

J. A. TEXTILE MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2008

- 1 J.A Textile Mills Limited is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and listed on Karachi and Lahore Stock Exchanges. The principal business of the Company is manufacturing and sale of yarn. The registered office of the company is situated 16-C, Peoples Colony, Faisalabad.
- 2 The company has accumulated losses of Rs. 259.26 million as at December 31, 2008 as against issued, subscribed and paid up capital of Rs. 126.012 million. In view of future expected improvements in financial results and continuing financial support from directors and associates, the directors has no intention to wind up the company, therefore these financial statements have been prepared on going concern basis.
- 3 The condensed interim financial information has been prepared under the " historical cost convention " except that certain fixed assets and retirement benefits have been stated at revalued amounts and present values respectively. These condensed interim financial statements have been prepared in compliance with the International Accounting Standard IAS-34, "Interim Financial Reporting" and section 245 of the Companies Ordinance, 1984.
- 4 The accounting policies and methods of computation followed in preparation of condensed interim financial information are the same as applied in the preparation of the published annual financial statements for the year ended June 30, 2008.
- 5 This financial information is un-audited. However, its limited scope review has been performed by the external auditors of the Company in accordance with the requirements of clause (xxi) of the Code of Corporate Governance and they have issued their review report thereon.
- 6 There is no unusual item included in the financial information which is affecting assets, liabilities, equity, loss or cash flows of the Company.

December 31, June 30,
2008 2008
[R U P E E S]

7 SURPLUS ON REVALUATION OF FIXED ASSETS

Opening balance	232,426,867	260,395,088
Revaluation surplus created during the period/year	-	-
Incremental depreciation on revalued fixed assets		
transferred to accumulated loss	10,966,297	16,083,499
Surplus realized on disposal of fixed assets	-	3,224,376
	10,966,297	19,307,875
	221,460,570	241,087,213
Related effect of deferred tax liability	3,838,204	8,660,346
	225,298,774	232,426,867

8 CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in contingent liabilities since the last annual balance sheet date

Commitments

The company has no capital or other commitments at the terminal date (June 2008: Nil)

December 31,
2 0 0 8
[R U P E E S]

June 30,
2 0 0 8
[R U P E E S]

9 PROPERTY, PLANT AND EQUIPMENT

Addition to these assets during the period are as under :

Building	-	1,040,676
Plant and machinery	-	3,514,342
Electric appliances	-	23,000
Office equipments	226,850	99,875
Electric installations	-	1,040,000
Vehicles	-	645,770
	226,850	6,363,663

Half year	Half year	Quarter	Quarter
Jul 08 to Dec 08	Jul 07 to Dec 07	Oct 08 to Dec 08	Oct 07 to Dec 07
[R U P E E S]	[R U P E E S]	[R U P E E S]	[R U P E E S]

10 COST OF SALES

Cost of goods manufactured (Note 10.1)	295,199,079	286,878,613	112,207,404	152,777,511
Finished goods				
Opening stock	22,470,006	2,735,751	49,173,985	13,720,581
Closing stock	(34,999,206)	(21,776,110)	(34,999,206)	(21,776,110)
	(12,529,200)	(19,040,359)	14,174,779	(8,055,529)
	282,669,879	267,838,254	126,382,183	144,721,982

10.1 COST OF GOODS MANUFACTURED

Raw material consumed	215,064,653	210,208,733	74,932,309	108,090,190
Stores and spares	3,341,300	3,095,499	1,422,418	2,185,033
Packing material	3,632,975	3,908,689	1,518,200	1,782,457
Salaries and wages	18,965,550	19,042,133	8,684,508	10,631,433
Retirement benefits	663,572	908,371	333,943	594,414
Fuel and power	35,252,999	30,673,604	16,563,019	15,225,835
Repairs and maintenance	270,792	167,463	99,535	43,938
Postage and telecommunication	49,793	39,634	29,620	24,710
Vehicles running and maintenance	230,038	149,699	142,154	83,822
Insurance	793,426	671,004	457,924	335,502
Depreciation	16,178,713	18,151,599	7,460,518	13,601,599
Others	817,827	399,149	247,930	245,692
	295,261,638	287,415,577	111,892,078	152,844,625
Work in process				
Opening stock	3,467,699	2,174,037	3,845,584	2,643,887
Closing stock	(3,530,258)	(2,711,001)	(3,530,258)	(2,711,001)
	(62,559)	(536,964)	315,326	(67,114)
	295,199,079	286,878,613	112,207,404	152,777,511

Half year	Half year
Jul 08 to Dec 08	Jul 07 to Dec 07

11 PLANT CAPACITY AND ACTUAL PRODUCTION

Installed capacity after conversion into 20/s count (kgs)	<u>3,399,884</u>	<u>3,232,067</u>
Actual production in yarn after conversion into 20/s count (kgs)	<u>2,890,711</u>	<u>3,233,704</u>

Installed annual capacity is 6,616,827 kgs based on 20/s count.

12 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on February 23, 2009 by the Board of Directors of the company.

13 FIGURES

- in the financial information has been rounded off to the nearest rupee.
- all figures except for June 30, 2008 figures appearing in this financial information are un-audited. There has been no material rearrangement or regrouping of figures of the corresponding period given in the financial information for the purpose of comparison.

CHIEF EXECUTIVE

DIRECTOR