

AL-QADIR TEXTILE MILLS Ltd.

**HALF YEARLY ACCOUNTS
FOR THE PERIOD ENDED
DECEMBER 31, 2008
(Un-Audited)**



AL-QADIR

TEXTILE

MILLS

LIMITED

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AL-QADIR TEXTILE MILLS Ltd.

COMPANY INFORMATION BOARD OF DIRECTORS

**CHAIRMAN AND
CHIEF EXECUTIVE**

MR. GHULAM ALI RAJA

DIRECTORS

MR. MUHAMMAD BASHIR RAJA
MR. ASIF ALI RAJA
MR. FAISAL BASHIR RAJA
MST. TASNEEM AKHTER
MST. YASMEEN BEGUM
MST. ASBAH RUBINA

**CHIEF FINANCIAL OFFICER
& COMPANY SECRETARY**

MR. ZAHEER AHMED AKMAL

AUDITORS

NASIR JAVAID MAQSOOD IMRAN
CHARTERED ACCOUNTANTS
ISLAMABAD

BANKERS

BANK AL-FALAH LIMITED

REGISTERED OFFICE

RAJA HOUSE, NEAR MAKKI MASJID,
CHAKWAL- PAKISTAN

HEAD OFFICE AND MILLS

6-K.M JEHLUM ROAD CHAKWAL.

SHARE REGISTRARS

M/S YOUR SECRETARY
1020. 10TH FLOOR, UNI PLAZA,
I.I. CHUNDRIGAR ROAD
KARACHI.

AL-QADIR TEXTILE MILLS Ltd.

DIRECTOR'S REPORT TO THE MEMBER

In the Name of Allah, Most Gracious, Most Merciful

Dear Shareholders,

The directors of your company are pleased to present their report together with the independent auditors review report and audited financial statements of the company for the half year ended December 31, 2008.

During the period under review the yarn prices were all time high that brought positive impact on the company's profitability. Prices of cotton lint touched 4000/mund and polyester staple fibers prices were also instable due to crude oil fluctuations monetary exchange rates. Management has successfully utilized the available stocks and resources despite numerous problems.

Despite increase in extra ordinary cost of production due to electricity, labor, currency exchange rates, and shortage of power supply, the company has been able to generate Gross profit of Rs. 51.456 as compared to Rs. 16.591 million in the corresponding period of last year. The management of your company is still making its best efforts to improve as appears in the financial results.

I would like to thank the valued foreign buyers local customers for their trust in our company. In the end, the Board would like to record its appreciation of on going support and confidence of Bank Al-Falah Limited and for technical assistance and hard work of the advisors and employees of Company.

CHIEF EXECUTIVE
On behalf of Board

Chakwal
February 28, 2009

GHULAM ALI RAJA
CHIEF EXECUTIVE

AL-QADIR TEXTILE MILLS Ltd.

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

We have reviewed the annexed balance sheet of **AL-QADIR TEXTILE MILLS LIMITED** as at December 31, 2008, and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the Interim Financial Statements) for the half-year then ended. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on these Interim Financial Statements based on our review. The figures of the condensed interim profit and loss account for the quarters ended December 31, 2008 and 2007 have not been reviewed as we are required to review only the cumulative figures for the half year ended December 31, 2008.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagement 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 annexed Interim Financial Statements as at December 31, 2008 are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

Date: February 27, 2009
Place: **Islamabad**

Nasir Javaid Maqsood Imran
Chartered Accountants

AL-QADIR TEXTILE MILLS Ltd.

AL-QADIR TEXTILE CONDENSED INTERIM AS AT DECEMBER

	Notes	Un-audited Dec 31, 2008 (Rupees)	Audited Jun 30, 2008 (Rupees)
SHARE CAPITAL & RESERVES			
Share Capital	3	75,600,000	75,600,000
Deposits for Shares		17,422,750	17,422,750
Unappropriated profit		139,490,211	109,940,552
		232,512,961	202,963,302
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
		103,990,376	106,254,330
DEFERRED LIABILITIES			
		65,167,193	67,454,622
CURRENT LIABILITIES			
Current Portion of Long Term Liabilities		168,281	168,281
Short Term Borrowings	4	214,350,000	162,000,000
Trade and other payables		41,154,537	72,277,620
Provision for Taxation		6,848,118	-
Un Claimed Dividend		601,548	601,548
		263,122,484	235,047,449
CONTINGENCIES & COMMITMENTS			
	5	-	-
		664,793,014	611,719,703

GHULAM ALI RAJA
CHIEF EXECUTIVE

MOHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

MILLS LIMITED

BALANCE SHEET

31, 2008

	Notes	Un-audited Dec 31, 2008 (Rupees)	Audited Jun 30, 2008 (Rupees)
FIXED CAPITAL EXPENDITURE			
Property, Plant and Equipment	6	392,468,177	396,899,565
Capital Work-in-Progress		2,987,673	2,055,673
LONG-TERM DEPOSITS			
Security Deposits		444,599	444,599
CURRENT ASSETS			
Stores, Spares and Loose Tools		8,344,267	8,787,173
Stock-in-Trade		226,599,895	182,470,965
Trade Debts		9,399,351	265,073
Loans and Advances		6,178,459	5,866,159
Trade Deposits and Short term Prepayments		10,090,631	8,905,958
Cash and bank balances		8,279,962	6,024,538
		268,892,565	212,319,866
		<u>664,793,014</u>	<u>611,719,703</u>

GHULAM ALI RAJA
CHIEF EXECUTIVE

MOHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2008

	Notes	Half Year Ended December 31, 2008	Half Year Ended December 31, 2007	Quarter Ended December 31, 2008	Quarter Ended December 31, 2007
		Rupees	Rupees	Rupees	Rupees
SALES		440,080,318	381,836,648	190,758,150	179,494,346
COST OF SALES	8	388,624,412	365,245,343	173,802,576	177,847,411
GROSS PROFIT		51,455,906	16,591,305	16,955,574	1,646,935
OTHER INCOME		221,112	170,754	192,747	91,952
ADMINISTRATIVE EXPENSES		(4,993,009)	(3,813,670)	(2,502,314)	(1,697,482)
SELLING EXPENSES		(3,150,239)	(6,804,397)	(2,070,569)	(2,921,680)
WORKERS' PROFIT PARTICIPATION FUND		(1,671,942)	-	(346,325)	-
FINANCIAL CHARGES		(10,094,934)	(10,520,780)	(5,648,939)	(5,566,836)
PROFIT BEFORE TAXATION		31,766,894	(4,376,788)	6,580,174	(8,447,111)
TAXATION					
Current		(6,848,118)	(3,017,538)	(5,601,507)	-
Deferred		-	-	-	-
PROFIT AFTER TAXATION		24,918,776	(7,394,326)	978,667	(8,447,111)
REVALUATION SURPLUS REALIZED On Incremental Depreciation		4,630,883	4,087,862	4,630,883	4,087,862
UN-APPROPRIATED PROFIT C/F		29,549,659	(3,306,464)	5,609,550	(4,359,249)
EARNING PER SHARE		3.30	(0.98)	0.13	(1.12)

GHULAM ALI RAJA
CHIEF EXECUTIVE

MOHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2008

1 THE COMPANY AND ITS OPERATIONS

Al-Qadir Textile Mills Limited was incorporated on November 6, 1986 as a public limited company in Pakistan under the Companies Ordinance, 1984 and is quoted on Karachi and Lahore Stock Exchanges. The company is engaged in the business of textile spinning. The Board of Directors of the Company, in their meeting held on December 19, 2006 has decided to voluntary de-list the securities of the Company under the Listing regulations of the Karachi Stock Exchange. The matter of de-listing is still in process.

2 STATEMENT OF COMPLIANCE

Basis for the Preparation of Financial Statements

These interim financial statements are unaudited and are being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984. These interim financial statements are presented in condensed form in accordance with the requirements of International Accounting Standard 34: "Interim Financial Reporting". These condensed interim financial statement do not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2008, whereas comparative profit and loss account, statement of changes in equity and cash flow statement are stated from unaudited condensed interim financial statements for the half year ended December 31, 2007

Significant Accounting Policies

Accounting policies, related judgments, estimates and assumptions adopted for the preparation of these condensed interim financial statements are the same as those applied in preparation of the annual financial statements of the Company for the year ended June 30, 2008.

	Un-audited Dec 31, 2008	Audited Jun 30, 2008
	(Rupees)	
3 SHARE CAPITAL		
Authorised		
15,000,000 Ordinary shares of Rupees 10 each	150,000,000	150,000,000
Issued, subscribed & paid up:		
6,691,000 Ordinary Shares of Rs 10 Issued for Cash	66,910,000	66,910,000
869,000 Ordinary Shares of Rs 10 each Issued for consideration other than cash	8,690,000	8,690,000
	75,600,000	75,600,000
4 SHORT TERM BORROWINGS		
This represents Cash Finance obtained from Bank Al-Falah Limited to the extent of Rs. 350.00 million (2007: 300.00 million). The facility expires on February 28, 2009 and is renewable every year. It carries interest rate calculated at 3 monthis KIBOR (Ask) + 2%. The facility is secured against pledge of fresh crop of raw cotton bales at 10% margin on KCA rates (ex-gin prices).		
5 CONTINGENCIES & COMMITMENTS		
Bank AL - Falah (Export Refinance)	-	31,547,000
LCs For Import of Assets	-	26,802,000
6 PROPERTY, PLANT ANF EQUIPMENT		
Opening written down value	396,899,565	401,536,309
Additions during the period/year		
Plant and machinery	9,498,562	29,738,874
Office equipment	-	26,500
Furniture and fixtures	-	72,000
	9,498,562	29,837,374
Written down value of the disposals/adjustments	(221,952)	(6,889,083)
Depreciation charge for the perio/year	(13,707,998)	(27,585,035)
	392,468,177	396,899,565
7 CASH AND BANK BALANCES		
Cash in Hand	313,426	40,638
Imprest A/c	4,420	-
Cash at Banks:		
In Current Accounts	2,229,021	2,001,736
In Deposit Accounts	5,733,095	3,982,164
	7,962,116	5,983,900
	8,279,962	6,024,538

AL-QADIR TEXTILE MILLS Ltd.

	Note	Half Year Ended Dec 31, 2008 (Rupees)	Half Ended Dec 31, 2007 (Rupees)	Quarter Ended Dec 31, 2008 (Rupees)	Quarter Ended Dec 31, 2007 (Rupees)
8 COST OF SALES					
Raw Material Consumed	8.1	290,252,924	277,231,906	164,059,387	147,109,863
Salaries, Wages and Benefits		23,954,490	19,620,589	4,399,122	7,744,967
Fuel and Power		46,262,219	47,044,928	23,219,184	21,875,071
Insurance		709,500	606,558	606,558	606,558
Packing Material		6,247,608	6,735,103	3,669,927	2,948,708
Repairs and Maintenance		4,555,068	7,872,616	4,918,332	4,379,280
Stores and Spares Consumed		734,574	650,210	291,218	292,141
Miscellaneous		1,286,215	195,605	(456,772)	68,364
Cotton Cess		-	278,680	278,680	145,980
Depreciation		13,147,263	13,023,353	278,680	6,339,700
		<u>387,149,861</u>	<u>373,259,548</u>	<u>201,264,316</u>	<u>191,510,632</u>
Work-in-Process					
Opening		6,978,386	4,094,114	5,094,178	3,573,022
Closing		(5,011,655)	(5,136,537)	(5,011,655)	(5,136,537)
		<u>1,966,731</u>	<u>(1,042,423)</u>	<u>82,523</u>	<u>(1,563,515)</u>
Cost of Goods Manufactured		389,116,592	372,217,125	201,346,839	189,947,117
Finished goods					
Opening		5,784,713	12,232,071	8,983,606	7,089,943
Closing		(6,276,893)	(19,203,853)	(6,276,893)	(19,189,649)
		<u>(492,180)</u>	<u>(6,971,782)</u>	<u>2,706,713</u>	<u>(12,099,706)</u>
Cost of Goods Sold		388,624,412	365,245,343	204,053,552	177,847,411
8 Raw Material Consumed					
Opening Stock		169,707,865	87,071,858	48,200,791	15,764,329
Purchases		335,776,906	409,708,413	293,224,593	350,893,899
		<u>505,484,771</u>	<u>496,780,271</u>	<u>341,425,384</u>	<u>366,658,228</u>
Closing Stock		(215,311,347)	(219,548,365)	(215,311,347)	(219,584,365)
		<u>290,173,424</u>	<u>277,231,906</u>	<u>126,114,037</u>	<u>147,073,863</u>

GHULAM ALI RAJA
CHIEF EXECUTIVE

MOHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

		Un-audited Dec 31, 2008 (Rupees)	Audited Jun 30, 2008 (Rupees)
9	CASH & CASH EQUIVALENTS		
		8,279,962	6,024,538
	Cash and Bank Balances	7	
	Short term Borrowings	4	(162,000,000)
		<u>(206,070,038)</u>	<u>(155,975,462)</u>

10 GENERAL

10.1 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

10.2 These condensed interim financial statements have been authorized for issue by the Board of Directors of the Company on February 28, 2009.

GHULAM ALI RAJA
CHIEF EXECUTIVE

MOHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2008

Note	Dec 31, 2008 (Rupees)	Dec 31, 2007 (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	31,766,894	(4,376,788)
Adjustment for		
Depreciation	13,707,998	13,602,882
Workers' Profit participation Fund	1,671,942	-
Provision for Gratuity	79,500	-
Financial Expenses	10,094,934	10,520,780
Gain on Sale of Property, Plant and Equipment	(128,048)	-
Cash Flows from Operating Activities - before Working Capital Changes	57,193,220	19,746,874
(Increase)/Decrease in Current Assets		
Stores & Spares	442,906	379,001
Stock in Trade	(44,128,930)	(145,956,805)
Trade Debts	(9,134,278)	1,404,009
Loans and advances	(312,300)	(550,350)
Trade Deposits and Short term Prepayments	(228,281)	(1,975,597)
Increase/(Decrease) in Current Liabilities		
Trade and other payables	(31,142,689)	(24,116,306)
	(84,503,572)	(170,816,048)
NET CASH USED IN OPERATIONS	(27,310,352)	(151,069,174)
Financial Charges Paid	(11,747,270)	(10,520,780)
Income Tax Paid	(956,392)	-
Gratuity Paid	-	(474,429)
NET CASH FLOWS FROM OPERATING ACTIVITIES	(40,014,014)	(162,064,383)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(9,498,562)	(449,500)
Proceeds from Sale of Property, Plant and Equipment	350,000	-
Capital work in progress	(932,000)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	(10,080,562)	(449,500)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long Term Loans - Disbursement	-	161,838,542
NET CASH FLOWS FROM FINANCING ACTIVITIES	-	161,838,542
NET DECREASE IN CASH AND CASH EQUIVALENTS	(50,094,576)	(675,341)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	(155,975,462)	(7,598,504)
CASH & CASH EQUIVALENTS AT THE END OF PERIOD 9	(206,070,038)	(8,273,845)

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

GHULAM ALI RAJA
CHIEF EXECUTIVE

MOHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2008

	Share Capital	Deposit for Shares	Unappropriate d Profit(Loss)	Total
		(Rupees)	(Rupees)	(Rupees)
Balance as at June 30, 2007	75,600,000	24,450,000	122,780,265	222,830,265
Net Profit for the Year after Taxation	-	-	(23,574,088)	(23,574,088)
Share Deposit Money Return	-	(7,027,250)	-	(7,027,250)
Surplus Realized on Depreciation of Revalued Assets	-	-	7,826,008	7,826,008
Surplus Realized on Assets Sold	-	-	2,908,367	2,908,367
Balance as at June 30, 2008	75,600,000	17,422,750	109,940,552	202,963,302
Net Profit for the half year ended December 31, 2008	-	-	24,918,776	24,918,776
Surplus Realized on Depreciation of Revalued Assets	-	-	4,630,883	4,630,883
Balance as at June 30, 2008	75,600,000	17,422,750	139,490,211	232,512,961

GHULAM ALI RAJA
CHIEF EXECUTIVE

MUHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

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**AL-QADIR TEXTILE MILLS LIMITED
CHAKWAL**

Registrars: YOUR SECRETARY

M/S. YOUR SECRETARY

**1020, Uni Plaza, 1.1 Chundrigar Roal
Karachi.**

Tel: 2428842