :

20 FEB 2018

KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS
Engagement Partner: Shaikh Fahad Ali



**Condensed Interim Un-consolidated
Balance Sheet
As at December 31, 2017**

		Un-Audited	Audited
		December	June
	Note	2017	2017
		-----Rupees in '000-----	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
750,000,000 ordinary shares of Rs.10 each			
(June-2017: 400,000,000 ordinary shares of Rs.10 each)		7,500,000	4,000,000
Issued, subscribed and paid-up capital		3,564,955	3,564,955
356,495,525 ordinary shares of Rs. 10 each			
Reserves		7,610,213	7,348,962
		11,175,168	10,913,917
NON-CURRENT LIABILITIES			
Long term financing - Secured	5	6,696,699	7,146,403
Deferred liabilities			
Deferred taxation - net		298,358	298,358
Staff retirement benefits		15,133	23,864
		313,491	322,222
CURRENT LIABILITIES			
Trade and other payables	6	7,479,239	5,583,378
Accrued mark-up/profit		146,112	138,898
Short term borrowings		14,613,209	11,935,343
Current maturity of long term financing	5	1,155,337	678,511
		23,393,897	18,336,130
CONTINGENCIES AND COMMITMENTS			
	7	41,579,255	36,718,672
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	15,789,152	15,969,256
Intangible assets	9	28,812	33,747
Long term investment		58,450	58,450
Long term loans and advances		46,178	40,092
Long term deposits		187,080	192,629
		16,109,672	16,294,174
CURRENT ASSETS			
Stores, spare parts and loose tools		1,046,481	988,216
Stock-in-trade		16,680,389	12,469,962
Trade debts		3,486,894	3,345,046
Loans and advances		1,015,696	688,979
Short term prepayments		236,250	196,653
Other receivables		1,449,905	1,143,099
Tax refunds due from Government		487,178	648,960
Taxation - net		729,056	673,701
Cash and bank balances		337,734	269,882
		25,469,583	20,424,498
		41,579,255	36,718,672

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

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer

**Condensed Interim Un-consolidated
Profit And Loss Account
For the Half Year ended December 31, 2017**

Note	Un-Audited			
	Half Year Ended		Quarter Ended	
	July to December 2017	July to December 2016	October to December 2017	October to December 2016
	-----Rupees in '000-----			
Sales	20,925,443	18,525,104	11,710,333	10,333,834
Cost of sales				
Opening stock of finished goods	9,733,822	11,285,914	10,463,433	12,601,697
Cost of goods manufactured	18,940,461	15,806,177	10,756,309	7,750,641
Closing stock of finished goods	(11,854,532)	(11,871,883)	(11,854,532)	(11,871,883)
	16,819,751	15,220,208	9,365,210	8,480,455
Gross profit	4,105,692	3,304,896	2,345,123	1,853,379
Distribution cost	1,896,386	1,660,566	1,003,290	867,351
Administrative expenses	1,110,225	1,111,668	584,306	593,669
Other operating expenses	56,318	15,032	47,896	15,032
	3,062,929	2,787,266	1,635,492	1,476,052
	1,042,763	517,630	709,631	377,327
Other income	155,072	100,522	104,242	44,622
Operating profit	1,197,835	618,152	813,873	421,949
Finance cost	457,341	424,645	233,397	191,989
Profit before taxation	740,494	193,507	580,476	229,960
Taxation				
- Current	122,747	127,864	65,109	68,070
- Deferred	-	(17,339)	-	(17,339)
	122,747	110,525	65,109	50,731
Profit after taxation	617,747	82,982	515,367	179,229
Earning per share - basic and diluted (Rs.)	1.73	Re-stated 0.26	1.45	Re-stated 0.55

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

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer

**Condensed Interim Un-consolidated
Statement of Comprehensive Income
For the Half Year ended December 31, 2017**

	Un-Audited			
	Half Year Ended		Quarter Ended	
	July to December 2017	July to December 2016	October to December 2017	October to December 2016
	-----Rupees in '000-----			
Profit after taxation	617,747	82,982	515,367	179,229
Other comprehensive income	-	-	-	-
Total comprehensive income	617,747	82,982	515,367	179,229

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

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer

**Condensed Interim Un-Consolidated
Cash Flow Statement
For the Half Year ended December 31, 2017**

Note	Un-Audited	
	Half Year Ended	
	July to December 2017	July to December 2016
	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	740,494	193,507
Adjustments for:		
Depreciation	905,342	648,422
Amortisation	5,065	2,666
Provision for gratuity	12,006	14,196
Finance cost	457,341	424,645
Provision for slow moving/obsolete stores, spares and loose tools	8,604	7,322
Impairment allowance against doubtful trade debts	21,069	19,153
Loss on disposal of property, plant and equipment	7,127	691
Unclaimed liabilities written back	-	937
Gain on disposal of property, plant and equipment	(53,162)	(11,394)
	1,363,392	1,106,638
Cash flows from operating activities before adjustments of working capital	2,103,886	1,300,145
Changes in working capital:		
(Increase)/Decrease in current assets		
Stores, spare parts and loose tools	(66,869)	(140,898)
Stock-in-trade	(4,210,427)	(557,098)
Trade debts	(162,917)	35,188
Loans and advances	(326,717)	163,398
Short term prepayments	(83,586)	(60,170)
Other receivables	(306,806)	9,975
Tax refunds due from Government	161,782	340,410
	(4,995,540)	(209,195)
Increase in current liabilities		
Trade and other payables	1,891,845	613,120
	(3,103,695)	403,925
Cash (used in)/ generated from operations	(999,809)	1,704,070
Adjustments for:		
Gratuity paid	(20,737)	(42,267)
Finance cost paid	(450,127)	(407,456)
Income tax paid	(178,102)	(426,998)
Net decrease in Long term Loans and Advances	(6,086)	(23,078)
Net decrease/ (increase) in Long term deposits	5,549	(31,131)
	(649,503)	(930,930)
Net Cash (decrease)/ increase in Operating activities	(1,649,312)	773,140
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(756,862)	(3,399,506)
Addition to intangible assets	(130)	(1,545)
Proceeds from sale of property, plant and equipment	121,647	18,743
Net cash used in investing activities	(635,345)	(3,382,308)
Balance carried forward	(2,284,657)	(2,609,168)

**Condensed Interim Un-Consolidated
Cash Flow Statement
For the Half Year ended December 31, 2017**

		Un-Audited	
	Note	July to December 2017	July to December 2016
		-----Rupees in '000-----	
Balance brought forward		(2,284,657)	(2,609,168)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		305,873	2,405,619
Repayments of long term financing		(278,751)	(420,879)
Dividend paid		(352,479)	(96,233)
Net cash (used in)/ generated from financing activities		(325,357)	1,888,507
Net decrease in cash and cash equivalents		(2,610,014)	(720,661)
Cash and cash equivalents - at the beginning of the period		(11,665,461)	(12,558,716)
Cash and cash equivalents - at the end of the period	10	(14,275,475)	(13,279,377)

The annexed notes form an integral part of this condensed interim un-consolidated financial information

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer

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**Condensed Interim Un-consolidated
Statement of Changes in Equity
For the Half Year ended December 31, 2017**

	Share Capital	Capital reserve - Share Premium	Reserves			Total
			Revenue Reserve		Subtotal Reserves	
			General Reserve	Unappropriated Profit		
Rupees '000						
Balance as at June 30, 2016 (Audited)	2,970,796	514,176	4,480,000	753,267	5,747,443	8,718,239
Transfer to general reserve	-	-	500,000	(500,000)	-	-
Transactions with owners						
Final dividend for the year ended June 30, 2016	-	-	-	(97,727)	(97,727)	(97,727)
Total Comprehensive income for the Half year ended December 31, 2016 (un-audited)						
Profit after taxation	-	-	-	82,982	82,982	82,982
Other comprehensive income	-	-	-	-	-	-
	-	-	-	82,982	82,982	82,982
Balance as at December 31, 2016 (Un-audited)	2,970,796	514,176	4,980,000	238,522	5,732,698	8,703,494
Transactions with owners						
Issuance of right shares	594,159	891,239	-	-	891,239	1,485,398
Total comprehensive income for the year ended June 2017						
Profit after taxation	-	-	-	735,440	735,440	735,440
Other comprehensive income	-	-	-	(10,415)	(10,415)	(10,415)
	-	-	-	725,025	725,025	725,025
				-	-	-
Balance as at June 30, 2017 (Audited)	3,564,955	1,405,415	4,980,000	963,547	7,348,962	10,913,917
Transfer to general reserve	-	-	400,000	(400,000)	-	-
Transactions with owners						
Final dividend for the year ended June 30, 2017	-	-	-	(356,496)	(356,496)	(356,496)
Total Comprehensive income for the Half year ended December 31, 2017 (Un-audited)						
Profit after taxation	-	-	-	617,747	617,747	617,747
Other comprehensive income	-	-	-	-	-	-
	-	-	-	617,747	617,747	617,747
Balance as at December 31, 2017 (Un-audited)	3,564,955	1,405,415	5,380,000	824,798	7,610,213	11,175,168

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

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer

**Notes to the Condensed Interim Un-consolidated
Financial Information (Un-audited)
For the Half Year ended December 31, 2017**

1 LEGAL STATUS AND ITS OPERATIONS

Gul Ahmed Textile Mills Limited (The Company) was incorporated on April 01, 1953 in Pakistan as a private limited company, subsequently converted into public limited company on January 07, 1955 and is listed on the Pakistan Stock Exchange Limited. The Company is a composite textile mill and is engaged in the manufacture and sale of textile products.

The Company's registered office is situated at Plot No. 82, Main National Highway, Landhi, Karachi.

The Company is a subsidiary of Gul Ahmed Holdings (Private) Limited.

The Company has the following subsidiaries:

Name of Subsidiary	<u>Date of Incorporation</u>	<u>Percentage of Holding</u>	<u>Country of Incorporation</u>
Gul Ahmed International Limited FZC	November 27, 2002	100%	U.A.E
GTM (Europe) Limited - Indirect subsidiary	April 17, 2003	100%	U.K
GTM USA Corp. - Indirect subsidiary	March 19, 2012	100%	U.S.A
Sky Home Corp.- Indirect Subsidiary	February 28, 2017	100%	U.S.A

All four subsidiaries are engaged in trading of textile related products.

2 BASIS OF PREPERATION

This condensed interim un-consolidated financial information of the Company for the half year ended December 31, 2017 has been prepared in accordance with the requirements of the International Accounting Standards 34 - Interim Financial Reporting and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 shall prevail.

Companies Act, 2017 (the Act) has been promulgated during the year which introduces new disclosure and presentation requirement. However the securities and Exchange Commission of Pakistan (SECP) vide its circular no. 23/2017 dated 4th October, 2017 has notified that Companies whose financial year ends on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance 1984, thereafter the Institute of Chartered Accountants of Pakistan (ICAP) sought clarification from SECP and through its circular 17 of 2017 dated 6th October, 2017 clarified that condensed interim financial information for the period ending or or before 31 December, 2017 will also be prepared in accordance with the repealed Companies Ordinance 1984. Accordingly, these financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

This condensed interim un-consolidated financial information comprise of the condensed interim un-consolidated balance sheet as at December 31, 2017 and the condensed interim un-consolidated profit and loss account, condensed interim un-consolidated statement of comprehensive income, condensed interim un-consolidated cash flow statement and condensed interim un-consolidated statement of changes in equity for the half year ended December 31, 2017.

This condensed interim un-consolidated financial information is un-audited. However, a limited scope review of this condensed interim un-consolidated financial information has been performed by the external auditors of the company and are being submitted to the shareholders in accordance with section 237 of the Companies Act 2017.

The comparative balance sheet, presented in this condensed interim un-consolidated financial Information, as at June 30, 2017 has been extracted from the audited un-consolidated financial statements of the Company for the year ended June 30, 2017, whereas the comparative condensed interim un-consolidated profit and loss account, condensed interim un-consolidated statement of comprehensive income, condensed interim un-consolidated cash flow statement and condensed interim un-consolidated statement of changes in equity for the half year ended December 31, 2017 have been extracted from the condensed interim un-consolidated financial information of the Company for the half year ended December 31, 2016.

This condensed interim unconsolidated financial information do not include all the information required in annual financial statements prepared in accordance with approved accounting standards as applicable in Pakistan, and should be read in conjunction with the un-consolidated financial statements for the year ended June 30, 2017.

Certain new IFRSs and amendments to existing IFRSs, effective for periods beginning on or after July 1, 2017, do not have any impact on this condensed interim financial information, and are therefore not presented.

3 ACCOUNTING POLICIES

Same accounting policies and methods of computation are adopted for the preparation of these condensed interim un-consolidated financial information as those applied in the preparation of un-consolidated financial statements for the year ended June 30, 2017.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim un-consolidated financial information requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to financial statements as at and for the year ended June 30, 2017.

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, 2017.

	Un-Audited December 2017	Audited June 2017
	-----Rupees in '000-----	
5 Long term financing - Secured		
Opening balance July 1, 2017	7,824,914	5,118,004
Add: Obtained during the period / year	305,873	3,427,770
Less: Repaid during the period / year	<u>(278,751)</u>	<u>(720,860)</u>
	7,852,036	7,824,914
Less: Current portion shown under current liabilities	<u>(1,155,337)</u>	<u>(678,511)</u>
	<u><u>6,696,699</u></u>	<u><u>7,146,403</u></u>

6 TRADE AND OTHER PAYABLES

Trade and other payables include provision in respect of:

- a) Increase in gas tariff rates notified vide SRO No. (I) / 2015 dated 31 August, 2015, and Oil and Gas Regulatory Authority (OGRA) notification dated 30-12-2016 as was disclosed in note no 9.1.2 of the financial statements for the year ended June 30, 2017. Accordingly, the Company has provided banker's verified cheques of Rs. Rs. 371.355 million (June 2017: 186.443 million) as security to Nazir of High Court Sindh and also, as a matter of prudence, full provision of Rs. 308.079 million (June 2017: 237.857 million) has been made in the unconsolidated financial statements.
- b) There is no change in the matter of charging of captive power tariff instead of Industry tariff rate to the Company, as disclosed in note no 9.1.3 the financial statements for the year ended June 30, 2017. except that the amount of provision has increased to Rs. 460.862 million (June 2017: Rs. 346.173 million).

7 CONTINGENCIES AND COMMITMENTS

Contingencies

The status of contingencies, as reported in the annual financial statements for the year ended June 30, 2017 remained unchanged during the current period except following:

- a) In the matter of Gas Infrastructure Development Cess (GIDC), as disclosed in note 12.7 of the financial statements for the year ended June 30, 2017, the amount of provision has increased to Rs. 1,437.468 million (June-17: Rs.1,137.181 million) commencing from May 22, 2015 to the balance sheet date.

Guarantees

- (a) Rs. 797 million (June 2017: Rs. 767 million) against guarantees issued by banks which are secured by pari passu hypothecation charge over stores and spares, stock-in-trade, trade debts and other receivables. These guarantees includes guarantees issued by related party amounting to Rs. 729 million (June 2017: Rs. 698 million).

- (b) Post dated cheques Rs. 2,759 million (June-2017: Rs. 1,406 million) are issued to Custom Authorities in respect of duties on imported items availed on the basis of consumption and export plans.
- (c) Bills discounted Rs. 2,602 million (June-2017: Rs. 2,073 million).
- (d) Corporate guarantee of Rs. 103.252 million (June-2017: Rs. 94.222 million) has been issued to a bank in favor of indirect subsidiary company - GTM (Europe) Limited - UK.

Commitments

- (a) Company is committed for certain expenditures which are stated as follows:

	Un-Audited December 2017	Audited June 2017
	-----Rupees in '000-----	
- Capital expenditure	161,491	181,452
- Non capital expenditure items under letters of credits	3,620,803	1,442,653
	<u>3,782,294</u>	<u>1,624,105</u>
(b) The Company is committed to minimum rental payments for Retail outlets for each of the following period as follows:		
Not more than one year	601,208	484,547
More than one year but not more than five years	1,912,566	1,588,408
More than five years	355,733	477,159
	<u>2,869,507</u>	<u>2,550,114</u>

8 PROPERTY, PLANT AND EQUIPMENT

Operating assets - net book value	8.1&8.2	15,468,558	13,657,771
Capital work in progress - at cost	8.4	320,594	2,311,485
		<u>15,789,152</u>	<u>15,969,256</u>

	Un-Audited December 2017	December 2016
	-----Rupees in '000-----	
8.1 Additions during the period		
Buildings and structures on leasehold land	665,886	519,850
Plant and machinery	2,088,072	582,436
Furniture and fixtures	1,366	1,730
Office equipment	14,677	78,135
Vehicles	21,518	121,463
	<u>2,791,519</u>	<u>1,303,614</u>

- 8.1.1 Additions to building and structure on leasehold land, plant and machinery and others include transfers from capital work-in-progress amounting to Rs. 605 million, Rs. 2,050 million and Rs. Nil (December-2016: Rs. 506 million, Rs. 520 million and Rs. 4.5 million).

8.2 Disposals - operating fixed assets (at net book value)

Plant and machinery	31,459	974
Vehicles	43,931	7,066
	<u>75,390</u>	<u>8,040</u>

- 8.2.1 Disposals include assets scrapped at Net Book Value during the period of Rs. 0.220 million (December-2016: Nil).

	Un-Audited December 2017	December 2016
	-----Rupees in '000-----	
8.3 Depreciation charge during the period	<u>905,342</u>	<u>648,422</u>
8.4 Additions - capital work in progress (at cost)		
Machinery	394,715	2,470,228
Building	273,914	651,383
Others	-	4,421
	<u>668,629</u>	<u>3,126,032</u>

9 INTANGIBLE ASSETS

Intangible - net book value

Note	Un-Audited	
	December 2017	June 2017
	-----Rupees in '000-----	
9.1&9.2	28,812	33,747

9.1 Additions - intangibles (at cost)

Computer Software

Un-Audited	
December 2017	December 2016
-----Rupees in '000-----	
130	1,545

9.2 Amortization charge during the period

5,065	2,666
--------------	--------------

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises of:

Cash and bank balances

Short term borrowings

337,734	195,727
(14,613,209)	(13,475,104)
(14,275,475)	(13,279,377)

11 TAXATION

Provision for current taxation has been made on the basis of normal tax liability, final taxation, tax credit and separate block income under the Income Tax Ordinance, 2001.

12 SEGMENT INFORMATION

The Company's Operations have been divided in three segments based on the nature of process and internal reporting. Following are the three reportable business segments:

- a) **Spinning :** Production of different qualities of yarn using both natural and artificial fibers.
- b) **Weaving:** Weaving is a method of fabric production in which two distinct sets of yarns or threads are interlaced at right angles to form a fabric.
- c) **Processing, Home Textile and Apparel** Processing of greige fabrics into various types of finished fabrics for sale as well as to manufacture and sale of madeups and home textile products.

Transactions among the business segments are recorded at cost.

12.1 Segment Profitability

	Spinning		Weaving		Processing, Home Textile and Apparel		Elimination Of Inter Segment Transactions		Total	
	Dec-2017	Dec-2016	Dec-2017	Dec-2016	Dec-2017	Dec-2016	Dec-2017	Dec-2016	Dec-2017	Dec-2016
-----Rs. 000s-----										
Sales	3,341,406	3,233,103	6,300,545	7,210,035	16,621,314	17,857,188	(5,337,822)	(9,775,222)	20,925,443	18,525,104
Cost of sales	2,837,320	3,151,638	6,178,357	7,093,897	13,141,896	14,749,895	(5,337,822)	(9,775,222)	16,819,751	15,220,208
Gross profit	504,086	81,465	122,188	116,138	3,479,418	3,107,293	-	-	4,105,692	3,304,896
Distribution cost and Administrative expenses	82,789	104,537	38,657	17,595	2,885,165	2,650,102	-	-	3,006,611	2,772,234
Profit/(Loss) before tax and before charging following	421,297	(23,072)	83,531	98,543	594,253	457,191	-	-	1,099,081	532,662
Finance Cost									457,341	424,645
Other operating expenses									56,318	15,032
Other income									(155,072)	(100,522)
Profit before taxation									358,587	339,155
Taxation									740,494	193,507
Profit after taxation									122,747	110,525
Depreciation and Amortisation Expense	250,513	127,671	146,886	63,743	513,008	459,674	-	-	617,747	82,982
									910,407	651,088

12.2 Segment assets and liabilities

	Spinning		Weaving		Processing, Home Textile and Apparel		Unallocated		Total	
	Un-Audited	Audited	Un-Audited	Audited	Un-Audited	Audited	Un-Audited	Audited	Un-Audited	Audited
	Dec-2017	June - 2017	Dec-2017	June - 2017	Dec-2017	June - 2017	Dec-2017	June - 2017	Dec-2017	June - 2017
-----Rs. 000s-----										
Assets	9,381,074	7,814,061	2,980,571	2,812,567	26,827,236	23,905,825	2,390,374	2,186,219	41,579,255	36,718,672
Liabilities	3,691,335	3,379,543	1,760,281	1,683,482	9,674,684	5,600,130	15,277,787	15,141,600	30,404,087	25,804,755
Addition to operating fixed assets	766,895	2,412,160	1,802,526	25,375	180,814	1,531,062	41,284	844,958	2,791,519	4,813,555

12.3 Unallocated items represent those assets and liabilities which are common to all segments and these include investment in subsidiary, long term deposits, other receivables, deferred liabilities, certain common borrowing and other corporate assets and liabilities.

12.4 Based on judgement made by management, Processing, Home Textile and Apparel segments have been aggregated into single operating segment as the segments have similar economic characteristics in respect of nature of the products, nature of production process, type of customers, method of distribution and nature of regularity environment.

12.5 Information about major customer

Revenue from major customer whose revenue exceeds 10% of gross sales is Rs.5,298 million (Dec-2016: Rs. 4,795 million).

2.6 Information by geographical area

	Revenue		Non-current assets	
	Dec-17	Dec-16	Dec-17	Jun-17
	-----Rupees in '000-----			
Pakistan	8,829,355	5,734,736	16,051,222	16,279,713
Germany	3,398,097	2,540,350	-	-
United States	1,823,824	1,607,584	-	-
France	955,024	640,148	-	-
Netherlands	1,058,912	1,857,019	-	-
United Kingdom	1,053,655	1,240,854	-	-
Italy	1,114,242	1,216,932	-	-
Spain	559,563	957,298	-	-
China	494,155	387,469	-	-
Sweden	379,774	582,444	-	-
United Arab Emirates	94,798	199,869	58,450	58,450
Other Countries	1,164,044	1,560,401	-	-
	20,925,443	18,525,104	16,109,672	16,338,163

13 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise subsidiaries, associated companies, companies where directors also hold directorship, directors of the company and key management personnel. The Company in the normal course of business carried out transaction with various related parties.

Relationship with the Company	Nature of transactions	Un-Audited	
		Dec-17	Dec-16
		-----Rupees in '000-----	
Subsidiaries	Sale of goods	603,230	1,115,834
	Commission paid	72,864	68,317
Associated Companies and other related parties	Purchase of goods	25,714	4,668
	Sale of goods	72	3,476
	Rent paid	38,692	33,872
	Fees paid	2,040	-
	Bills discounted	4,361,448	3,734,345
	Commission / Bank charges paid	31,271	23,440
	Mark up / Interest charged	3,597	8,493
	Provident fund contribution	78,384	67,710
	Dividend paid	10,896	7,965
Relationship with the Company	Nature of outstanding balances	Un-Audited	Audited
		Dec-17	Jun-17
		-----Rupees in '000-----	
Subsidiaries and indirect subsidiaries	Trade and other payables	17,480	90,958
	Long term investment	58,450	58,450
	Trade debts	419,149	323,145
	Corporate guarantee issued in favour of subsidiary company	103,252	94,222
Associated companies and others related parties	Borrowings from Banks	233,415	457,000
	Trade and other payables - Creditors	6,748	2,870
	Payable to employee's provident fund	-	14,989
	Receivable from employee's provident fund	423	-
	Bank guarantee	729,226	767,125
	Accrued mark-up	2,126	3,566
	Loans to key management personnel & executive	60,584	55,972
	Trade debts	730	2,564
	Advances to suppliers	1,076	11,843
	Deposit with banks	4,651	30,019
	Prepaid rent	12,905	38,716

There are no transactions with directors of the Company and key management personnel other than under the terms of employment for the period ending December 2017 amounting to Rs. 427 million (December 2016: Rs. 731 million) on account of remuneration.

14 FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The Company while assessing fair values uses valuation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimizing the use of unobservable inputs. Fair values are categorized into following three levels based on the input used in the valuation techniques;

- Level 1 Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.
- Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 Inputs are unobservable inputs for the asset or liability Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Financial assets and liabilities of the Company are either short term in nature or are repriced periodically therefore; their carrying amounts approximate their fair values.

15 DATE OF AUTHORISATION

This condensed interim un-consolidated financial information was authorised for issue on February 26, 2018 by the Board of Directors of the Company.

16 GENERAL

- 3.1 Allocations for the workers' profit participation fund, workers' welfare fund and taxation are provisional and final liability including liability for deferred taxation will be determined on the basis of annual results.
- 3.2 Figures have been rounded off to the nearest thousand rupees.
- 3.3 During the interim period, comparative figure of Rs. 43.98 million has been reclassified from Intangibles Capital Work in Progress to short term prepayments due to clarification of terms of transaction during the period.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer



Consolidated Accounts

***Consolidated Condensed Interim Financial Information
For The Half Year Ended December 31, 2017***

**Condensed Interim Consolidated
Balance Sheet
As at December 31, 2017**

	Note	Un-Audited December 2017	Audited June 2017
-----Rupees in '000-----			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 750,000,000 ordinary shares of Rs.10 each (June-2017: 400,000,000 ordinary shares of Rs.10 each)		<u>7,500,000</u>	<u>4,000,000</u>
Issued, subscribed and paid-up capital 356,495,525 ordinary shares of Rs. 10 each		<u>3,564,955</u>	<u>3,564,955</u>
Reserves		<u>7,912,881</u> <u>11,477,836</u>	<u>7,630,703</u> <u>11,195,658</u>
NON-CURRENT LIABILITIES			
Long term financing - Secured	5	6,696,699	7,146,403
Deferred liabilities			
Deferred taxation		<u>316,419</u>	<u>316,420</u>
Staff retirement benefits		<u>22,598</u> <u>339,017</u>	<u>31,033</u> <u>347,453</u>
CURRENT LIABILITIES			
Trade and other payables	6	<u>7,652,231</u>	<u>5,773,604</u>
Accrued mark-up/profit		<u>146,112</u>	<u>138,898</u>
Short term borrowings		<u>14,613,209</u>	<u>11,935,343</u>
Current maturity of long term financing	5	<u>1,155,337</u>	<u>678,511</u>
Income tax payable		<u>3,198</u> <u>23,570,087</u>	<u>3,043</u> <u>18,529,399</u>
CONTINGENCIES AND COMMITMENTS			
	7	<u>42,083,639</u>	<u>37,218,913</u>
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>15,810,338</u>	<u>15,992,062</u>
Intangible assets	9	<u>36,251</u>	<u>41,887</u>
Long term loans and advances		<u>46,178</u>	<u>40,092</u>
Long term deposits		<u>187,080</u>	<u>195,249</u>
Deferred taxation		<u>-</u> <u>16,079,847</u>	<u>98</u> <u>16,269,388</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		<u>1,046,481</u>	<u>988,216</u>
Stock-in-trade		<u>16,916,870</u>	<u>12,661,087</u>
Trade debts		<u>3,730,467</u>	<u>3,640,608</u>
Loans and advances		<u>1,018,527</u>	<u>693,880</u>
Short term prepayments		<u>259,291</u>	<u>212,799</u>
Other receivables		<u>1,413,116</u>	<u>1,143,099</u>
Tax refunds due from Government		<u>487,178</u>	<u>648,960</u>
Taxation - net		<u>729,056</u>	<u>673,701</u>
Cash and bank balances		<u>402,806</u> <u>26,003,792</u>	<u>287,175</u> <u>20,949,525</u>
		<u>42,083,639</u>	<u>37,218,913</u>

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

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer

**Condensed Interim Consolidated
Profit And Loss Account
For The Half Year Ended December 31, 2017**

	Un-Audited			
	July December 2017	July December 2016	October December 2017	October December 2016
Rupees in '000.....			
Sales	21,399,817	18,902,129	11,942,155	10,499,052
Cost of sales				
Opening stock of finished goods	9,924,948	11,488,824	10,656,430	12,819,873
Cost of goods manufactured	19,268,802	16,094,458	10,917,015	7,887,549
Closing stock of finished goods	(12,063,159)	(12,129,069)	(12,063,159)	(12,129,069)
	17,130,591	15,454,213	9,510,286	8,578,353
Gross profit	4,269,226	3,447,916	2,431,869	1,920,699
Distribution cost	1,901,329	1,661,717	1,007,236	868,017
Administrative expenses	1,266,242	1,237,024	657,149	653,649
Other operating expenses	56,318	15,032	47,896	15,032
	3,223,889	2,913,773	1,712,281	1,536,698
	1,045,337	534,143	719,588	384,001
Other income	155,072	100,522	104,242	44,622
Operating profit	1,200,409	634,665	823,830	428,623
Finance cost	459,202	425,292	234,567	192,122
Profit before taxation	741,207	209,373	589,263	236,501
Taxation				
Current	122,745	131,432	65,349	71,638
Deferred	-	(17,339)	-	(17,339)
	122,745	114,093	65,349	54,299
Profit after taxation	618,462	95,280	523,914	182,202
Earning per share - basic and diluted (Rs.)	1.73	Re-stated 0.29	1.47	Re-stated 0.56

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

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer



Half Yearly Report (20)

**Condensed Interim Consolidated
Statement of Comprehensive Income
For The Half Year Ended December 31, 2017**

	July December 2017	Un-Audited July December 2016	October December 2017	October December 2016
Rupees in '000.....			
Prodit after taxation	618,462	95,280	523,914	182,202
Other comprehensive income for the period				
Items that will be reclassified to profit and loss account subsequently	-	-	-	-
Exchange difference on translation of foreign subsidiaries	20,211	(2,201)	14,729	(1,799)
Total comprehensive income	638,673	93,079	538,643	180,403

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

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer

**Condensed Interim Consolidated
Cash Flow Statement
For The Half Year Ended December 31, 2017**

	Un-Audited	
	July December 2017	July December 2016
	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	741,207	209,373
Adjustments for:		
Depreciation	907,576	650,511
Amortisation	5,766	3,589
Provision for gratuity	13,527	14,829
Finance cost	459,202	425,292
Provision for slow moving/obsolete items	8,604	7,322
Impairment allowance of doubtful trade debts	21,069	19,153
Loss on disposal of property, plant and equipment	7,127	691
Unclaimed Liabilities written back		937
Gain on disposal of property, plant and equipment	(53,162)	(11,394)
	1,369,709	1,110,930
Cash flows from operating activities before adjustments of working capital	2,110,916	1,320,303
Changes in working capital:		
(Increase)/decrease in current assets		
Stores, spare parts and loose tools	(66,869)	(140,898)
Stock-in-trade	(4,255,783)	(613,897)
Trade debts	(110,928)	262,237
Loans and advances	(324,647)	181,942
Short term prepayments	(90,481)	(69,488)
Other receivables	(270,017)	9,975
Tax refunds due from Government -net	161,782	359,752
	(4,956,943)	(10,377)
Increase in current liabilities		
Trade and other payables	1,874,627	443,771
	(3,082,316)	433,394
Cash (used in)/ generated from operations	(971,400)	1,753,697
Adjustments for:		
Gratuity paid	(22,258)	(42,267)
Finance cost paid	(451,988)	(408,103)
Income tax paid	(177,791)	(442,682)
Net decrease in Long term Loans and Advances	(6,086)	(23,078)
Net increase/(decrease) in Long term deposits	8,169	(28,513)
	(649,954)	(944,643)
Net Cash (decrease)/ increase in Operating activities	(1,621,354)	809,054
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(757,255)	(3,399,622)
Addition to intangible assets	(130)	(1,985)
Proceeds from sale of property, plant and equipment	121,650	18,743
Net cash used in investing activities	(635,735)	(3,382,864)
Balance carried forward	(2,257,089)	(2,573,810)



**Condensed Interim Consolidated
Cash Flow Statement
For The Half Year Ended December 31, 2017**

	Note	Un-Audited	
		July December 2017	July December 2016
		-----Rupees in '000-----	
Balance brought forward		(2,257,089)	(2,573,810)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		305,873	2,405,619
Repayments of long term financing		(278,751)	(420,879)
Dividend paid		(352,479)	(94,369)
Net cash (used in)/generated from financing activities		(325,357)	1,890,371
Exchange difference on translation of foreign activities		20,211	(2,201)
Net decrease in cash and cash equivalents		(2,562,235)	(685,640)
Cash and cash equivalents - at the beginning of the period		(11,648,168)	(12,526,827)
Cash and cash equivalents - at the end of the period	10	<u>(14,210,403)</u>	<u>(13,212,467)</u>

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

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer



Gul Ahmed Textile Mills Limited
Condensed Interim Consolidated
Statement of Changes in Equity
For The Half Year Ended December 31, 2017

	Reserves							Total
	Share capital	Capital reserve - Share Premium	General Reserve	Exchange difference on translation of foreign subsidiaries	Statutory reserve created by foreign subsidiary	Unappropriated profit	Subtotal Reserves	
-----Rupees '000-----								
Balance as at June 30, 2016	2,970,796	514,176	4,480,000	116,248	15,779	884,012	6,010,215	8,981,011
Transfer to general reserve	-	-	500,000	-	-	(500,000)	-	-
Transactions with owners								
Final dividend for the year ended June 30, 2016	-	-	-	-	-	(97,727)	(97,727)	(97,727)
Total comprehensive income for the half year ended December 2016 (un-audited)								
Profit after taxation	-	-	-	-	-	95,280	95,280	95,280
Other comprehensive income	-	-	-	(2,201)	-	-	(2,201)	(2,201)
	-	-	-	(2,201)	-	95,280	93,079	93,080
Balance as at December 31, 2016 (Un-audited)	2,970,796	514,176	4,980,000	114,047	15,779	381,565	6,005,567	8,976,364
Transfer to								
Statutory reserve	-	-	-	-	2,281	(2,281)	-	-
Issuance of right shares	594,159	891,239	-	-	-	-	891,239	1,485,398
Total comprehensive income for the period January 01, 2017 to June 30, 2017								
Profit after taxation	-	-	-	-	-	734,809	734,809	734,809
Other comprehensive income	-	-	-	9,503	-	(10,415)	(912)	(912)
	-	-	-	9,503	-	724,394	733,897	733,897
Balance as at June 30, 2017 (Audited)	3,564,955	1,405,415	4,980,000	123,550	18,060	1,103,678	7,630,703	11,195,658
Transfer to general reserve	-	-	400,000	-	-	(400,000)	-	-
Transactions with owners								
Final dividend for the year ended June 30, 2017	-	-	-	-	-	(356,496)	(356,496)	(356,496)
Total comprehensive income for the half year ended December 2017 (un-audited)								
Profit after taxation	-	-	-	-	-	618,462	618,462	618,462
Other comprehensive income	-	-	-	20,211	-	-	20,211	20,211
	-	-	-	20,211	-	618,462	638,673	638,673
Balance as at December 31, 2017 (Un-audited)	3,564,955	1,405,415	5,380,000	143,761	18,060	965,644	7,912,880	11,477,836

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

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive

ABDUL ALEEM
Chief Finance Officer

**Notes to the Condensed Interim Consolidated
Financial Information (Un-audited)
For The Half Year Ended December 31, 2017**

1 LEGAL STATUS AND ITS OPERATIONS

1.1 Gul Ahmed Group ("the Group") comprises the following:

- Gul Ahmed Textile Mills Limited
- Gul Ahmed International Limited (FZC) - UAE
- GTM (Europe) Limited - UK
- GTM USA Corp. - USA
- Sky Home Corp.- USA

Gul Ahmed Textile Mills Limited (The Holding Company) was incorporated on 1st April 1953 in Pakistan as a private limited company, converted into public limited company on 7th January 1955 and was listed on Karachi and Lahore Stock Exchanges in 1970 and 1971 respectively. The Holding Company is a composite textile mill and is engaged in the manufacture and sale of textile products.

The Holding Company's registered office is situated at Plot No. 82, Main National Highway, Landhi, Karachi.

Gul Ahmed International Limited (FZC) -UAE is a wholly owned subsidiary of Gul Ahmed Textile Mills Limited, GTM (Europe) Limited is a wholly owned subsidiary of Gul Ahmed International Limited (FZC) - UAE and GTM USA Corp. and Sky Home Corp. are wholly owned subsidiaries of GTM (Europe) Limited.

All four subsidiaries are engaged in trading of textile related products.

The Holding Company is a subsidiary of Gul Ahmed Holdings (Private) Limited that owns 66.78% shares of the Company.

1.2 Basis of consolidation

The financial information include the financial information of the Group.

Subsidiary companies are consolidated from the date on which more than 50% voting rights are transferred to the Holding Company or power to govern the financial and operating policies over the subsidiary and is excluded from consolidation from the date of disposal or cessation of control.

The financial statements of the subsidiaries are prepared for the same reporting period as the Holding Company, using consistent accounting policies.

The assets and liabilities of the subsidiary company have been consolidated on a line-by-line basis and the carrying value of investment held by the Company is eliminated against the subsidiary's share capital. All intra-group balances and transactions are eliminated.

2 BASIS OF PREPARATION

The condensed interim consolidated financial information comprise the consolidated balance sheet of Gul Ahmed Textile Mills Limited, its wholly owned subsidiary company Gul Ahmed International Limited (FZC), GTM (Europe) Limited which is the wholly owned subsidiary of Gul Ahmed International Limited (FZC), and GTM USA Corporation and Sky Home Corporation which are the wholly owned subsidiaries of GTM (Europe) Limited as at December 31, 2017 and the related consolidated profit and loss account, consolidated cash flow statement and consolidated statement of changes in equity together with the notes forming part thereof for the period then ended. The financial statements of the subsidiary companies have been consolidated on a line by line basis.

These condensed interim consolidated financial information of the Group for the half year ended December 31, 2017 have been prepared in accordance with the requirements of the International Accounting Standards 34 - Interim Financial Reporting and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 shall prevail.

Companies Act, 2017 (the Act) has been promulgated during the year which introduces new disclosure and presentation requirement. However the securities and Exchange Commission of Pakistan (SECP) vide its circular no. 23/2017 dated 4th October, 2017 has notified that Companies whose financial year ends on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance 1984. Thereafter the Institute of Chartered Accountants of Pakistan (ICAP) sought clarification from SECP and through its circular 17 of 2017 dated 6th October, 2017 clarified that condensed interim financial information for the period ending on or before 31 December, 2017 will also be prepared in accordance with the repealed Companies Ordinance 1984. Accordingly, these financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

The comparative balance sheet, presented in these condensed interim consolidated financial information, as at June 30, 2017 has been extracted from the audited financial statements of the Group for the year ended June 30, 2017 whereas the comparative condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated cash flow statement and condensed interim consolidated statement of changes in equity for the half year ended December 31, 2017 have been extracted from the condensed interim consolidated financial information of the Group for the half year ended December 31, 2016.

These condensed interim consolidated financial information do not include all the information required in annual financial statements prepared in accordance with approved accounting standards as applicable in Pakistan, and should be read in conjunction with the consolidated financial statements for the year ended June 30, 2017.

Certain new IFRSs and amendments to existing IFRSs, effective for periods beginning on or after July 1, 2017, do not have any impact on this condensed interim financial information, and are therefore not presented.

3 ACCOUNTING POLICIES

Accounting policies and method of computations adopted for the preparation of these condensed interim consolidated financial information are the same as those applied in the preparation of the consolidated financial statements for the year ended June 30, 2017.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim consolidated financial information requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to financial statements as at and for the year ended June 30, 2017.

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2017.

5 Long term financing - Secured

	Un-Audited December 2017	Audited June 2017
	-----Rupees in '000-----	
Opening balance	7,824,914	5,118,004
Add: Obtained during the period / year	305,873	3,427,770
Less: Repaid during the period / year	(278,751)	(720,860)
	<u>7,852,036</u>	<u>7,824,914</u>
Less: Current portion shown under current liabilities	(1,155,337)	(678,511)
	<u><u>6,696,699</u></u>	<u><u>7,146,403</u></u>

6 TRADE AND OTHER PAYABLES

Trade and other payables include provision in respect of;

- Increase in gas tariff rates notified vide SRO No. (I) / 2015 dated 31 August, 2015, and Oil and Gas Regulatory Authority (OGRA) notification dated 30-12-2016 as was disclosed in note no 9.1.2 of the financial statements for the year ended June 30, 2017. Accordingly, the Holding Company has provided banker's verified cheques of Rs. Rs. 371.355 million (June 2017: 186.443 million) as security to Nazir of High Court Sindh and also, as a matter of prudence, full provision of Rs. 308.079 million (June 2017: 237.857 million) has been made in the unconsolidated financial statements.
- There is no change in the matter of charging of captive power tariff instead of Industry tariff rate to the Holding Company, as disclosed in note no 9.1.3 the financial statements for the year ended June 30, 2017. except that the amount of provision has increased to Rs. 460.862 million (June 2017: Rs. 346.173 million).

7 CONTINGENCIES AND COMMITMENTS

Contingencies

The status of contingencies, as reported in the annual financial statements for the year ended June 30, 2017, remained unchanged during the current period except following:

- a) In the matter of Gas Infrastructure Development Cess (GIDC), as disclosed in note 12.7 of the financial statements for the year ended June 30, 2017, the amount of provision has increased to Rs. 1,437.468 million (June-17: Rs.1,137.181 million) commencing from May 22, 2015 to the balance sheet date.

Guarantees

- (a) Rs. 797 million (June-2017: Rs. 767 million) against guarantees issued by banks which are secured by pari passu hypothecation charge over stores and spares, stock-in-trade, trade debts and other receivables. These guarantees include guarantees issued by related party amounting to Rs. 729 million (June-2017: Rs. 698 million).
- (b) Post dated cheques Rs. 2,759 million (June-2017 : Rs. 1,406 million) are issued to Custom Authorities in respect of duties on imported items availed on the basis of consumption and export plans.
- (c) Bills discounted amounted to Rs. 2,602 million (June-2017: Rs. 2,073 million).
- (d) Corporate guarantee of Rs. 103.252 million (June-2017: Rs. 94.222 million) has been issued to a bank by the Holding Company in favor of an indirect subsidiary Company - GTM (Europe) Limited - UK. .

Commitments

- (a) Group is committed for certain expenditures which are stated as follows:

	Un-Audited December 2017	Audited June 2017
	-----Rupees in '000-----	
- Capital expenditure	161,491	181,452
- Non capital expenditure items under letters of credits	3,620,803	1,442,653
	<u>3,782,294</u>	<u>1,624,105</u>

- (b) The Group is committed to minimum rental payments for Retail outlets for each of the following period as follows:

Not more than one year	601,208	484,547
More than one year but not more than five years	1,912,566	1,593,683
More than five years	355,733	477,159
	<u>2,869,507</u>	<u>2,555,389</u>

8 PROPERTY, PLANT AND EQUIPMENT

Operating assets - net book value	8.1 & 8.2	15,489,744	13,680,577
Capital work in progress - at cost	8.4	320,594	2,311,485
		<u>15,810,338</u>	<u>15,992,062</u>

Un-Audited	
for the half year ended December 2017	for the half year ended December 2016
-----Rupees in '000-----	

8.1 Additions during the period

Buildings and structures on leasehold land	665,886	519,850
Plant and machinery	2,088,072	582,436
Furniture and fixtures	1,945	1,730
Office equipment	14,713	78,135
Vehicles	21,518	121,579
	<u>2,792,134</u>	<u>1,303,730</u>

- 8.1.1 Additions to building and structure on leasehold land, plant and machinery and others include transfers from capital work-in-progress amounting to Rs. 605 million, Rs. 2,050 million and Rs. Nil (December-2016: Rs. 506 million, Rs. 520 million and Rs. 4.5 million).

8.2 Disposals - operating fixed assets (at net book value)

Plant and machinery
Vehicles

Un-Audited	
for the half year ended December 2017	for the half year ended December 2016
-----Rupees in '000-----	
31,459	974
43,931	7,066
75,390	8,040

8.2.1 Disposals include assets scrapped at Net Book Value during the period of Rs. 0.220 million (December-2016: Nil).

8.3 Depreciation charge during the period

8.4 Additions - capital work in progress (at cost)

Machinery
Building
Others

Un-Audited	
December 2017	December 2016
-----Rupees in '000-----	
907,576	650,511

Machinery	394,715	2,470,228
Building	273,914	651,383
Others	-	4,421
	668,629	3,126,032

Note

Un-Audited	Audited
December 2017	June 2017
-----Rupees in '000-----	

9 INTANGIBLE ASSETS

Intangible - net book value

9.1 & 9.2

36,251

41,887

9.1 Additions - intangibles (at cost)

Computer Software

Un-Audited	
for the half year ended December 2017	for the half year ended December 2016
-----Rupees in '000-----	
130	1,985

9.2 Amortisation charge during the period

5,766	3,589
-------	-------

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises of:

Cash and bank balances
Short term borrowings

Un-Audited	
December 2017	December 2016
-----Rupees in '000-----	
402,806	262,637
(14,613,209)	(13,475,104)
(14,210,403)	(13,212,467)

11 TAXATION

Provision for current taxation has been made on the basis of normal tax liability, final taxation, tax credit and separate block of income under the Income Tax Ordinance, 2001.

12 SEGMENT INFORMATION

The Group's Operations have been divided in three segments based on the nature of process and internal reporting. Following are the three reportable business

- a) **Spinning :** Production of different qualities of yarn using both natural and artificial fibers.
b) **Weaving:** Weaving is a method of fabric production in which two distinct sets of yarns or threads are interlaced at right angles to form a fabric.
c) **Processing, Home Textile and Apparel** Production of greigh fabric, its processing into various types of fabrics for sale as well as manufacture and sale of made-ups and home textile products.
These subsidiaries are also in the textile business reselling products to the ultimate customers, imported from Parent Group.

Transactions among the business segments are recorded at cost.

12.1 Segment profitability

	Spinning		Weaving		Processing, Home Textile and Apparel		Gul Ahmed International Limited (FZC)-UAE		GTM (Europe) Limited - UK		GTM USA Corp.		Sky Home Corporation		Elimination Of Inter Segment Transactions		Total	
	Dec-2017	Dec-2016	Dec-2017	Dec-2016	Dec-2017	Dec-2016	Dec-2017	Dec-2016	Dec-2017	Dec-2016	Dec-2017	Dec-2016	Dec-2017	Dec-2016	Dec-2017	Dec-2016	Dec-2017	Dec-2016
-----Rs. 000s-----																		
Sales	3,341,406	3,233,103	6,300,545	7,210,035	16,621,314	17,857,188	394,487	364,341	512,204	931,274	114,064	197,246	56,850	-	(5,941,053)	(10,891,058)	21,399,817	18,902,129
Cost of sales	2,837,320	3,151,638	6,178,356	7,093,897	13,141,896	14,749,896	317,800	303,551	465,741	879,339	89,884	158,041	40,468	-	(5,940,874)	(10,882,149)	17,130,591	15,454,213
Gross profit	504,086	81,465	122,189	116,138	3,479,418	3,107,292	76,686	60,790	46,463	51,936	24,180	39,205	16,382	-	(179)	(8,909)	4,269,226	3,447,916
Distribution cost and administrative expense	82,789	104,537	38,657	17,595	2,885,165	2,650,101	48,377	50,977	41,029	35,054	29,011	40,477	42,543	-	-	-	3,167,571	2,898,741
Profit/loss before tax and before charging the following	421,297	(23,072)	83,532	98,543	594,253	457,191	28,309	9,813	5,434	16,881	(4,831)	(1,272)	(26,161)	-	(179)	(8,909)	1,101,655	549,175
Other operating expenses																	56,318	15,032
Other income																	(155,072)	(100,522)
Finance cost																	459,202	425,292
Profit before taxation																	360,448	339,802
Taxation																	741,207	209,373
Profit after taxation																	-	-
																	122,745	114,093
																	-	-
																	618,462	95,280
Depreciation and Amortisation Expense	250,513	127,671	146,886	63,743	513,008	459,674	1,668	1,709	527	575	740	728	-	-	-	-	913,342	654,100

12.2 Segment assets and liabilities

	Spinning		Weaving		Processing, Home Textile and Apparel		Gul Ahmed International Limited (FZC)-UAE		GTM (Europe) Limited - UK		GTM USA Corp.		Sky Home Corporation		Unallocated		Total	
	Dec-2017	Jun-2017	Dec-2017	Jun-2017	Dec-2017	Jun-2017	Dec-2017	Jun-2017	Dec-2017	Jun-2017	Dec-2017	Jun-2017	Dec-2017	Jun-2017	Dec-2017	Jun-2017	Dec-2017	Jun-2017
-----Rs. 000s-----																		
Assets	9,381,074	7,814,061	2,980,571	2,812,567	26,827,236	23,905,825	570,666	622,652	354,110	267,254	14,121	93,073	71,611	1,023	2,390,374	2,186,219	42,589,763	37,702,674
Elimination of intragroup balances																	(506,124)	(483,761)
																	42,083,639	37,218,913
Liabilities	3,691,335	3,379,543	1,760,281	1,683,482	9,674,684	5,600,130	220,393	298,433	314,864	239,630	67,742	94,752	49,933	130	15,277,784	15,141,600	31,057,016	26,437,700
Elimination of intragroup balances																	(451,213)	(414,445)
																	30,605,803	26,023,255
Segment Capital Expenditure	766,895	2,412,160	1,802,526	25,375	180,814	1,531,062	615	5,197	-	1,172	-	-	-	-	41,284	844,958	2,792,134	4,819,924

12.3 Unallocated items represent those assets and liabilities which are common to all segments and these include long term deposits, other receivables, deferred liabilities, certain common borrowing and other corporate assets and liabilities.

12.4 Based on judgement made by management, Processing, Home Textile and Apparel segments have been aggregated into single operating segment as the segments have similar economic characteristics in respect of nature of the products, nature of production process, type of customers, method of distribution and nature of regularity environment.

12.5 Information about major customers

Revenue from major customer whose revenue exceeds 10% of gross sales is Rs.5,298 million (Dec-2016: Rs. 4,795 million).

12.6 Information by geographical area

	Revenue		Non-current assets	
	For the half year ended (Un-audited)		Un-Audited	Audited
	Dec - 2017	Dec - 2016	Dec - 2017	Jun - 2017
	-----Rupees in '000-----			
Pakistan	8,829,355	5,734,736	16,051,222	16,242,052
Germany	3,398,097	2,540,350	-	-
United States	1,870,288	1,651,445	8,594	7,248
France	955,024	640,148	-	-
Netherland	1,058,912	1,857,019	1,880	4,076
United Kingdom	1,117,256	1,293,015	-	-
Italy	1,114,242	1,216,932	-	-
Spain	559,563	957,298	18,150	16,012
China	494,155	387,469	-	-
Sweden	379,774	582,444	-	-
United Arab Emirates	459,107	480,872	-	-
Other Countries	1,164,044	1,560,401	-	-
Total	21,399,817	18,902,129	16,079,847	16,269,388

13 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise subsidiaries, associated companies, companies where directors also hold directorship, directors of the Group and key management personnel. The Group in the normal course of business carried out transaction with various related parties.

Relationship with the Company	Nature of transactions	Un-Audited	
		Dec - 2017	Dec - 2016
		-----Rupees in '000-----	
Associated Companies and other related parties	Purchase of goods	25,714	4,668
	Sale of goods	72	3,476
	Rent paid	38,692	33,876
	Fees paid	2,040	-
	Commission / Rebate	-	-
	Bills discounted	4,361,448	3,734,345
	Commission / Bank charges paid	31,271	23,440
	Mark up / Interest charged	3,597	8,493
	Provident fund contribution	78,384	67,710
	Dividend paid	10,896	7,965
Relationship with the Company	Nature of outstanding balances	Un-Audited	
		Dec - 2017	Jun - 2017
		-----Rupees in '000-----	
Associated companies and others related parties	Borrowings from Banks	233,415	457,000
	Trade and other payables - Creditors	6,748	2,870
	Payable to employee's provident fund	-	14,989
	Receivable from employee's provident fund	423	-
	Bank guarantee	729,226	767,125
	Accrued mark-up	2,126	3,566
	Loans to key management personnel & executive	60,584	60,566
	Trade debts	730	2,564
	Advances to suppliers	1,076	11,843
	Deposit with banks	4,651	30,019
	Prepaid rent	12,905	38,716

There are no transactions with directors of the Group and key management personnel other than those under the terms of employment for the period ending Dec-2017 amounting to Rs. 427 million (Dec-2016: Rs. 731 million) on account of remuneration.

14 FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The Group while assessing fair values uses valuation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimizing the use of unobservable inputs. Fair values are categorized into following three levels based on the input used in the valuation techniques;

- Level 1 Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.
- Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 Inputs are unobservable inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Financial assets and liabilities of the Group are either short term in nature or are repriced periodically therefore; their carrying amounts approximate their fair values.

15 DATE OF AUTHORISATION

This condensed interim consolidated financial information was authorised for issue on February 26, 2018 by the Board of Directors of the Group.

16 GENERAL

- 16.1 Allocations for the workers' profit participation fund, workers' welfare fund and taxation are provisional and final liability including liability for deferred taxation will be determined on the basis of annual results.
- 16.2 Figures have been rounded off to the nearest thousand rupees.
- 16.3 During the interim period, comparative figure of Rs. 43.98 million has been reclassified from Intangibles Capital Work in Progress to short term prepayments due to clarification of terms of transaction during the period.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

ABDUL ALEEM
Chief Finance Officer

حصص داران کے لیے ڈائریکٹرز کی نظر ثانی شدہ رپورٹ

آپ کی کمپنی کے ڈائریکٹرز نہایت مسرت کے ساتھ نصف سال کے اختتام پر سال 31 دسمبر 2017 کے لیے کمپنی کے معاملات کا جائزہ پیش کر رہے ہیں۔

معاشی اور صنعتی مجموعی جائزہ

مالی سال 2018 کی آغاز چند مثبت معاشی اشاروں سے ہوا جیسے کہ جی ڈی پی کی افزائش کا عہد، ترسیل میں روانی میں تسلسل جو کہ گزشتہ سال کے اتنے ہی دورائے کی نسبت 2.5 فیصد کے اضافے کے ساتھ ہے اور برآمدات میں 11.24 فیصد اضافے کے ساتھ گیارہ بلین امریکی ڈالر سے زیادہ ہے۔ اگرچہ موجودہ اکاؤنٹ کا خسارہ جی ڈی پی کا 4.1 تک بڑھ گیا ہے جو کہ سال گزشتہ میں 1.7 فیصد تھا جو کہ برآمدات کی بہ نسبت درآمدات کے متعلقہ اضافے کی مد میں تھا۔ موجودہ مالی سال کی شش ماہی کے دوران قطعی طور پر تجارتی خسارہ 18 بلین امریکی ڈالر تک جا پہنچا تھا جو گزشتہ سال کی بہ نسبت 25 فیصد زیادہ تھا۔ مزید برآں، سینٹرل بینک کے کل ذخائر جو تقریباً 14.1 بلین امریکی ڈالر ہیں، کے برخلاف اختتام سال 31 دسمبر 2017 تک کل بیرونی قرضہ 88 بلین امریکی ڈالر سے تجاوز کر گیا تھا۔

ٹیکسٹائل کے شعبے کی کارکردگی کا پورا دار و مدار کپاس کی مقامی فصل پر ہے۔ کپاس پیدا کرنے والے دنیا کے چوتھے بڑے ملک ہونے سے قطع نظر پاکستان، اس وقت تینمیں شدہ سالانہ طلب کے بموجب 15 سے 16 بلین درآمد شدہ کپاس کی گانٹھوں پر انحصار کرتا ہے۔ یہ سال 2017/18 میں کپاس کی تقریباً 24 فیصد طلب اور متوقع مقامی پیداوار (12.1 بلین گانٹھ) کے درمیان ایک وسیع خلا کی وجہ سے ہے، جو پیداوار کے 12.6 بلین گانٹھ کے تجدد شدہ ہدف سے اب بھی کم ہے۔ اس کے باوجود ملک کی ٹیکسٹائل برآمدات کا موازنہ اگر متعلقہ دورائے سے کیا جائے جس میں دسمبر 2017 میں سال بہ سال 10 فیصد یکساں اضافہ دیکھا گیا ہے تو یہ امر ظاہر کرتا ہے کہ برآمدات 8 فیصد تک بڑھی ہیں۔ شعبے کے لئے سلور لائننگ برآمدات کی اضافی قدر رہی جسے ٹیکسٹائل پیکیج، پورو کی جی ایس پی پلس اسکیم اور پاکستانی روپے کی قدر میں 5 فیصد کی حالیہ کمی کی مدد حاصل رہی۔ البتہ چین کی جانب سے کمزور طلب کے باعث سوئی کپڑے کی برآمدات اب تک مسطح ہیں۔

آپ سب واقف ہیں کہ اگرچہ ٹیکسٹائل کا شعبہ کل صنعتی افرادی قوت کا 40 فیصد ہے اور برآمدات میں اس کی شمولیت 62 فیصد ہے، اس کے باوجود اس سے بہت زیادہ استفادہ نہیں کیا گیا۔ جیسا کہ اوپر بتایا گیا کہ ٹیکسٹائل پیکیج اور پاکستانی روپے کی قدر میں کمی نے کچھ مہلت دی تھی، البتہ پیکنگ کی اشیاء پر ٹیکس لگ جانے سے میزان کے ناجائز مبارزات، کم از کم اجرت میں اضافہ، عالمی ہم پیشہ حریفوں کی بہ نسبت بہت زیادہ صنعتی لاگت اور حکومت سے طویل الوصول واجبات اس کی بحالی کو مسلسل روکے ہوئے ہیں۔ خاص طور پر پاکستان میں گیس کے نرخ 100 فیصد زیادہ اور بجلی کے نرخ تقریباً 50 فیصد زیادہ ہیں جو خطے میں موجود دیگر حریفوں کے مقابلے میں بہت ہی گراں ہیں جس کی وجہ سے ان کی اسپننگ، ویونگ اور پروسینگ کی صنعتوں کی مسابقتی صلاحیتوں میں عالمی پیمانے پر اضافہ ہو جاتا ہے۔ لہذا کپاس کے چوتھے بڑے پیدا کنندہ ہونے کے باوجود پاکستان 10 بڑے ٹیکسٹائل برآمد کنندگان کی فہرست میں بھی شامل نہیں ہے۔

مالی کارکردگی

انتظامیہ صنعتی امور میں کارکردگی کو بڑھا کر اور لاگت کے استدلال جیسے انتظامی امور کے ذریعے بدستور منافع بخش طریقہ ہائے کار پر غور کر رہی ہے، جس کے نتیجے میں گزشتہ سال کے متعلقہ دورائے کے مقابلے میں مجموعی فروخت اور منافع میں اضافہ ہوا ہے۔ اس کا پیش رو مقامی فروخت میں اضافہ تھا جس کے ذریعے گزشتہ سال کے دوران بی ایم آر سرمایہ کاری سے فوائد حاصل ہوئے۔ کمپنی نے گزشتہ سال کے متعلقہ دورائے میں ہونے والی 18,525 ملین روپے کے مقابلے میں 20,925 ملین روپے کی ششماہی خالص فروخت درج کی، اس طرح تقریباً 13 فیصد مثبت اضافہ درج کیا گیا۔ مزید برآں لاگت کم کرنے کے اقدامات اور بی ایم آر کی سرگرمیوں کے نتیجے میں کمپنی کے گزشتہ سال کے متعلقہ دورائے میں ہونے والے 17.8 فیصد سے 19.6 فیصد مجموعی منافع میں 10 فیصد اضافہ ہوا۔ نتیجتاً منافع میں قبل از ٹیکس اضافہ 281 فیصد ہے جو کہ 194 ملین روپے سے 740 ملین روپے تک ہے۔ لہذا اس کے نتیجے میں ٹیکس کی ادائیگی کے بعد 83 ملین روپے سے لے کر 618 ملین روپے تک کا متاثر کن اضافہ ہوا۔ کمپنی کی ای پی ایس میں

بھی زیر تجزیہ دورانے میں 0.26 روپے سے لے کر 1.73 روپے تک بہتری آئی۔

کلیدی اعداد و شمار ذیل میں پیش ہیں:

تفصیل	یونٹس	ششماہی اختتام سال	ششماہی اختتام سال
		31 دسمبر 2017	31 دسمبر 2016
کل برآمدات کی فروخت	روپے ملین میں	12,125	12,823
کل مقامی فروخت	روپے ملین میں	8,800	5,702
کل مجموعی فروخت	روپے ملین میں	20,925	18,525
مجموعی منافع	روپے ملین میں	4,106	3,305
قبل از ٹیکس منافع / خسارہ	روپے ملین میں	740	194
بعد از ٹیکس منافع / خسارہ	روپے ملین میں	618	83
کمائی / خسارہ فی حصص (EPS)	روپے	1.73	0.26
فی حصص کی بریک اپ ویلیو	روپے	31.35	29.30
ڈیٹ ٹا اکیوئیٹی کا تناسب	ٹائم	0.60	0.73
موجودہ تناسب	ٹائم	1.09	1.01

مستقبل کے امکانات

بڑھتی ہوئی پیٹرولیم کی قیمتوں بمعہ مشینری کی درآمدات کی روشنی میں معاشی اشارے یہ ظاہر کرتے ہیں کہ مالی مضبوطی اور بیرونی میزان، دونوں پر دباؤ جاری رہے گا۔ اس کی مناسبت سے تجارتی خسارے میں متوقع اضافے اور ذخائر کا خاتمہ پاکستانی روپے۔ امریکی ڈالر مساوات کو ظاہر کرتا ہے جیسے کہ درآمدی احاطہ تقریباً 3 ماہ میں ہوتا ہے۔ اس مبارزہ کے علاوہ پیدا ہونے والے وہ نتائج جو آئی ایم ایف، ورلڈ بینک، ایشین ڈیولپمنٹ بینک جیسے عطیہ دہندگان کی ہدایات پر امریکی معاشی و فوجی حمایت اور اس کے اثرات، ان تمام کی وسیع پیمانے پر امریکی حمایت اس صورت حال کو مزید مشکل بنا سکتی ہے۔ اس کے باوجود ہم ٹیکسٹائل کے شعبے کے لئے مالی سال 2018 کو مثبت تناظر میں دیکھتے ہیں، خاص طور پر برآمدات کرنے والی کمپنیاں تقریباً 5 فیصد پاکستانی روپے۔ امریکی ڈالر کی فرسودگی کی وجہ سے برآمدات کرنے والے شعبوں میں حکومت کی جانب سے اعلان کردہ ٹیکسٹائل پیکیج اور متوقع مزید مراعات پر نظر مرکوز رکھتی ہیں۔

لہذا عملی ماحول میں مبارزت اور بڑھتی ہوئی مسابقت کے باوجود ہم آپ کی کمپنی کے مستقبل کے سلسلے میں پُر امید ہیں۔ اس کے مطابق انتظامیہ صارفین کو متوجہ کرنے کے لئے تمام تر جدت اور مضبوط برانڈ اکیوئیٹی کے ذریعے اپنا لانچ عملیاتی اور بین الاقوامی سطح پر جاری رکھے گی۔ کمپنی مزید اقدامات کر رہی ہے جو اور بھی بہتر اور پائیدار نتائج کے حامل ہوں گے۔ یہ فوائد مارکیٹنگ اور آپریشنز کے حوالے سے متعدد حکمت عملی کو اپنانے کی بدولت حاصل ہوئے ہیں ان وجوہات کی بناء پر ہمیں پورا یقین ہے کہ ترقی کا یہ رجحان مستقبل میں بھی آنے والے مستقبل میں بھی برقرار رہے گا۔

مجموعی مالیاتی جائزے

اختتام چھ ماہ 31 دسمبر 2017 کے لئے کمپنی اور اس کی ذیلی کمپنیوں، گل احمد انٹرنیشنل لمیٹڈ (ایف زیڈ سی)۔ یو اے ای، جی ٹی ایم (یورپ) لمیٹڈ۔ یو کے، جی ٹی ایم یو ایس اے کارپوریشن۔ یو ایس اے اور اسکاٹی ہوم کارپوریشن۔ یو ایس اے کے مجموعی مالیاتی جائزے منسلک ہیں۔

اظہارِ تشکر

ڈائریکٹر اپنے تمام اسٹیک ہولڈرز کا، ان کی تمام تر راہنمائی اور کوششوں کے لیے تہہ دل سے شکریہ ادا کرتے ہیں۔

منجانب بورڈ

محمد بشیر

چیئرمین

محمد ذکی بشیر

چیف ایگزیکٹو آفیسر

26 فروری 2018

کراچی۔