

AL-QADIR TEXTILE MILLS Ltd.

**HALF YEARLY ACCOUNTS
FOR THE PERIOD ENDED
DECEMBER 31, 2011
(Un-Audited)**



AL-QADIR

TEXTILE

MILLS

LIMITED

CONTENTS

Company Information	2
Director's Report	3
Auditors Review Report	4
Balance Sheet	5
Profit & Loss Account	7
Statement of Comprehensive Income	8
Cash Flow Statement	9
Statement of Changes in Equity	10
Notes to the Accounts	11

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. ADIL 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 (Pvt) Ltd.
1020. 10TH FLOOR, UNI PLAZA,
I.I. CHUNDRIGAR ROAD
KARACHI.

AL-QADIR TEXTILE MILLS Ltd.

DIRECTORS REPORT TO THE MEMBERS 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 reviewed financial statements of the company for the half year ended December 31, 2011.

During the year under review the yarn prices were on the decline as compared to previous years. Cotton lint prices that touched 16000/mund last year was eased down to Rs. 5500/mund. Prices of polyester staple fibers were not stable due to price fluctuations of its raw-material and monetary exchange rates. During the second quarter the management has successfully utilized its resources and has earned gross profit of Rs. 31.505 million.

During the period, due to available opening stocks and sudden decline in raw-material and yarn prices in local as well as in international markets, the profitability of the company was badly affected. During the period under review gross profit of the company remains Rs. 8.686 million as compared to gross profit of rupees 23.917 million during the last year. The management of your company is making its best to improve as is evident in the second quarter's results.

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

CHIEF EXECUTIVE
On behalf of Board

FEBRUARY 28, 2011
CHAKWAL

GHULAM ALI RAJA
CHIEF EXECUTIVE

AL-QADIR TEXTILE MILLS Ltd.

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 as at December 31, 2011 and the related condensed interim profit & 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 the "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 the approved accounting standards as applicable in Pakistan relating to the 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 December 31, 2011 and December 31, 2010 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 December 31, 2011.

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 condensed interim financial information consist of making inquires 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 condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan relating to interim financial reporting.

Date: February 28, 2011
Place: Islamabad

Nasir Javaid Maqsood Imran Ashfaq
Chartered Accountants
Imran Ul Haq, FCA

IMRAN UL HAQ, FCA

AL-QADIR TEXTILE MILLS Ltd.

CONDENSED INTERIM AS AT DECEMBER

	Un-audited Dec 31, '2011	Audited June 30, 2011
Note	Rupees	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
15,000,000 Ordinary shares of rupees 10 each	150,000,000	150,000,000
Issued, subscribed and paid up share capital	75,600,000	75,600,000
Deposits for Shares	15,922,750	15,922,750
Accumulated Profit	157,401,896	172,175,458
	248,924,646	263,698,208
Surplus on revaluation of fixed assets	159,621,974	198,188,568
NON-CURRENT LIABILITIES		
Employee benefits	7,412,306	5,979,506
Deferred tax liability	116,135,259	82,284,952
	123,547,565	88,264,458
CURRENT LIABILITIES		
Trade and other payables	156,120,131	106,663,319
Accrued Mark-up on Short term Borrowings	8,303,402	2,262,735
Short Term Borrowings	397,978,033	421,781
Provision for Taxation	10,074,456	21,297,258
	572,476,023	130,645,093
CONTINGENCIES AND COMMITMENTS	5	-
TOTAL EQUITY AND LIABILITIES	1,104,570,208	680,796,327

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

GHULAM ALI RAJA
CHIEF EXECUTIVE

AL-QADIR TEXTILE MILLS Ltd.

BALANCE SHEET

31, 2011

	Note	Un-audited Dec 31, '2011	Audited June 30, 2011
<u>Rupees</u>			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	475,216,482	490,708,018
Long term deposits		444,599	444,599
		475,661,081	491,152,617
CURRENT ASSETS			
Stores and Spares		12,798,051	11,234,511
Stock in Trade		533,603,068	70,240,779
Trade Debts		35,965,209	17,024,397
Advances		7,960,660	8,220,761
Security deposits and short term prepayments		544,977	544,977
Taxation recoverable		309,906	11,287,151
Other receivables		14,692,610	13,569,299
Cash and bank balances		23,034,645	57,521,834
		628,909,126	189,643,709
TOTAL ASSETS		<u>1,104,570,208</u>	<u>680,796,327</u>

MOHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2011

	Half year ended		Quarter ended		
	Dec 31, '2011	Dec 31, '2010	Dec 31, '2011	Dec 31, '2010	
Note	Rupees				
SALES	526,797,353	746,867,092	321,733,855	510,827,982	
COST OF SALES	518,111,816	722,949,834	290,228,076	489,704,644	
GROSS PROFIT	8,685,537	23,917,258	31,505,779	21,123,338	
ADMINISTRATIVE EXPENSES	6,921,515	5,874,263	3,899,382	3,698,887	
SELLING AND DISTRIBUTION EXPENSES	1,936,904	13,878,965	1,864,364	12,920,253	
	8,858,419	19,753,228	5,763,746	16,619,140	
PROFIT / (LOSS) FROM OPERATIONS	(172,882)	4,164,030	25,742,033	4,504,198	
FINANCIAL CHARGES	10,781,735	10,359,506	8,901,239	8,993,815	
PROFIT / (LOSS) BEFORE TAXATION	(10,954,617)	(6,195,476)	16,840,794	(4,489,617)	
PROVISION FOR TAXATION	14,732,904	(307,170)	3,027,355	873,026	
UN-APPROPRIATED (LOSS)/PROFIT CARRIED FORWARD	(25,687,521)	(6,502,646)	19,868,149	(3,616,591)	
EARNINGS PER SHARE (RUPEES)	7	(3.40)	(0.86)	2.63	(0.48)

The annexed notes form an integral part of these accounts

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, 2011

	Half year ended		Quarter ended	
	31-Dec-11	31-Dec-10	31-Dec-11	31-Dec-10
Rupees.....			
Profit/(Loss) after tax	(25,687,521)	(6,502,646)	19,868,149	(3,616,591)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	<u>(25,687,521)</u>	<u>(6,502,646)</u>	<u>19,868,149</u>	<u>(3,616,591)</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, 2011

	December 31, 2011 Rupees	December 31, 2010 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before taxation	(10,954,617)	(6,195,476)
Adjustment for		
Depreciation	15,534,534	17,071,087
Provision for Gratuity	2,345,000	1,942,400
Financial Expenses	10,781,735	10,359,506
Cash Flows from Operating Activities before Working Capital Changes	<u>17,706,652</u>	<u>23,177,517</u>
(Increase)/Decrease in Current Assets		
Stores & Spares	(1,563,540)	2,535,179
Stock in Trade	(463,362,289)	(333,675,027)
Trade Debts	(18,940,812)	4,569,928
Advances	260,101	5,257,519
Deposits, prepayments and others	(1,123,311)	(1,016,217)
Increase/(Decrease) in Current Liabilities		
Trade and other payables	49,456,813	591,584
	<u>(435,273,037)</u>	<u>(321,737,034)</u>
CASH FLOWS FROM OPERATING ACTIVITIES	(417,566,385)	(298,559,517)
Financial Charges	(4,741,067)	(6,807,260)
Income Tax Paid	(8,780,789)	(21,806,040)
Gratuity Paid	(912,200)	(428,900)
Net cash generated used in operating activities	<u>(432,000,441)</u>	<u>(327,601,717)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed Capital Expenditure	(43,000)	(8,028,200)
Net cash from investing activities	<u>(43,000)</u>	<u>(8,028,200)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings-net	397,556,252	303,361,856
Net cash from financing activities	<u>397,556,252</u>	<u>303,361,856</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(34,487,189)	(32,268,060)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	57,521,834	51,718,390
CASH & CASH EQUIVALENTS AT THE END OF PERIOD	<u>23,034,645</u>	<u>19,450,330</u>

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

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, 2011

	<u>Share Capital</u>	<u>Deposit for Shares</u>	<u>Accumulated Profit / (Loss)</u>	<u>Total Equity</u>
Rupees.....			
Balance as at 30 June 2010 - (Audited)	75,600,000	15,922,750	156,593,305	248,116,055
Net loss for the half year ended 31 December 2010	-	-	(6,502,646)	(6,502,646)
Surplus realized on incremental depreciation-net of deferred tax	-	-	5,750,442	5,750,442
Balance as at 31 December 2010 - (Un-Audited)	<u>75,600,000</u>	<u>15,922,750</u>	<u>155,841,101</u>	<u>247,363,851</u>
Balance as at 30 June 2011 - (Audited)	75,600,000	15,922,750	172,175,458	263,698,208
Net loss for the half year ended 31 December 2011	-	-	(25,687,521)	(25,687,521)
Surplus realized on incremental depreciation-net of deferred tax	-	-	10,913,958	10,913,958
Balance as at 31 December 2011 - (Un-Audited)	<u>75,600,000</u>	<u>15,922,750</u>	<u>157,401,896</u>	<u>248,924,646</u>

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

GHULAM ALI RAJA
CHIEF EXECUTIVE

MOHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2011

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

The unconsolidated condensed interim financial information of the company for the six months period ended 31 December 2011 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of the directives issued under the Companies Ordinance, 1984 have been followed. The unconsolidated condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and is being submitted to the shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This unconsolidated Interim financial information should be read in conjunction with the annual financial statements of the company for the year ended 30 June 2011.

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, 2011.

4.0 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this unconsolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the company for the Year ended 30 June 2011.

5.0 CONTINGENCIES AND COMMITMENTS

FAPC/FDBC as on 31 December 2011 28.3984million(30 June 2011: FAFB/FDBC 217.891 million rupees)

6.0 PROPERTY, PLANT AND EQUIPMENT

	Un-audited Dec 31, '2011	Audited Jun 30, '2011
	Rupees	
WDV at the start of the period/ year	490,708,018	497,172,709
Add: Addition during the year	43,000	27,258,499
Less: Disposed off during the period/ year	-	(1,056,000)
Add: Revaluation adjustment	-	-
Less: Depreciation for the period/ year	(15,534,535)	(32,667,190)
WDV at the end of the period/ year	<u>475,216,482</u>	<u>490,708,018</u>

GHULAM ALI RAJA
CHIEF EXECUTIVE

MOHAMMAD BASHIR RAJA
DIRECTOR

AL-QADIR TEXTILE MILLS Ltd.

6.1 Details of additions/ deletions

	Un-audited December 31, '2011		Audited June 30, '2011	
	Additions	Deletions	Additions	Deletions
	Rupees			
Freehold land	-	-	-	-
Building on freehold land	-	-	-	-
Plant and machinery	-	-	19,230,299	-
Office equipment	-	-	-	-
Furniture and fixture	-	-	28,200	-
Telephone installations	-	-	-	-
Vehicles	43,000	-	8,000,000	(1,056,000)
	<u>43,000</u>	<u>-</u>	<u>27,258,499</u>	<u>(1,056,000)</u>

7.0 EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earning per share.

8.0 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

	Un-audited December 31, '2011		Audited June 30, 2011	
	Chief Executive	Director	Chief Executive	Director
Rupees.....			
Remuneration	-	1,470,000	-	2,280,249
Utilities and other benefits	-	173,679	-	388,612
	<u>-</u>	<u>1,643,679</u>	<u>-</u>	<u>2,668,861</u>
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, 2011.

10.0 AUTHORIZATION

These condensed interim financial statements has been authorized for issue by the Board of Directors of the company on February 28, 2012.

11.0 GENERAL

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

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 (Pvt) Ltd.

M/S. YOUR SECRETARY (Pvt) Ltd.

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

Tel: 2428842