



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2010**

- 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 manufacture and sale of yarn. The registered office of the company is situated at 16-C People Colony, Faisalabad.
- 2 The Company has accumulated losses of Rs. 233.321 million as at March 31, 2010 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, these accounts have been prepared on a going concern basis.
- 3 These financial statements have been prepared under "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 the preparation of condensed interim financial statements are the same as applied in the preparation of the annual published financial statements for the year ended June 30, 2009.
- 5 There is no unusual item included in these financial statements which is affecting assets, liabilities, equity, loss or cash flows of the Company.

Nine Months Ended March 31, 2010 (Un-Audited) Rupees	Year Ended June 30, 2009 (Audited) Rupees
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6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

Balance as on July 01,	228,413,621	232,426,867
Incremental depreciation on revalued fixed assets for the period transferred to accumulated loss net of deferred tax	14,149,489	9,520,756
Related effect of deferred tax liability	(4,558,408)	(5,507,510)
	9,591,081	4,013,246
Balance as on March 31,	218,822,540	228,413,621

First revaluation of property, plant and equipment was carried out on September 30, 1998 by an independent valuer on the basis of depreciated replacement values.

Second revaluation of property, plant and equipment was carried out on June 30, 2007 by an independent valuer, M/S Nizamy Associates, on the basis of depreciated replacement values.

7 DEFERRED LIABILITIES

Custom levies	5,591,401	5,591,401
Taxation	40,910,735	32,848,267
Staff retirement benefits	2,173,224	2,877,518
	48,675,360	41,317,186

8 CONTINGENCIES AND COMMITMENTS

Contingencies

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

9 PROPERTY, PLANT AND EQUIPMENT

Operating assets	286,935,356	305,405,408
Capital work-in-progress	2,369,808	-
	289,305,164	305,405,408



	For The Quarter Ended		For The Nine Months Ended	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)
	Rupees	Rupees	Rupees	Rupees
10 COST OF SALES				
Cost of goods manufactured (10.1)	145,804,956	112,356,643	418,574,371	407,555,722
Finished goods				
Opening stock	17,903,686	34,999,206	13,615,700	22,470,006
Closing stock	(23,976,348)	(8,785,684)	(23,976,348)	(8,785,684)
	(6,072,662)	26,213,522	(10,360,648)	13,684,322
	139,732,294	138,570,165	408,213,723	421,240,044
10.1 COST OF GOODS MANUFACTURED				
Raw material consumed (10.1.1)	95,091,357	78,408,973	289,299,495	293,473,626
Stores and spares	2,936,356	2,643,615	5,725,873	5,984,915
Packing material	1,038,046	1,250,366	4,066,171	4,883,341
Salaries and wages	12,959,359	8,831,857	34,355,574	27,797,407
Retirement benefits	428,252	308,715	1,075,327	972,287
Fuel and power	25,110,961	12,368,716	64,802,621	47,621,715
Repairs and maintenance	44,200	71,983	214,378	342,775
Postage and telecommunication	15,850	31,566	46,614	81,359
Vehicle running and maintenance	147,049	88,825	361,450	318,863
Insurance	390,000	335,502	1,170,000	1,128,928
Depreciation	7,291,122	7,969,229	20,893,462	24,147,942
Other	124,195	156,033	488,786	973,860
	145,576,747	112,465,380	422,499,751	407,727,018
Work in process				
Opening stock	4,153,589	3,530,258	-	3,467,699
Closing stock	(3,925,380)	(3,638,995)	(3,925,380)	(3,638,995)
	228,209	(108,737)	(3,925,380)	(171,296)
	145,804,956	112,356,643	418,574,371	407,555,722
10.1.1 RAW MATERIAL CONSUMED				
Opening stock	11,263,117	319,784	-	494,952
Purchases	86,434,061	81,353,903	291,905,316	296,243,388
	97,697,178	81,673,687	291,905,316	296,738,340
Closing stock	(2,605,821)	(3,264,714)	(2,605,821)	(3,264,714)
	95,091,357	78,408,973	289,299,495	293,473,626

11 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 28, 2010 by the Board of Directors of the Company.

12 FIGURES

- have been rounded off to the nearest rupee.
- of prior period have been re-arranged and regrouped wherever necessary for the purpose of comparison.