

AL-QADIR TEXTILE MILLS Ltd.

**HALF YEARLY ACCOUNTS
FOR THE PERIOD ENDED
DECEMBER 31, 2009
(Un-Audited)**



AL-QADIR

TEXTILE

MILLS

LIMITED

AL-QADIR TEXTILE MILLS Ltd.

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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, 2009.

During the period under review the yarn prices were all time high due to increased raw material prices. Prices of cotton lint touched 5000/mund and polyester staple fibers prices were also instable due to crude oil fluctuations and monetary exchange rates. Management has successfully utilized the available stocks and resources despite numerous problems.

Due to extra ordinary rise in raw material prices and other production cost i.e. electricity, labor, Currency exchange rates and shortage of power supply the company has earned a gross profit of rupees 8.116 million as compared to gross profit of rupees 51.456 million in the corresponding period of last year. The management of your company is still making its best 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

February 26, 2010
Chakwal

GHULAM ALI RAJA
CHIEF EXECUTIVE

AL-QADIR TEXTILE MILLS Ltd.

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

Introduction

We have reviewed the accompanying condensed interim balance sheet of **Al-Qadir Textile Mills Limited** ("the Company") as at 31 December 2009 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (herein after referred to as "condensed interim financial information"), for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended 31 December 2009 and 31 December 2008 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2009.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed 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 condensed financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting

Date: February 25, 2010
Place: **Islamabad**

Nasir Javaid Maqsood Imran
Chartered Accountants

IMRAN UL HAQ, FCA

AL-QADIR TEXTILE MILLS Ltd.

AL-QADIR TEXTILE CONDENSED INTERIM AS AT DECEMBER

	Un-audited Dec 31, 2009	Audited Jun 30, 2009
Notes	Rupees	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
15,000,000 Ordinary shares of rupees 10 each	<u>150,000,000</u>	<u>150,000,000</u>
Issued, subscribed and paid up share capital	75,600,000	75,600,000
Deposits for Shares	5 14,522,750	15,922,750
Accumulated Profit	<u>101,176,637</u>	<u>122,787,292</u>
	191,299,387	214,310,042
Surplus on revaluation of fixed assets	82,038,284	93,032,049
NON-CURRENT LIABILITIES		
Employee benefits	2,988,004	3,298,704
Deferred tax liability	88,836,311	69,609,806
	91,824,315	72,908,510
CURRENT LIABILITIES		
Trade and other payables	56,957,381	33,029,787
Accrued markup on short term borrowings	6,162,547	7,373,750
Short Term Borrowings	299,950,000	151,421,781
Provision for taxation	8,922,152	6,532,421
	371,992,080	198,357,739
CONTINGENCIES AND COMMITMENTS	6 -	-
	<u>737,154,066</u>	<u>578,608,340</u>

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.

MILLS LIMITED

BALANCE SHEET

31, 2009

	Notes	Un-audited Dec 31, 2009	Audited Jun 30, 2009
Rupees			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	367,512,838	380,296,757
Long term deposits		444,599	444,599
		367,957,437	380,741,356
CURRENT ASSETS			
Stores and Spares		8,053,280	7,712,113
Stock in Trade		315,609,876	163,248,191
Trade Debts		17,297,123	3,334,305
Advances		6,595,353	4,985,621
Security deposits and short term prepayments		799,683	339,650
Taxation recoverable		3,964,794	3,845,366
Other receivables		7,004,815	7,151,574
Cash and bank balances		9,871,704	7,250,164
		369,196,629	197,866,984
		737,154,066	578,608,340

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, 2009

	Half year ended		Quarter ended	
	Dec 31, 2009	Dec 31, 2008	Dec 31, 2009	Dec 31, 2008
	Rupees			
SALES	477,946,102	440,080,318	258,008,766	190,758,150
COST OF SALES	469,829,672	388,624,412	262,005,186	173,802,576
GROSS/ (LOSS) PROFIT	8,116,430	51,455,906	(3,996,420)	16,955,574
SELLING AND DISTRIBUTION EXPENSES	2,392,794	3,150,239	2,352,319	2,070,569
ADMINISTRATIVE EXPENSES	4,804,281	4,993,009	2,329,896	2,502,314
OTHER OPERATING EXPENSES	-	1,671,942	-	346,325
	7,197,075	9,815,190	4,682,215	4,919,208
PROFIT/ (LOSS) FROM OPERATIONS	919,354	41,640,716	(8,678,636)	12,036,366
OTHER OPERATING INCOME	60,784	221,112	42,243	192,747
	980,138	41,861,828	(8,636,393)	12,229,113
FINANCIAL CHARGES	(10,310,156)	(10,094,934)	(6,482,406)	(5,648,939)
PROFIT/ (LOSS) BEFORE TAXATION	(9,330,018)	31,766,894	(15,118,799)	6,580,174
TAXATION				
-CURRENT	(2,389,731)	(6,848,118)	-	(5,601,507)
-PRIOR	(1,658,166)			
-DEFERRED	(11,392,475)			
PROFIT/ (LOSS) AFTER TAXATION	(24,770,389)	24,918,776	(15,118,799)	978,667
EARNINGS/ (LOSS) PER SHARE - BASIC AND DILUTED	(3.28)	3.30	(2.00)	0.13

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 COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2009

	Half year ended		Quarter ended	
	Dec 31, 2009	Dec 31, 2008	Dec 31, 2009	Dec 31, 2008
	Rupees			
Loss/ (profit) after tax	(24,770,389)	24,918,776	(15,118,799)	978,667
Other comprehensive income	-	-	-	-
Total comprehensive (loss)/ income for the period	<u>(24,770,389)</u>	<u>24,918,776</u>	<u>(15,118,799)</u>	<u>978,667</u>

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 CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2009

	Dec 31, 2009	Dec 31, 2008
	<u>Rupees</u>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before taxation	(9,330,018)	31,766,894
Adjustment for		
Depreciation	12,783,919	13,707,998
Workers' Profit participation Fund	-	1,671,942
Provision for Gratuity	405,100	79,500
Financial Expenses	10,310,156	10,094,934
Loss/ (gain) on sale of fixed assets	-	(128,048)
	<u>14,169,157</u>	<u>57,193,220</u>
Cash Flows before Working Capital Changes		
(Increase)/Decrease in Current Assets		
Stores & Spares	(341,167)	442,906
Stock in Trade	(152,361,685)	(44,128,930)
Trade Debts	(13,962,818)	(9,134,278)
Advances	(1,609,732)	(312,300)
Deposits and prepayments	(313,274)	(228,281)
Increase/(Decrease) in Current Liabilities		
Trade and other payables	23,927,594	(31,142,689)
	<u>(144,661,082)</u>	<u>(84,503,572)</u>
CASH FLOWS FROM OPERATING ACTIVITIES	(130,491,925)	(27,310,352)
Financial Charges	(11,521,359)	(11,747,270)
Income Tax Paid	(1,777,595)	(956,392)
Gratuity Paid	(715,800)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	(144,506,679)	(40,014,014)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed Capital Expenditure	-	(9,498,562)
Proceeds from Sale of Fixed Assets	-	350,000
Capital Work in Progress	-	(932,000)
NET CASH FLOWS FROM INVESTING ACTIVITIES	-	(10,080,562)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of deposit for shares	(1,400,000)	-
Short term borrowings-net	148,528,219	-
CASH FLOWS FROM FINANCING ACTIVITIES	147,128,219	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	2,621,540	(50,094,576)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	7,250,164	58,374,538
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	9,871,704	8,279,962

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

AL-QADIR TEXTILE MILLS Ltd.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2009

	Share Capital	Deposit for Shares	Accumulated Profit (Loss)	Total
Rupees.....			
Balance as at 01 July 2008	75,600,000	17,422,750	109,940,552	202,963,302
Net profit for the half year ended 31 December 2008	-	-	24,918,776	24,918,776
Surplus realized on incremental depreciation	-	-	4,630,883	4,630,883
Balance as at 31 December 2008	<u>75,600,000</u>	<u>17,422,750</u>	<u>139,490,211</u>	<u>232,512,961</u>
Balance as at 01 July 2009	75,600,000	15,922,750	122,787,292	214,310,042
Net loss for the half year ended 31 December 2009	-	-	(24,770,389)	(24,770,389)
Refund of share deposit money	-	(1,400,000)	-	(1,400,000)
Surplus realized on incremental depreciation	-	-	3,159,735	3,159,735
Balance as at 31 December 2009	<u>75,600,000</u>	<u>14,522,750</u>	<u>101,176,637</u>	<u>191,299,387</u>

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

CHIEF EXECUTIVE

DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2009

1.0 THE COMPANY AND ITS OPERATIONS

Al - Qadir Textile Mills Limited is a public company incorporated in Pakistan under the Companies Ordinance, 1984 and is quoted on Karachi and Lahore stock exchanges of Pakistan. Its registered office is situated at Raja house, near Makki Masjid, Chakwal, Pakistan. The company is engaged in the business of textile spinning.

2.0 Basis of preparation

2.1 Statement of compliance

These condensed interim financial statements are unaudited but subject to the limited scope review by auditors.

These condensed interim financial statements have been prepared in accordance with approved accounting standard as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board.

The disclosures made in these condensed interim financial statements have, however, been limited in accordance with the requirements of the International Financial Reporting Standards (IFRS) IAS-34, Interim Financial Reporting. This condensed financial information is submitted to the shareholders in accordance with requirements of the section 245 of the Companies Ordinance, 1984. They do not include all the information and disclosure made in the annual published financial statements and should be read in conjunction with the financial statements of the company for the year ended June 30, 2009.

2.2 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Institute.

3.0 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2009.

3.1 Standards and interpretations effective in the current period

The following new and revised standards are effective and mandatory for financial statements for the periods beginning on or after 01 January 2009 and therefore, have been applied in preparing this condensed interim financial information.

3.2

Revised IAS 1 - Presentation of financial statements (2007) introduced the term total comprehensive income which represents changes in equity during the period other than those changes resulting from transactions with owners in their capacity as owners. As required by the revised standard, the company has presented condensed interim income statement and a separate condensed interim statement of comprehensive income.

3.3

Revised IAS 23 - Borrowing costs removed the option to expense borrowing costs and requires that an entity capitalize borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of cost of the asset. Since the company already followed the policy of capitalization of borrowing costs on qualifying assets, the revised standard has no effect on financial performance of the company.

4.0 ESTIMATES

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2009.

5.0 DEPOSITS FOR SHARES

This represents an amount of rupees 24.45 million received from Chief Executive Officer Mr. Ghulam Ali Raja in 1993. Portion of this amount has been refunded in current period and previous year.

AL-QADIR TEXTILE MILLS Ltd.

6.0 CONTINGENCIES AND COMMITMENTS

There is no contingency and commitment as on 31 December 2009 (30 June 2009: 18.98 million rupees)

	Un-audited	Audited
	Dec 31, 2009	Jun 30, 2009
Rupees		
7.0 PROPERTY, PLANT AND EQUIPMENT.		
WDV at the start of the period/ year	380,296,757	396,899,565
Add: Addition during the year	-	12,602,235
Less: Disposed off during the period/ year	-	(4,510,000)
Less: Depreciation for the period/ year	(12,783,919)	(24,695,043)
WDV at the end of the period/ year	<u>367,512,838</u>	<u>380,296,757</u>

7.1 Details of additions/ deletions

	Un-audited		Audited	
	December 31, 2009		June 30, 2009	
	Additions	Deletions	Additions	Deletions
Rupees				
Building on freehold land	-	-	2,055,673	-
Plant and machinery	-	-	10,536,562	4,000,000
Office equipment	-	-	10,000	-
Vehicles	-	-	-	510,000
	-	-	12,602,235	4,510,000

8.0 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

	Un-audited		Audited	
	DECEMBER 31, 2009		JUNE 30, 2009	
	Chief Executive	Director	Chief Executive	Director
.....Rupees.....				
Remuneration	-	721,800	-	1,175,500
Utilities and other benefits	-	197,225	-	302,506
	-	919,025	-	1,478,006
Number	1	2	1	2

9.0 FINANCIAL RISK MANAGEMENT

The companies financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended June 30, 2009.

10.0 AUTHORIZATION

These condensed interim financial statements has been authorized for issue by the Board of Directors of the company on February 26, 2010.

11.0 GENERAL

No significant reclassification or rearrangements of corresponding figures have been made.

Figures have been rounded off to the nearest rupee unless stated otherwise.

GHULAM ALI RAJA
CHIEF EXECUTIVE

MOHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

Book Post

If undelivered please return to:

AL-QADIR TEXTILE MILLS LIMITED

CHAKWAL

Registrars: YOUR SECRETARY

M/S. YOUR SECRETARY

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Karachi.

Tel: 2428842