# Nine Month Accounts March, 2014



Janana De Malucho Textile Mills Limited

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\_\_\_\_\_ JDM TEXTILE MILLS LIMITED

### **COMPANY'S PROFILE**

BOARD OF DIRECTORS	MR. RAZA KULI KHAN KHATTAK, Chairman LT. GEN. (RETD.) ALI KULI KHAN KHATTAK, Chi MR. AHMAD KULI KHAN KHATTAK MR. MUSHTAQ AHMAD KHAN, FCA MRS. ZEB GOHAR AYUB MRS. SHAHNAZ SAJJAD AHMAD DR. SHAHEEN KULI KHAN CH. SHER MUHAMMAD BRIG. (RETD) ABDUL SAMAD KHAN	ef Executive		
AUDIT COMMITTEE	MR. AHMAD KULI KHAN KHATTAK MR. RAZA KULI KHAN KHATTAK MR. MUSHTAQ AHMAD KHAN, FCA CH. SHER MUHAMMAD	Chairman Member Member Member		
HUMAN RESOURCE & REMUNERATION COMMITTEE	MR. RAZA KULI KHAN KHATTAK LT. GEN. (RETD.) ALI KULI KHAN KHATTAK Ch MR. AHMAD KULI KHAN KHATTAK MR. MUSHTAQ AHMAD KHAN, FCA BRIG. (RETD) ABDUL SAMAD KHAN	Chairman ief Executive / Member Member Member Member		
CHIEF FINANCIAL OFFICER & COMPANY SECRETARY	MR. AMIN-UR-RASHEED B. Com. (Hons.) FICS Sr. Gen. Manager Finance & Corporate Affairs			
HEAD OF INTERNAL AUDIT	MR. NADEEM AHMED, ACCA, CIA			
AUDITORS	HAMEED CHAUDHRI & CO., Chartered Accounts	ants		
BANKERS	NATIONAL BANK OF PAKISTAN HABIB BANK LIMITED UNITED BANK LIMITED BANK ALFALAH LIMITED			
LEGAL ADVISOR	HASSAN & HASSAN (ADVOCATES) PAAF BUILDING, 7 D, KASHMIR ROAD, LAHORE	C		
TAX CONSULTANTS	M. NAWAZ KHAN & CO. GROUND FLOOR, FARRAH CENTRE, 2-MOZZAN LAHORE	G ROAD,		
REGISTRARS & SHARES REGISTRATION OFFICE	MANAGEMENT & REGISTRATION SERVICES (PV BUSINESS EXECUTIVE CENTRE, F/17/3, BLOCK 8, CLIFTON, KARACHI TEL. 021-35375127-29, FAX. 021-35820325 EMAIL registrationservices@live.co.uk	/T) LTD.		
REGISTERED OFFICE & MILLS	HABIBABAD, KOHAT (KPK) TEL. 0922 - 862161 - 512930 - 510494 FAX. 0922 - 510474 E-MAIL: janana@brain.net.pk, janana_textile@ho WEB SITE: www.jdm.com.pk	tmail.com		
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#### DIRECTORS REPORT TO THE SHAREHOLDERS

On behalf of the Board of Directors, I feel pleasure in presenting the un-audited financial statements of the Company for the 3<sup>rd</sup> quarter & nine months ended 31<sup>st</sup> March 2014.

### FINANCIAL HIGHLIGHTS

During the current period your Company has posted the following results:

	Third Quarter Jan. – Mar.				ılative - Mar.
	2014	2013	2014	2013	
		Rs. ir	n million		
Sales	601.009	705.676	2,097.008	2,025.584	
Gross profit	82.655	176.107	403.064	361.973	
Profit from operations	62.539	158.807	314.352	300.127	
Profit before taxation	36.134	127.467	283.204	237.434	
Profit after taxation	31.982	155.608	189.089	225.632	
	Rupees				
Earnings per share	6.68	32.52	39.52	47.16	

During the nine months ended 31<sup>st</sup> March 2014 the turnover of the Company has increased by Rs.71.424 million as compared to previous nine months whereas the gross profit of the current period has increased by Rs.61.692 million. Main reason of increase in gross profit was increase in average sale rates during current nine months. However, profitability in 3<sup>rd</sup> quarter has decreased due to drastic decrease of 20% in sale rates in 3<sup>rd</sup> quarter, imposition of GIDC in gas bills, increase in electricity unit cost and increase in salaries and wages cost. Finance cost, however, has decreased due to the total payment of the demand finance loans.

#### **GENERAL MARKET CONDITION**

Cotton and textile business remain essentially retarded since the past several weeks following appreciation or revaluation of the Pakistani rupee against the American Dollar by nearly 11 or 12 percent. Reports indicate that Pakistani rupees 98 or 98.25 can fetch an American Dollar. This unexpected revaluation of the Pakistani rupee against the greenback has resulted in a sizeable setback to cotton and textile exporters who had made forward sales in the export market hoping to obtain rupees 107 or 108 per Dollar against their goods. Furthermore, Indian yarns, both coarse and fine, are finding their way into our market because the domestic downstream or value added textile sector finds it more remunerative to use cheaper imported yarns. India has announced \$10 billion subsidy for its exporters, declaring to provide rebate of up to 7.5 percent to garment exporters in order to counter the free market access of EU countries to Pakistan due to GSP plus status.

The Indian central government as well as several provincial governments have announced many incentives for their textile exporters, including subsidies on input cost, relaxation in

interest rate, rebate on export and cut in power tariff to compete Pakistan. In India, electricity is cheaper and interest rates of banks and cost of doing business are low. There is no load-shedding of gas and electricity. Indian spinners have been dumping their duty-free yarn in Pakistan. They are also getting 5 percent rebate from the Indian government. Whereas, Pakistani and even Chinese spinners have to pay 10 percent duty on yarn export to India. About 25 percent duty is imposed on fabrics Moreover, Pakistani yarn exports to China, a very large market, have dwindled because Indian yarn exports to China have risen to sizeable level. Thus the domestic cotton economy of Pakistan has been thrown into disarray and is in a big difficulty. Thus both raw cotton and cotton yarn businesses have remained slow over the past several weeks and sale of yarn has decreased to an alarming level. Consequently, both the ginners as well as the spinners are making slow purchases for their immediate needs only. No cotton or yarn exports in any appreciable quantities are materializing.

#### **FUTURE OUTLOOK**

During the period under report the yarn sale rates were higher mainly due to excellent quality. However currently there is downward trend in sales rates as compared to the period under report due to availability of cheaper Indian yarn. Further, the gas prices have also increased by Rs.78 per MMBTU and imposition of GIDC @ Rs.100/- per MMBTU which certainly are going to further erode the profitability to the extent of Rs.3.00 million per month. In addition to the above the Government has allowed rampant import of Indian yarn which is being cleared by paying zero% duty whereas we can export the yarn to Indian buyers and it will be cleared by payment of 10% duty in India which clearly shows the attitude of Indian authorities. India has also allowed rebate of 5% on the export of yarn which has further subsidized the rates of their yarn which has made Pakistani yarn further uncompetitive. Pakistan Government has imposed recent anti-dumping duty of 5% on Indian yarn but due to devaluation of Dollar against Pak Ruppe, this move of the Government has been nullified. Regional countries not only support their textile export sectors through various subsidies and incentives but also provide cheaper inputs to enable them to increase market share in global textile markets. Electricity rates in Pakistan are 40% higher than Bangladesh, 33% than Sri Lanka while 20% higher than India. Similarly gas rates in Sri Lanka are 58.5% less while in India 15% less than Pakistan. In case of bank mark-up rates, Bangladesh and Sri Lanka are about 18.5% lower than Pakistan. Appropriate measures should be taken to deal with the emerging challenges. However your management will strive to achieve positive results and strive hard to maintain good profit margins by using every source on its disposal.

#### <u>ACKNOWLEDGMENT</u>

The Board places on record its appreciation for the support of its bankers who have constantly facilitated the Company in financially difficult times. The hard work and diligence of the Company's senior management and the production workers is also commendable which enabled the company to achieve these results. We look forward to same dedication and cooperation from them in the future as well.

For & on behalf of the board of directors,

Raya K likks

Raza Kuli Khan Khattak Chairman

Dated: 29th April, 2014

## JDM TEXTILE MILLS LIMITED

## CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2014

ASSETS Note Repeated			March 31, 2014	June 30, 2013 Audited and
Non-current Assets         6         2,293,673         2,270,452           Property, plant and equipment investments in Associated Companies         7         174,168         157,839           Lcans to employees         4,482         3,184         3,184           Stores, spares and loose tools         2,473,350         2,432,484           Stores, spares and loose tools         87,078         49,452           Stores, intrade         3,092         3,314           Advance payments         3,092         3,314           Advance payments         3,104         3,637           Trade debs: unsecured, considered good         3,104         3,637           Advance payments         3,104         3,637           Due from Associated Companies         28         1,844           Sales tax refundable         1,843         36,581         30,300           Income tax refundable, advance tax         3,46165         24,932         1,420           Cash and bank balances         2,4932         1,510,339         913,681           ToTAL ASETS         2,0000         200,000         200,000           Issued, subscribed and paid-up capital         47,848         389,883         389,983           Unaptoris Revaluation of Property, Plant and Equipment			(22년 21 전 22년 21 전 22 전 22 전 22 전 22 전 22	
Property, plant and equipment         6         2,293,673         2,270,452           Investments in Associated Companies         7         174,166         157,839           Loans to employees         4,482         3,164           Security deposits         1,029         1,029           Current Assets         2,473,360         2,432,484           Stores, spars and loose tools         52,008         9,404           Advance payments         3,992         3,314           Trade deposits and prepayments         51,330         1,614           Due from Associated Companies         2,660         62,387           Other receivables         2,893         3,346,165           Sales tax refundable, advance tax         3,983,689         3,346,165           Equity         76,660         62,387           Task deducted at source         24,833         13,484           Sales tax refundable, advance tax         3,983,689         3,346,165           Equity         76,660         62,387           Task deducted at source         20,000         1,510,339           Issued, subscribed and paid-up capital         8,989,83         389,983           Inverse table         9,269         3,47,59           Surgits on Revaluatio	ASSETS	Note	Rupees in	
Investments in Associated Companies         7         174,166         157,839           Loans to employees         3,164         1,029         1,029           Stores, spares and loose tools         3,082         3,114           Stores, spares and loose tools         500k-in-trade         87,078         683,101           Trade debts - unsecured, considered good         3,982         3,314           Advance sto employees         3,1094         3,882           Advance sto employees         3,094         3,314           Advance sto employees         3,094         3,314           Advance sto employees         3,314         3,1094           Store spares and prepayments         1,039         20,208           Due from Associated Companies         2,663         20,208           Cash and bark balances         26         1,844           Sales tax refundable         1,039         913,681           Income tax refundable         3,983,689         3,346,185           Equity         3,983,689         3,346,185           Equity         200,000         200,000           Issued, subscribed and paid-up capital         47,848         47,848           Reserves         3,983,689         3,346,185           U	Non-current Assets			
Loans to employees         4,482         3,164           Security deposits         2,432,484         3,164           Current Assets         2,473,360         2,432,484           Stores, spares and loose tools         50,007         49,482           Stores, spares and loose tools         3,982         3,314           Advance to employees         3,982         3,314           Advance to employees         3,982         3,314           Advance payments         51,330         1,614           Trade deposits and prepayments         51,330         1,614           Sales tax refundable, advance tax         3,983         1,644           Sales tax refundable, advance tax         3,983,689         3,346,165           Equity         3,983,689         3,346,165           Equity         3,983,689         3,346,165           Equity         200,000         200,000           Authorised capital         200,000         200,000           Issued, subscribed and paid-up capital         3,983,689         3,346,165           Surguis on Revaluation of Property, Plant and Equipment         1,039,226         44,780           Non-current Liabilities         9,228         44,780           Non-current Liabilities         9,269,910 <td>Property, plant and equipment</td> <td>6</td> <td>2,293,673</td> <td>2,270,452</td>	Property, plant and equipment	6	2,293,673	2,270,452
Security deposits         1.029         1.029           Current Assets         2,473,350         2,432,484           Stores, spares and loose tools         500kin-trade         87,078         49,452           Trade debts - unsecured, considered good         3,982         3,314           Advance payments         31,094         33,632         2,2432,484           Due from Associated Companies         9,653         20,208         3,314           Other receivables         2,653         20,208         3,314           Sates tax refundable         1,674         9,653         20,208           Income tax refundable, advance tax         3,661         30,300         16,660           FOTAL ASSETS         2,660         12,337         13,420           Equity         Autorised capital         3,983,689         3,346,165           Equity         3,983,689         3,346,165         20,000         200,000           Issued, subscribed and paid-up capital         47,844         47,844         368,983         389,983           Unappropriated profit         3,982,283         3,346,165         39,83,698         3,346,165           Surplus on Revaluation of Property, Plant and Equipment         1,207,708         1,200,226         1,47,584         36	Investments in Associated Companies	7	174,166	157,839
Current Assets         2,473,350         2,432,464           Stores, spares and loose tools         57,078         49,452           Stock-in-trade         1,137,965         688,101           Trade debs - unsecured, considered good         3,962         3,314           Advance payments         31,094         33,837           Trade debs/existed Companies         51,330         1,814           Other receivables         26         1,844           Sales tax refundable, advance tax         30,802         1,844           sales tax refundable, advance tax         30,300         1,844           TOTAL ASSETS         26         1,844           Equity         3,983,689         3,346,165           Equity         1,617,948         39,983,689           Authorised capital         200,000         200,000           Insued, subscribed and paid-up capital         39,983,689         3,346,165           Equity         39,893,689         3,346,165         200,000           Staff refrement benefits - gratuity         1,633,926         842,611           Term Finance Certificates         9,269         34,759           Suppropriated profit         31,894         35,511           Non-current Liabilities         1,277,706<				
Current Assets         87,078         49,452           Stores, spares and loose tools         87,078         49,452           Storek, in-trade         7,137,985         688,101           Trade debts - unsecured, considered good         3,982         3,314           Advance payments         3,1094         3,3637           Trade deposits and prepayments         51,330         1,614           Sues tax refundable         1,614         35,581         30,030           Income tax refundable         3,682         26         1,844           Sales tax refundable         1,614         35,581         30,030           Income tax refundable         3,680         3,346,165         20,000           Cash and bank balances         76,660         62,387         13,420           ToTAL ASSETS         3,983,689         3,346,165         200,000         200,000           Equity         Autorised capital         200,000         200,000         200,000         200,000           Issued, subscribed and paid-up capital         78,848         47,848         47,848         47,848           Reserves         9,269         34,759         1,290,226         842,611           Unapropriated profit         9,269         34,759	Security deposits		A) (1) (2) (2) (2) (2) (2) (2) (2) (2) (2) (2	VA
Stores, spares and loose tools         87,078         49,452           Stock-in-trade         1,137,985         688,101           Trade debts - unsecured, considered good         3,982         3,314           Advances to employees         3,982         3,314           Advance payments         31,094         33,637           Trade deposits and prepayments         9,404           Subscription         9,663         20,208           Other receivables         286         1,844           Sales tax refundable, advance tax         30,300         1,614           Uncome tax refundable, advance tax         30,300         16,164           and tax deducted at source         24,932         13,420           Cash and bank balances         1,510,339         913,681           Equity         3,983,689         3,346,165           Equity         200,000         200,000           Authorised capital         20,300         200,000           Issued, subscribed and paid-up capital         3,983,689         389,983           Unapprepriated profit         30,983         389,983           Surplue on Revaluation of Property, Plant and Equipment         1,277,706         1,277,706           LIABILITIES         9         28,043			2,473,350	2,432,484
Stock-in-trade         1,137,985         668,101           Trade debts - unsecured, considered good         3,982         9,404           Advances to employees         3,982         3,314           Advance payments         31,094         33,637           Trade deposits and prepayments         31,094         33,637           Due from Associated Companies         26         1,844           Due from Associated Companies         26         1,844           Sales tax refundable, advance tax         30,300         16,660           And tax deducted at source         76,660         62,387           Cash and bank balances         1,510,339         913,681           TOTAL ASSETS         3,983,689         3,346,165           Equity         Authorised capital         200,000         200,000           Issued, subscribed and paid-up capital         47,848         47,848           Reserves         3,983,689         3,346,165           Unappropriated profit         1,039,226         842,611           Staff retirement benefits - gratuity         1,039,226         842,611           Demand finances         9,269         34,759           Staff retirement benefits - gratuity         1,277,706         1,290,226           Dema			07.070	40.452
Trade debts - unsecured, considered good       52,008       9,404         Advances to employees       3,392       3,314         Advance payments       31,094       33,637         Trade deposits and prepayments       9,653       20,208         Due from Associated Companies       9,653       20,208         Other receivables       28       1,844         Sales tax refundable, advance tax       35,581       30,300         Income tax refundable, advance tax       31,094       33,682         and tax deducted at source       76,660       62,387         Cash and bank balances       24,632       13,420         TOTAL ASSETS       3,983,688       3,346,165         Equity       1,510,339       913,681         Authorised capital       200,000       200,000         Issued, subscribed and paid-up capital       36,983       389,983         Unappropriated profit       9,269       34,759         Surplus on Revaluation of Property, Plant and Equipment       1,277,706       1,290,226         LIABILITIES       98,460       356,100       278         Derivert Liabilities       147,581       184,959       365,100         Current Liabilities       147,581       1,90,4       3,581			~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	0.010 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Advance sto employees       3,392       3,314         Advance payments       31,094       33,637         Trade deposits and prepayments       9,653       20,208         Other receivables       26       1,844         Sales tax refundable, advance tax       35,581       30,300         Income tax refundable, advance tax       35,681       30,300         TOTAL ASSETS       20,000       200,000         Equity       1,510,339       913,681         TOTAL ASSETS       3,963,688       3,346,165         Equity       200,000       200,000         Authorised capital       200,000       200,000         Issued, subscribed and paid-up capital       36,888       3,346,165         Equity       1,039,226       842,611         Term Finance Certificates       9,269       34,759         Surglus on Revaluation of Property, Plant and Equipment       1,277,706       1,290,226         ItABLITIES       9,269       34,551       3,581         Non-current Liabilities       9,269       34,551       3,581         Deferred taxation       0       278       88,4912       255,910         Shaft Horders       28,043       3,581       3,581       3,581			22 D	90
Advance payments       31,094       33,637         Trade deposits and prepayments       1,814         Due from Associated Companies       26       1,844         Sales tax refundable       35,581       30,300         Income tax refundable, advance tax       36,637       26,2387         Cash and bank balances       76,660       62,387         TOTAL ASSETS       3,983,689       3,346,165         Equity       1,510,333       913,681         Authorised capital       200,000       200,000         Issued, subscribed and paid-up capital       3,983,689       3,346,165         Equity       308,983       389,983         Unappropriated profit       601,395       404,780         Shareholders' Equity       1,039,226       842,611         Trem Finance Certificates       9,269       34,759         Surplus on Revaluation of Property, Plant and Equipment       1,277,706       1,290,226         LIABILITIES       98,460       355,100       278         Current Liabilities       3,804       3,581       3,094         Deferred taxation       26,043       3,581       3,581         Short term finances       1,214       1,214       3,581         Current potion			Second	and the second
Trade deposits and prepayments       51,330       1,614         Due from Associated Companies       9,653       20,208         Other receivables       26       1,844         Sales tax refundable, advance tax       35,581       30,300         Income tax refundable, advance tax       36,660       62,337         Cash and bank balances       24,932       13,420         TOTAL ASSETS       3,983,689       3,346,165         EQUITY AND LIABILITIES       3,983,689       3,346,165         Equity       Authorised capital       47,848       47,848         Reserves       389,863       389,983         Unappropriated profit       501,395       404,780         Shareholders' Equity       1,039,226       842,611         Term Finance Certificates       9,269       34,759         Surplus on Revaluation of Property, Plant and Equipment       1,277,706       1,290,226         LIABILITIES       98,460       355,100       355,100         Current Liabilities       147,581       184,959       3,581         Schareholders' Equity       13,904       3,581       3,581         Deferred taxation       8       11,227,134       358,112         Current Liabilities       13,904	a <sup>1</sup> a filiana a secura a casa casa da secura da se		NUMBER OF TAXABLE PARTY	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Due from Associated Companies         9,653         20,208           Other receivables         26         1,844           Sales tax refundable, advance tax         35,581         30,300           Income tax refundable, advance tax         36,660         62,387           Cash and bank balances         24,9321         1,424           TOTAL ASSETS         3,983,669         3,346,165           EQUITY AND LIABILITIES         3,983,689         3,346,165           EQUITY AND LIABILITIES         3,898,863         389,983           Unappropriated profit         47,848         47,848           Reserves         389,983         389,983           Surplus on Revaluation of Property, Plant and Equipment         1,277,706         1,290,226           LIABILITIES         Demand finances         98,460         355,110           Current Liabilities         147,581         184,959         356,110           Current portion of non-current liabilities:         1,904 <t< td=""><td></td><td></td><td>감독하는 것이 가지 않는 것이 같이 같이 같이 같이 같이 같이 같이 같이 같이 않는 것이 같이 없다.</td><td>12 20 20 20 20 20 20 20 20 20 20 20 20 20</td></t<>			감독하는 것이 가지 않는 것이 같이 같이 같이 같이 같이 같이 같이 같이 같이 않는 것이 같이 없다.	12 20 20 20 20 20 20 20 20 20 20 20 20 20
Other receivables         28         1,844           Sales tax refundable         35,551         30,300           Income tax refundable, advance tax         36,660         62,387           and tax deducted at source         24,932         13,420           Cash and bank balances         21,510,339         913,681           TOTAL ASSETS         3,983,689         3,346,165           EQUITY AND LIABILITIES         389,833         389,883           Hath orised capital         200,000         200,000           Issued, subscribed and paid-up capital         47,848         47,648           Reserves         389,983         389,983           Unappropriated profit         601,395         404,780           Shareholders' Equity         1,039,228         842,611           Term Finance Certificates         80,135         1,290,226           Surplus on Revaluation of Property, Plant and Equipment         1,277,706         1,290,226           LIABILITIES         Demand finances         98,460         355,100           Staff refirement benefits - gratuity         98,460         355,100         358,112           Demand finances         1,010,204         13,904         3,561           Short term finance certificates         1,80,41			25	
Sales tax refundable Income tax refundable, advance tax and tax deducted a source         35,581         30,300           Income tax refundable, advance tax and tax deducted a source         76,660         62,387           Cash and bank balances         1,510,339         913,681           TOTAL ASSETS         3,983,689         3,346,165           EQUITY AND LIABILITIES         3,983,689         3,346,165           Equity         1,039,226         842,611           Income Certificates         9,269         3,759           Surplus on Revaluation of Property, Plant and Equipment         1,277,706         1,290,226           LIABILTIES         Demand finances         9,269         3,510           Shart feirement benefits - gratuity         9,460         3,511         3,561           Demand finances         1,010,204         3,581         3,561           Current Liabilities         1,3904         3,3904         3,3904           Current finances         1,2			(E	and the second se
Income tax refundable, advance tax and tax deducted at source         78,660         62,387           Cash and bank balances         24,932         13,420           TOTAL ASSETS         3,983,689         3,346,165           EQUITY AND LIABILITIES         3,983,689         3,346,165           Equity         3,983,689         3,346,165           Authorised capital         200,000         200,000           Issued, subscribed and paid-up capital         47,848         47,848           Reserves         308,883         389,983           Unappropriated profit         601,395         404,780           Shareholders' Equity         1,039,226         842,611           Term Finance Certificates         9,269         34,759           Surplus on Revaluation of Property, Plant and Equipment         1,277,706         1,290,226           LIABILITIES         1,277,706         1,290,226           Non-current Liabilities         98,460         38,912           Deferred taxation         147,581         184,959           Accrued mark-up         5,610         3,581           Short term finances         13,904         13,904           Current Liabilities         13,904         13,904           - demand finances         1,214 </td <td></td> <td></td> <td>manorea est Alas Chi</td> <td></td>			manorea est Alas Chi	
and tax deducted at source         76,660         62,387           Cash and bank balances         1,510,339         913,681           TOTAL ASSETS         3,983,689         3,346,165           EQUITY AND LIABILITIES         3,983,689         3,346,165           Equity         Authorised capital         200,000         200,000           Issued, subscribed and paid-up capital         47,848         47,848           Reserves         389,983         389,983           Unappropriated profit         601,395         404,780           Shareholders' Equity         1,039,226         842,611           Term Finance Certificates         9,269         34,759           Surplus on Revaluation of Property, Plant and Equipment         1,277,706         1,290,226           LIABILITIES         98,460         331,894         265,910           Non-current Liabilities         147,581         184,959         3,681           Trade and other payables         147,581         184,959         3,681           Accrued mark-up         53,100         13,904         29,329           Current portion of non-current liabilities:         147,581         13,904         3,581           Current portion of non-current liabilities:         1,904         29,329	Income tax refundable, advance tax		999554-518 • C 4942-1531 7 2005	21800121 • FURNISSULL
TOTAL ASSETS       1,510,339       913,681         EQUITY AND LIABILITIES       3,983,689       3,346,165         Equity       200,000       200,000         Authorised capital       47,848       47,848         Issued, subscribed and paid-up capital       47,848       47,848         Reserves       389,983       389,983         Unappropriated profit       601,395       404,780         Shareholders' Equity       1,039,226       842,611         Term Finance Certificates       9,269       34,759         Surplus on Revaluation of Property, Plant and Equipment       1,277,706       1,290,226         LIABILITIES       98,460       331,894       365,100         Non-current Liabilities       98,460       331,894       3651         Demand finances       147,581       184,959       3,581         Short term finances       147,581       184,959       3,581         Short term finances       0       29,329       13,904       29,329         Taxation       8       0       29,329       13,904       29,329         Taxation       8       1,214       1,227,134       823,469       1,178,569         Total Liabilities       1,857,488       1,178,56			76,660	62,387
TOTAL ASSETS3,983,8893,346,165EQUITY AND LIABILITIES200,000200,000Issued, subscribed and paid-up capital200,00047,848Reserves389,983389,983Unappropriated profit1,039,226842,611Shareholders' Equity1,039,226842,611Term Finance Certificates9,26934,759Surplus on Revaluation of Property, Plant and Equipment1,277,7061,290,226LIABILITIESDemand finances331,894355,100Deferred taxation147,581366,113355,100Current Liabilities147,581184,9593,581Short term finances147,581184,9593,581Short term finances147,581184,9593,581Short term finances029,3293,5361,3,904Current Liabilities13,90413,90429,329Taxation81,2141,227,134823,469Total Liabilities01,287,4881,178,569Total Liabilities91,178,5693,369Total Liabilities91,178,5693,369Total Liabilities1,277,134823,4691,178,569Total Liabilities1,178,5693,3691,178,569Contingencies and Commitments911,178,569	Cash and bank balances		24,932	13,420
EQUITY AND LIABILITIES           Equity         200,000         200,000           Issued, subscribed and paid-up capital         47,848         47,848           Reserves         389,983         389,983           Unappropriated profit         601,395         404,780           Shareholders' Equity         1,039,226         842,611           Term Finance Certificates         9,269         34,759           Surplus on Revaluation of Property, Plant and Equipment         1,277,706         1,290,226           LIABILITIES         Non-current Liabilities         98,460         88,912           Demand finances         98,460         3355,100         266,910           Current Liabilities         1,010,204         355,100         266,910           Trade and other payables         1,010,204         355,100         3581           Current portion of non-current liabilities:         - term finances         1,010,204         3,581           Short term finances         13,904         0         29,329         3,581           Current portion of non-current liabilities:         - term finances         1,214         1,216         23,469           Taxation         8         28,188         5,369         5,369         1,215         23,469 <td></td> <td></td> <td>1,510,339</td> <td>913,681</td>			1,510,339	913,681
EQUITY AND LIABILITIES           Equity         200,000         200,000           Issued, subscribed and paid-up capital         47,848         47,848           Reserves         389,983         389,983           Unappropriated profit         601,395         404,780           Shareholders' Equity         1,039,226         842,611           Term Finance Certificates         9,269         34,759           Surplus on Revaluation of Property, Plant and Equipment         1,277,706         1,290,226           LIABILITIES         Non-current Liabilities         98,460         88,912           Demand finances         98,460         3355,100         331,894           Current Liabilities         1,010,204         355,100         13,904           Trade and other payables         1,010,204         3,581         3,581           Accrued mark-up         26,043         3,581         53,61           Short term finances         13,904         0         29,329           Taxation         8         28,188         5,369           Preference shares redemption account         1,214         1,215         22,3469           1,215         823,469         1,178,569         82,3469	TOTAL ASSETS		3,983,689	3,346,165
Equity         200,000         200,000           Issued, subscribed and paid-up capital         47,848         47,848           Reserves         389,983         389,983           Unappropriated profit         601,395         404,780           Shareholders' Equity         1,039,226         842,611           Term Finance Certificates         9,269         34,759           Surplus on Revaluation of Property, Plant and Equipment         1,277,706         1,290,226           LIABILITIES         1,277,706         1,290,226           Non-current Liabilities         98,460         86,912           Demand finances         98,460         86,912           Staff retirement benefits - gratuity         98,460         335,910           Deterred taxation         430,354         355,100           Current Liabilities         147,581         266,931           Trade and other payables         1,010,204         3581           Accrued mark-up         26,043         3,581           Short term finances         13,904         29,329           Current portion of non-current liabilities:         13,904         29,329           Taxation         8         28,188         5,369           Preference shares redemption account	EQUITY AND LIABILITIES			
Authorised capital       200,000       200,000         Issued, subscribed and paid-up capital       47,848       47,848         Reserves       389,983       389,983         Unappropriated profit       601,395       404,780         Shareholders' Equity       1,039,226       842,611         Term Finance Certificates       9,269       34,759         Surplus on Revaluation of Property, Plant and Equipment       1,277,706       1,290,226         LIABILITIES       Non-current Liabilities       98,460       88,912         Demand finances       Staff retirement benefits - gratuity       98,460       331,894       265,910         Deferred taxation       147,581       184,959       3,581       3,551         Current Liabilities       147,581       184,959       3,581         Short term finances       260,433       3,581       3,581         Short term finances       0       29,329       3,581         Current portion of non-current liabilities:       13,904       29,329       3,369         - term finance certificates       0       29,329       3,369       3,369         Total Liabilities       1,214       1,215       3,23,469       1,214       1,215       3,23,469 <td< td=""><td></td><td></td><td></td><td></td></td<>				
Reserves389,983389,983Unappropriated profit5hareholders' Equity1,039,226842,611Shareholders' Equity1,039,226842,611Term Finance Certificates9,26934,759Surplus on Revaluation of Property, Plant and Equipment1,277,7061,290,226LIABILITIESDemand finances98,46088,912Deferred taxation331,894265,910331,894Current Liabilities331,894265,910355,100Current portion of non-current liabilities: - term finances147,581 26,043184,959 3,581Current portion of non-current liabilities: - term finances13,904 0 0 29,3293,581 3,581Taxation828,188 1,21141,290,226Taxation8147,581 26,04313,904 29,329Taxation9			200,000	200,000
Unappropriated profit       601,395       404,780         Shareholders' Equity       1,039,226       842,611         Term Finance Certificates       9,269       34,759         Surplus on Revaluation of Property, Plant and Equipment       1,277,706       1,290,226         LIABILITIES       Demand finances       98,460       88,912         Demand finances       331,894       265,910         Staff retirement benefits - gratuity       98,460       331,894       265,910         Deferred taxation       430,354       355,100       355,100         Current Liabilities       147,581       184,959       3,581         Short term finances       1,010,204       585,112       13,904       3,904       3,904         Current portion of non-current liabilities:       - term finances       13,904       29,329       3,281         Short term finances       28,188       5,369       1,214       1,215       1,227,134       13,904       29,329         Taxation       8       1,214       1,215       823,469       1,215       1,215       823,469       1,215       823,469       1,215       823,469       1,215       823,469       1,215       823,469       1,215       823,469       1,215       823,469 </td <td>Issued, subscribed and paid-up capital</td> <td></td> <td>47,848</td> <td>47,848</td>	Issued, subscribed and paid-up capital		47,848	47,848
Shareholders' Equity         1,039,226         842,611           Term Finance Certificates         9,269         34,759           Surplus on Revaluation of Property, Plant and Equipment         1,277,706         1,290,226           LIABILITIES         Demand finances         1,290,226         842,611           Demand finances         98,460         88,912         265,910           Staff retirement benefits - gratuity         98,460         331,894         265,910           Deferred taxation         331,894         355,100         355,100           Current Liabilities         147,581         184,959         3,581           Short term finances         1,010,204         585,112         13,904         13,904           Current portion of non-current liabilities:         - term finances         13,904         13,904         29,329           Taxation         8         28,188         5,369         1,214         1,215           Total Liabilities         1,214         1,215         823,469         1,215         823,469           Total Liabilities         1,657,488         1,178,569         1,178,569         1,178,569	Reserves		389,983	389,983
Term Finance Certificates9,26934,759Surplus on Revaluation of Property, Plant and Equipment1,277,7061,290,226LIABILITIESDemand finances98,46088,912Demand finances98,460331,894265,910Staff retirement benefits - gratuity331,894265,910355,100Deferred taxation430,354147,5813,581Current Liabilities147,581184,9593,581Accrued mark-up26,0433,5813,581Short term finances13,90429,3293,581Current portion of non-current liabilities: - term finances13,90429,329Taxation828,1881,2141,215Tetal Liabilities1,227,134823,4691,215Total Liabilities9	Unappropriated profit		601,395	404,780
Surplus on Revaluation of Property, Plant and Equipment LIABILITIES Non-current Liabilities1,277,7061,290,226Demand finances Staff retirement benefits - gratuity Deferred taxation0278 98,460 331,89488,912 265,910Current Liabilities Trade and other payables Accrued mark-up Current portion of non-current liabilities: - term finances Current portion of non-current liabilities: - term finances certificates - demand finances147,581 184,959 3,581 585,112184,959 3,581 585,112Current portion of non-current liabilities: - term finance certificates - demand finances13,904 0 29,329 28,188 1,21413,904 1,215Total Liabilities Contingencies and Commitments9	Shareholders' Equity		1,039,226	842,611
LIABILITIES Non-current LiabilitiesDemand financesStaff retirement benefits - gratuityDeferred taxationCurrent LiabilitiesTrade and other payablesAccrued mark-upShort term financesCurrent portion of non-current liabilities: - term finance certificates - demand financesterm financesTaxationPreference shares redemption accountTotal Liabilities 0Total Liabilities9	Term Finance Certificates		9,269	34,759
Demand finances       0       278         Staff retirement benefits - gratuity       98,460       331,894       265,910         Deferred taxation       430,354       355,100       355,100         Current Liabilities       147,581       266,043       3,581         Trade and other payables       1,010,204       585,112       358,112         Accrued mark-up       26,043       3,581       3,581         Short term finances       13,904       29,329       329,329         Current portion of non-current liabilities:       13,904       129,329       29,329         Taxation       8       28,188       5,369       1,214       1,215         Total Liabilities       1,857,488       1,178,569       1,178,569	는 게 변화할 수 없습니다. 2017년 2		1,277,706	1,290,226
Staff retirement benefits - gratuity       98,460       88,912         Deferred taxation       331,894       265,910         430,354       355,100         Current Liabilities       147,581       3581         Trade and other payables       147,581       3,581         Accrued mark-up       26,043       3,581         Short term finances       1,010,204       585,112         Current portion of non-current liabilities:       13,904       13,904         - demand finances       0       29,329         Taxation       8       28,188       5,369         Preference shares redemption account       1,214       1,215         Total Liabilities       1,657,488       1,178,569         Contingencies and Commitments       9	Non-current Liabilities			
Deferred taxation       331,894       265,910         Current Liabilities       430,354       355,100         Trade and other payables       147,581       184,959         Accrued mark-up       26,043       3,581         Short term finances       1,010,204       585,112         Current portion of non-current liabilities:       13,904       13,904         - demand finances       0       29,329         Taxation       8       28,188         Preference shares redemption account       1,214       1,215         Total Liabilities       1,657,488       1,178,569         Contingencies and Commitments       9	Demand finances		0	278
Current Liabilities       430,354       355,100         Trade and other payables       147,581       184,959         Accrued mark-up       26,043       3,581         Short term finances       1,010,204       585,112         Current portion of non-current liabilities:       13,904       29,329         Taxation       8       28,188       5,369         Preference shares redemption account       1,214       1,215         Total Liabilities       1,657,488       1,178,569         Contingencies and Commitments       9	Staff retirement benefits - gratuity		98,460	88,912
Current Liabilities147,581Trade and other payables147,581Accrued mark-up26,043Short term finances1,010,204Current portion of non-current liabilities:13,904- term finance certificates0- demand finances0Taxation8Preference shares redemption account1,214Total Liabilities1,657,488Contingencies and Commitments9	Deferred taxation		331,894	265,910
Trade and other payables       147,581       184,959         Accrued mark-up       26,043       3,581         Short term finances       1,010,204       585,112         Current portion of non-current liabilities:       13,904       13,904         - term finances certificates       0       29,329         Taxation       8       28,188       5,369         Preference shares redemption account       1,214       1,215         Total Liabilities       1,857,488       1,178,569         Contingencies and Commitments       9			430,354	355,100
Trade and other payables       147,581       184,959         Accrued mark-up       26,043       3,581         Short term finances       1,010,204       585,112         Current portion of non-current liabilities:       13,904       13,904         - term finances certificates       0       29,329         Taxation       8       28,188       5,369         Preference shares redemption account       1,214       1,215         Total Liabilities       1,857,488       1,178,569         Contingencies and Commitments       9	Current Liabilities		<i>(</i> 2	ito.
Accrued mark-up       26,043       3,581         Short term finances       1,010,204       585,112         Current portion of non-current liabilities:       13,904       13,904         - term finance certificates       0       29,329         Taxation       8       28,188       5,369         Preference shares redemption account       1,214       1,215         Total Liabilities       1,657,488       1,178,569         O       9			147 581	184 959
Short term finances       1,010,204       585,112         Current portion of non-current liabilities:       13,904       13,904         - term finance certificates       0       29,329         Taxation       8       28,188       5,369         Preference shares redemption account       1,214       1,215         Total Liabilities       1,657,488       1,178,569         O       9			10000000000000000000000000000000000000	
Current portion of non-current liabilities:       13,904       13,904         - term finance certificates       13,904       0         - demand finances       0       29,329         Taxation       8       28,188       5,369         Preference shares redemption account       1,214       1,215         Total Liabilities       1,657,488       1,178,569         Contingencies and Commitments       9	2		105	<u>6</u> .
- demand finances       0       29,329         Taxation       28,188       5,369         Preference shares redemption account       1,214       1,215         Total Liabilities       1,657,488       1,178,569         Contingencies and Commitments       9	Current portion of non-current liabilities:			en a fredaria (Caretes
- demand finances       0       29,329         Taxation       28,188       5,369         Preference shares redemption account       1,214       1,215         Total Liabilities       1,657,488       1,178,569         Contingencies and Commitments       9	· · · · · · · · · · · · · · · · · · ·		13,904	13,904
Preference shares redemption account         1,214         1,215           1,227,134         823,469           Total Liabilities         1,657,488         1,178,569           Contingencies and Commitments         9	- demand finances		0	29,329
1,227,134         823,469           Total Liabilities         1,657,488         1,178,569           Contingencies and Commitments         9	Taxation	8	28,188	5,369
Total Liabilities1,657,4881,178,569Contingencies and Commitments9	Preference shares redemption account		1,214	1,215
Contingencies and Commitments 9				
		9023	1,657,488	1,178,569
TOTAL EQUITY AND LIABILITIES 3,983,689 3,346,165	Contingencies and Commitments	9	posticio a substance da la substance de la substan	3 <b></b>
	TOTAL EQUITY AND LIABILITIES		3,983,689	3,346,165

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

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Lt. Gen (Retd) Ali Kuli Khan Khattak Chief Executive

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Mushtaq Ahmad Khan, FCA Director

		For the 3r	d Quarter	Cumu	lative
		Jan Mar.,		Jul Mar.,	Jul Mar.,
	Note	2014	2013 Rupees in 1	2014 	2013
Sales - net		601,009	705,676	2,097,008	2,025,584
Cost of Sales		518,354	529,569	1,693,944	1,663,611
Gross Profit		82,655	176,107	403,064	361,973
Distribution Cost		2,746	1,576	11,523	6,103
Administrative Expenses		17,471	15,692	54,877	48,965
Other Expenses		35	36	23,697	9,006
Other Income		(136)	(4)	(1,385)	(2,228)
		20,116	17,300	88,712	61,846
Profit from Operations		62,539	158,807	314,352	300,127
Finance Cost		26,405	31,340	52,469	82,344
		36,134	127,467	261,883	217,783
Share of Profit of Associated Companies	7	0	0	21,321	19,651
Profit before Taxation		36,134	127,467	283,204	237,434
Taxation					
- current		8,188	3,529	28,188	10,314
- prior year		0	0	(57)	1,488
- deferred		(4,036)	(31,670)	65,984	0
		4,152	(28,141)	94,115	11,802
Profit after Taxation		31,982	155,608	189,089	225,632
Other Comprehensive Income		0	0	0	0
Total Comprehensive Income for the Period		31,982	155,608	189,089	225,632
			Rupe		
Earnings per Share		6.68	32.52	39.52	47.16

### CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2014

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

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Lt. Gen (Retd) Ali Kuli Khan Khattak Chief Executive Mushtaq Ahmad Khan, FCA Director

### CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2014

	Nine mon	Nine months ended	
	Mar. 31,	Mar. 31,	
	2014	2013	
	(Rupees in	thousand)	
Cash flow from operating activities			
Profit for the period - before taxation and	064 000	017 700	
share of profit of Associated Companies Adjustments for non-cash charges and other items:	261,883	217,783	
Depreciation	50,395	49,707	
Staff retirement benefits - gratuity (net)	9,548	17,961	
Restructuring cost balance amortised	(278)	0	
Finance cost - net	52,469	82,344	
Profit before working capital changes	374.017	367,795	
Effect on cash flow due to working capital changes	074,011	001,100	
(Increase) / decrease in current assets:			
Stores, spares and loose tools	(37,626)	(9,714)	
Stock-in-trade	(449,884)	(314,703)	
Trade debts	(42,604)	(102)	
Loans and advances to employees	(1,996)	(2,910)	
Advance payments	2,543	(15,716)	
Trade deposits and prepayments	(49,716)	(7,689)	
Due from Associated Companies	10,555	(1,571)	
Other receivables	1,818	1,921	
Sales tax refundable	(5,281)	(6,808)	
Decrease in trade and other payables	(37,378)	(112,406)	
	(609,569)	(469,698)	
Cash generated from / (used in) operations	(235,552)	(101,903)	
Taxes paid	(19,585)	(15,698)	
Net cash generated from / (used in) operating activities	(255,137)	(117,601)	
Cash flow from investing activities			
Fixed capital expenditure	(73,616)	(81,630)	
Dividend received from an Associated Company	) Ó	1,756	
Net cash used in investing activities	(73,616)	(79,874)	
Cash flow from financing activities	(,)	(10,011)	
Term finance certificates repaid	(25,490)	(13,904)	
Demand finances repaid	(29,329)	(121,202)	
Short term finances - net	425,092	427,928	
Preference shares redeemed	(1)	0	
Finance cost paid	(30,007)	(77,272)	
Net cash generated from financing activities	340,265	215,550	
Net increase in cash and cash equivalents	11,512	18,075	
Cash and cash equivalents - at beginning of the period	13,420	3,134	
Cash and cash equivalents - at end of the period	24,932	21,209	

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

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Lt. Gen (Retd) Ali Kuli Khan Khattak Chief Executive Mushtaq Ahmad Khan, FCA Director

### JDM TEXTILE MILLS LIMITED

			Capital	Reserves	Revenue		Unappr-	
	Share capital	Capital redemp- tion	Tax holiday	Share premium	General	Sub- total	opriated profit	Total
				- Rupees ir	n thousand			
Balance as at June 30, 2012 (audited)	47,848	6,694	350	11,409	199,220	217,673	335,281	600,802
Effect of change in accounting policy (note 4)	0	0	0	0	0	0	(17,816)	(17,816)
Balance as at June 30, 2012 (audited and re-stated)	47,848	6,694	350	11,409	199,220	217,673	317,465	582,986
Transfer	0	0	0	0	172,310	172,310	(172,310)	0
Total comprehensive income for the nine months ended March 31, 2012	0	0	0	0	0	0	225,632	225,632
Surplus on revaluation of property, plant and equipment realised during the period (net of deferred taxation) on account of incremental depreciation for the half-year	0	0	0	0	0	0	12,979	12,979
Effect of items directly credited in equity by the Associated Companies	0	0	0	0	0	0	1,711	1,711
Balance as at March 31, 2013 (un-audited and re-stated)	47,848	6,694	350	11,409	371,530	389,983	385,477	823,308
Total comprehensive income for the quarter ended June 30, 2013	0	0	0	0	0	0	8,949	8,949
Surplus on revaluation of property, plant and equipment realised during the period (net of deferred taxation) on account of incremental depreciation for the quarter	0	0	0	0	0	0	4,326	4,326
Effect of items directly credited in equity by the Associated Companies	0	0	0	0	0	0	3,334	3,334
Effect of change in accounting policy (note 4)	0	0	0	0	0	0	2,694	2,694
Balance as at June 30, 2013 (audited and re-stated)	47,848	6,694	350	11,409	371,530	389,983	404,780	842,611
Total comprehensive income for the half-year ended December 31, 2013	0	0	0	0	0	0	189,089	189,089
Surplus on revaluation of property, plant and equipment realised during the period (net of deferred taxation) on account of incremental depreciation for the half-year	0	0	0	0	0	0	12,520	12,520
Effect of items directly credited in equity by the Associated Companies	0	0	0	0	0	0	(4,994)	(4,994)
Balance as at December 31, 2013	47,848	6,694	350	11,409	371,530	389,983	601,395	1,039,226

#### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2014

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

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Lt. Gen (Retd) Ali Kuli Khan Khattak

Chief Executive

Westay thed Khan Mushtaq Ahmad Khan, FCA Director

#### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2014

#### 1. Legal Status and Operations

Janana De Malucho Textile Mills Ltd. (the Company) was incorporated in Pakistan in the year 1960 as a Public Company and its shares are quoted on Karachi Stock Exchange Ltd. It is principally engaged in manufacture and sale of yarn. The Company's mills and its registered office are located at Habibabad, Kohat.

#### 2. Basis of Preparation

This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984 (the Ordinance). It has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed. This condensed interim financial information does not include all 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, 2013.

#### 3. Significant Accounting Policies

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2013 except for the adoption of a new accounting policy as referred to in note 4.

#### 4. Amendments to Published Standards Effective in the Current Period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 01, 2013 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in this condensed interim financial information except for IAS 19 (Amendment), 'Employee Benefits'. The impact of this amendment on the condensed interim financial information is as follows:

IAS 19 (revised) has eliminated the corridor approach and requires to calculate finance cost on net funding bases. The Company has applied this change in accounting policy retrospectively in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and recorded unrecognised actuarial losses net of taxes associated with retirement benefits - gratuity by adjusting the opening balance of unappropriated profit and retirement benefits for the prior period presented. No actuarial assessment has been carried-out for the preparation of this condensed interim financial information.

1,910 (50,395)

22,487 49,219 71,706

Effects of change in accounting policy are as follows:

	Staff retirement benefits - gratuity	Deferred taxation	Equity
		(Rupees in thousan	id)
Balance as at June 30, 2012 - as previously reported	48,693	200,623	600,802
Recognition of unrecognised actuarial loss	27,409	(9,593)	(17,816)
Balance as at June 30, 2012 - as restated	76,102	191,030	582,986
Balance as at June 30, 2013 - as previously reported	66,000	273,700	857,733
Recognition of unrecognised actuarial loss			
- for the year ended June 30, 2012	27,409	(9,593)	(17,816)
- for the year ended June 30, 2013	(4,497)	1,574	2,923
- resultant adjustment due to reduction in tax rate	0	229	(229)
	22,912	(7,790)	(15,122)
	88,912	265,910	842,611

#### 5. Accounting Estimates and Judgments

The preparation of interim financial information 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. In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended June 30, 2013.

6.	Property, Plant and Equipment	Note	Un-audited Mar. 31, 2014 (Rupees in th	Audited June 30, 2013 <b>nousand)</b>
	Operating fixed assets - tangible	6.1	2,221,967	2,270,452
	Capital work-in-progress	6.2	71,706	0
			2,293,673	2,270,452
6.1	Operating fixed assets - owned			
	Book value as at June 30, 2013		2,270,452	
	Additions during the period:			
	- building - factory		908	
	- plant & machinery		68	
	- furniture & fixtures		324	
	<ul> <li>office &amp; other equipment</li> </ul>		188	
	- vehicles		47	
	- arms		375	

Depreciation charge for the period Pook volu a at Marah 21 2011

	Book value as at March 31, 2014	2,221,967
6.2	Capital work-in-progress	
	- plant & machinery	22,487
	- generators	49,219
		71 706

7.	Investments in Associated Companies - Quoted	Un-audited Mar. 31, 2014	Audited June 30, 2013
	Babri Cotton Mills Ltd. (BCM)	(Rupees in t	housand)
	587,493 (June 30, 2013: 587,493) ordinary shares of Rs.10 each - <b>cost</b> Equity held: 16.09% (June 30, 2013: 16.09%)	10,973	10,973
	Post acquisition profit brought forward including effect of items directly credited in equity by BCM	83,023	49,786
	Profit for the period / year - net of taxation	12,267	34,648
	Front for the period / year - het of taxation	106,263	95,407
	Bannu Woollen Mills Ltd. (BWM)	100,200	00,107
	731,626, including 146,325 bonus shares received during the period, (June 30, 2013: 585,301) ordinary shares of Rs.10 each - <b>cost</b> Equity held: 7.70% (June 30, 2013: 7.70%)	7,697	7,697
	Post acquisition profit brought forward including effect of items directly credited in equity by BWM	51,152	45,373
	Dividend received during the preceding year	0	(1,756)
	Profit for the period / year - net of taxation	9,054	11,118
	rion nor the period / year - het of taxation	67,903	62,432
		··	
		174,166	157,839

7.1 Market value of the Company's investments in BCM and BWM as at March 31, 2014 was Rs.51.464 million (June 30, 2013: Rs.36.947 million) and Rs.60.147 million (June 30, 2013: Rs.45.010 million) respectively.

#### 8. Taxation

- **8.1** Except for the matter detailed in note 8.2 and 8.3, there has been no significant change in the status of tax cases as detailed in the note 28 to the preceding financial statements of the Company for the year ended June 30, 2013.
- **8.2** The Commissioner Inland Revenue Appeals [CIR(A)] has decided the appeal for the tax year 2007 and allowed relief of Rs.3.361 million resulting therein no change in tax liability due to brought forward losses. The Company has filed an appeal before the Appellate Tribunal Inland Revenue, which is pending adjudication.
- **8.3** The Department has charged tax under section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance) amounting Rs.0.214 million for the tax year 2008 against which the Company has filed an with the CIR(A), with is pending adjudication.
- 8.4 Due to location of the mills in the most affected area, the income of the Company was exempt from tax under clause 126F of the second schedule to the Ordinance starting from the tax year 2010. As per management's contention, exemption available under clause 126F was a specific exemption granted by the Federal Board of Revenue to the specific areas of Khyber Pakhtunkhwa. The Company has filed a writ petition before the Islamabad High Court, Islamabad, praying exemption from levy of minimum tax under section 113 of the Ordinance, which is still pending adjudication. The Peshawar High Court, Peshawar, in an identical writ petition concerning exemption of minimum tax filed by a Group Company, had granted exemption from levy of minimum tax; accordingly, no provision for minimum tax for the financial year ended June 30, 2012 was made in the books of account as well as provisions for minimum tax made during the financial years ended June 30, 2010 and June 30, 2011 aggregating Rs.28.655 million were written-back in the books of account. An adverse judgment by the Islamabad High Court will create tax liability under section 113 of the Ordinance aggregating Rs.51.828 million.

#### 9. Contingencies and Commitments

- **9.1** There has been no significant change in the status of contingencies as reported in the preceding published annual audited financial statements of the Company for the year ended June 30, 2013.
- **9.2** Counter guarantee given by the Company to a commercial bank outstanding as at March 31, 2014 was for Rs.60 million (June 30, 2013: Rs.40 million).

		Un-audited Mar. 31, 2013 (Rupees in t	Audited June 30, 2013 <b>housand)</b>
9.3	Commitments against irrevocable letters of credit outstanding at the period / year-end were for: - stores and spares	0	12,712
	- raw materials	180,432	77,457
		180,432	90,169

### **9.4** Refer contents of note 8.3.

#### 10. Transactions with Related Parties

Name	Nature of relationship	Nature of transaction	Cumulative	
			July - Mar., 2014	July - Mar., 2013
Babri Cotton Mills Ltd.	Associated Company	Utilities: - paid - received	14 528	13 169
Bannu Woollen Mills Ltd.	-do-	Purchase of goods	0	21
		Sale of goods	0	1,809
		Dividend received	0	1,756
		Utilities paid	125	30
		Salaries paid on behalf	120	0
		Mark-up: - earned - paid - expensed	214 0 0	0 257 46
Rahman Cotton Mills Ltd.	-do-	Purchase of goods	5,442	21
The Universal Insurance Company Ltd.	-do-	Rent expensed	0	144
Gammon Pakistan Ltd.	-do-	Rent expensed	0	75
Bibojee Services (Pvt.) Lto	ldo-	Mark-up earned	395	0

**10.1** No other transactions, other than remuneration and benefits paid to key management personnel under the terms of their employment, were executed with other related parties during the period.

**10.2** Trade and other payables include due to Associated Companies on account of normal business transactions aggregating Rs.434 thousand (June 30, 2013: Rs.511 thousand).

#### 11. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. This condensed interim financial information does not include all the financial risk management information and disclosures required in the annual financial statements, and should therefore be read in conjunction with the Company's financial statements for the year ended June 30, 2013. There have been no significant changes in the risk management policies since the yearend.

#### 12. Date of Authorisation for Issue

This condensed interim financial information was authorised for issue on April 29th, 2014 by the Board of Directors of the Company.

#### 13. **Corresponding Figures**

In order to comply with the requirements of IAS 34 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim profit and loss account and condensed interim cash flow statement have been compared with the balances of comparable period of the immediately preceding financial year.

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison. However, no significant re-classifications have been made except for restatement made in accordance with IAS 19 (revised) as reflected in note 4 to this condensed interim financial information.

Hul: Nh. Lt. Gen (Retd) Ali Kuli Khan Khattak Chief Executive

Mushtaq Ahmad Khan, FCA

Director

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