

**3rd Quarter &
Nine Months Accounts
Period Ended**

**March 31st,
2013**

Un-Audited



J. A. Textile Mills Limited



COMPANY INFORMATION

Board of Directors

Chief Executive:	Ms. Quratul-ain Zahid
Directors:	Mr. Zahid Anwar
	Mr. Zia-ullah Khan Dilawar
	Mr. Muhammad Anwar -ul-Haq
	Mr. Muhammad Ikhlaq
	Mr. Muhammad Ali
	Mr. Muhammad Yo usaf

Audit Committee:

Chairman:	Mr. Zia-ullah Khan Dilawar
Member:	Mr. Muhammad Ikhlaq
Member:	Mr. Muhammad Anwar -ul-Haq

Human Resources & Remuneration (HR&R) Committee:

Chairman:	Mr. Muhammad Ikhlaq
Member:	Mr. Zahid Anwar
Member:	Mr. Zia-ullah Khan Dilawar

Company Secretary: Mr. Khalid Jabbar

Chief Financial Officer: Mr. Ajmal Shabab

Head of Internal Audit: Mr. Aftab Younis

Auditors: Hyder Bhimji & Company, Chartered Accountants

Banks: Al Baraka Islamic Bank B.S.C. (E.C.)
JS Bank Limited
National Bank of Pakistan
United Bank Limited

Legal Advisor: Mr. Zia-ul-Haq (Advocate)

Registered Office: JK House, 32-W, Susan Road, Madina Town, Faisalabad.

Share Registrar Office: National Biz Management (Pvt.) Limited
Plot No. 2-C, Mezzanine Floor, Badar Commercial Area, Street
No. 9, Phase-V(Ext.), D. H. A., Karachi.

Mills: 29-KM, Sheikhpura Road, Faisalabad.

Web Site: www.jatml.com



DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Board of Directors is pleased to present un-audited accounts for the third quarter and nine months period ended March 31, 2013.

The operations have resulted in a profit before taxation of Rs. 38.921 million as compared to loss of Rs. 2.755 million in corresponding period of last year.

Sales have increased by 75.95% (from Rs. 359.087 million in corresponding period to Rs. 631.821 million in the period under review) due to favorable market conditions.

There is no material change in position of on going litigation and other matters related to courts as reported in the Directors' report to the shareholders for the year ended June 30, 2012.

Earning per share (basic) for the quarter under review is Rs. 1.09 positive in comparison to Rs. 0.48 negative in the corresponding period of last year.

Transactions with related parties are carried out at arms length. The prices are determined in accordance with comparable uncontrolled price method.

We would like to express our appreciation for the dedication and hard work put in by the entire team of J. A. Textile Mills Limited.

For and on behalf of the Board

Faisalabad: April 27, 2013

QURATUL-AIN ZAHID
Chief Executive Officer



CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

AS AT MARCH 31, 2013

		March 31, 2013	June 30, 2012
	Note	(Un-Audited) Rupees	(Audited) Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	420,387,370	427,359,028
Long term deposits		17,197,833	17,197,833
		437,585,203	444,556,861
CURRENT ASSETS			
Stores and spares		9,125,821	7,153,391
Stock in trade		196,933,496	32,505,174
Trade debts		1,107,380	8,227,189
Advances, prepayments and other receivables		11,691,062	6,320,813
Short term investment		287,460	269,805
Cash and bank balances		1,016,610	18,025,906
		220,161,829	72,502,278
		657,747,032	517,059,139
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
20,000,000 ordinary shares of Rs. 10/- each		200,000,000	200,000,000
Issued, subscribed and paid up capital			
12,601,160 ordinary shares of Rs. 10/- each, fully paid in cash		126,011,600	126,011,600
Accumulated loss		(265,982,245)	(287,141,507)
		(139,970,645)	(161,129,907)
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	6	328,635,508	336,022,066
NON CURRENT LIABILITIES			
Long term financing		187,486,423	192,309,918
Deferred liabilities		96,621,062	71,952,845
		284,107,485	264,262,763
CURRENT LIABILITIES			
Trade and other payables		162,942,809	55,442,463
Accrued mark up/interest		22,031,875	22,031,875
Provision for taxation		-	429,879
		184,974,684	77,904,217
CONTINGENCIES AND COMMITMENTS	7	-	-
		657,747,032	517,059,139

The annexed notes 1 to 11 form an integral part of the condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**

FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2013

	Note	For The Quarter Ended		For The Nine Months Ended	
		March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
		Rupees	Rupees	Rupees	Rupees
Sales- net		186,834,161	218,553,429	631,821,143	359,087,313
Cost of sales	8	178,574,104	209,359,379	584,155,678	355,666,376
Gross profit		8,260,057	9,194,050	47,665,465	3,420,937
Operating expenses					
Distribution cost		43,034	287,810	253,730	339,741
Administrative expenses		2,539,113	2,244,493	7,767,645	7,348,576
Finance cost		49,786	11,983	137,500	26,113
Other operating expenses		299,659	163,190	2,048,460	163,190
		2,931,592	2,707,476	10,207,335	7,877,620
Operating profit/(loss)		5,328,465	6,486,574	37,458,130	(4,456,683)
Other operating income		365,044	392,935	1,462,606	1,701,735
Profit/(loss) for the period before taxation		5,693,509	6,879,509	38,920,736	(2,754,948)
Taxation					
Current		497,470	1,996,780	497,470	3,450,280
Deferred		1,412,331	1,720,243	24,668,217	(190,061)
		1,909,801	3,717,023	25,165,687	3,260,219
Net profit/(loss) after taxation		3,783,708	3,162,486	13,755,049	(6,015,167)
Earnings per share - Basic		0.30	0.25	1.09	(0.48)

The annexed notes 1 to 11 form an integral part of the condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2013

	For The Quarter Ended		For The Nine Months Ended	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	Rupees	Rupees	Rupees	Rupees
Net profit/(loss) after taxation	3,783,708	3,162,486	13,755,049	(6,015,167)
Unrealized gain on change in fair value of investment	17,655	-	17,655	-
Total comprehensive income/(loss) for the period	<u>3,801,363</u>	<u>3,162,486</u>	<u>13,772,704</u>	<u>(6,015,167)</u>

The annexed notes 1 to 11 form an integral part of the condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR



CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2013

	March 31, 2013	March 31, 2012
	Rupees	Rupees
a) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) for the period before taxation	38,920,736	(2,754,948)
Depreciation	14,970,673	14,899,453
Profit on deposits	(1,462,606)	(1,107,995)
Profit on short term investment	-	(593,740)
Workers' profit participation fund	2,048,460	-
Workers' welfare fund	-	163,190
Finance cost	137,500	26,113
	54,614,763	10,632,073
CHANGES IN WORKING CAPITAL		
(Increase)/decrease in current assets		
Stores and spares	(1,972,430)	680,137
Stock in trade	(164,428,322)	(40,792,488)
Trade debts	7,119,809	(14,378,670)
Advances, prepayments and other receivables	(5,370,249)	(24,744,318)
Increase in current liabilities		
Trade and other payables	105,451,886	42,392,295
	(59,199,306)	(36,843,044)
Cash generated from/(used in) operations	(4,584,543)	(26,210,971)
Finance cost paid	(137,500)	(26,113)
Taxes paid	(927,349)	(3,813,469)
Gratuity paid	-	(568,759)
Net cash generated from/ (used in) operating activities	(5,649,392)	(30,619,312)
b) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure of property, plant and equipment	(7,999,015)	(373,000)
Profit on deposits	1,462,606	1,107,995
Short term investment	(17,655)	27,074,379
Unrealized gain on change in fair value of investment	17,655	593,740
Long term deposits	-	(150,002)
Net cash (used in)/ generated from investing activities	(6,536,409)	28,253,112
c) CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans paid	(4,823,495)	(1,770,772)
Net cash used in financing activities	(4,823,495)	(1,770,772)
Net increase/(decrease) in cash and bank balances (a+b+c)	(17,009,296)	(4,136,972)
Cash and bank balances at the beginning of the period	18,025,906	8,342,236
Cash and bank balances at the end of the period	1,016,610	4,205,264

The annexed notes 1 to 11 form an integral part of the condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2013

	Share Capital	Accumulated loss	Total
	Rupees	Rupees	Rupees
Balance as at July 01, 2011	126,011,600	(268,728,057)	(142,716,457)
Total comprehensive loss for the period			
Loss for the period	-	(6,015,167)	(6,015,167)
Other comprehensive income			
Incremental depreciation on revalued property, plant and equipment for the period	-	10,290,450	10,290,450
Tax effect on incremental depreciation	-	(3,255,538)	(3,255,538)
	-	7,034,912	7,034,912
Balance as at March 31, 2012	<u>126,011,600</u>	<u>(267,708,312)</u>	<u>(141,696,712)</u>
Balance as at July 01, 2012	126,011,600	(287,141,507)	(161,129,907)
Total comprehensive income for the period			
Profit for the period	-	13,772,704	13,772,704
Other comprehensive income			
Incremental depreciation on revalued property, plant and equipment for the period	-	10,913,387	10,913,387
Tax effect on incremental depreciation	-	(3,526,829)	(3,526,829)
	-	7,386,558	7,386,558
Balance as at March 31, 2013	<u>126,011,600</u>	<u>(265,982,245)</u>	<u>(139,970,645)</u>

The annexed notes 1 to 11 form an integral part of the condensed interim financial statements.

CHIEF EXECUTIVE

DIRECTOR



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2013

- 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 32-W, Susan Road, Madina Town, Faisalabad.
- 2 The Company has accumulated losses of Rs. 265.982 million as at March 31, 2013 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 condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. These condensed interim financial statements are unaudited and are being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984. These condensed interim financial statements do not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2012. Comparative figures of the balance sheet are extracted from annual audited financial statements for the year ended June 30, 2012, whereas comparative profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed financial statements for the nine months period ended March 31, 2012.
- 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, 2012.

		Nine Months Ended March 31, 2013	Year Ended June 30, 2012
		(Un-Audited)	(Audited)
		Rupees	Rupees
5	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets (Note 5.1)	420,387,370	399,305,694
	Capital work in progress	-	28,053,334
		420,387,370	427,359,028
5.1	Opening book value	399,305,694	275,376,010
	Additions during the period / year (Note 5.1.1)	36,052,349	875,819
	Revaluation Surplus created during the period/year	-	135,139,118
		435,358,043	411,390,947
	Depreciation charged for the period / year	(14,970,673)	(12,085,253)
		420,387,370	399,305,694
5.1.1	ADDITIONS DURING THE PERIOD / YEAR - AT COST		
	Building - residential	483,380	-
	Plant and machinery	33,300,933	497,919
	Power Generators	343,536	360,000
	Office equipments	18,000	17,900
	Vehicles	1,906,500	-
		36,052,349	875,819



	Nine Months Ended March 31, 2013 (Un-Audited) Rupees	Year Ended June 30, 2012 (Audited) Rupees
6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
Opening balance	336,022,066	205,907,317
Surplus on revaluation created during the period/year	-	135,139,118
	336,022,066	341,046,435
Incremental depreciation on revalued property, plant and equipment for the period transferred to accumulated loss	(10,913,387)	(7,335,810)
Related effect of deferred tax liability	3,526,829	2,311,441
	(7,386,558)	(5,024,369)
	328,635,508	336,022,066

This represents surplus on revaluation of freehold land, building on freehold land, plant and machinery, factory equipments, electric installations and power generators. Revaluation of freehold land on market value, building on freehold land and plant and machinery on depreciated replacement values was carried out by M/S Yousaf Adil Saleem & Co. Chartered Accountants as on September 30, 1998 and by M/S Nizamy Associates as on June 30, 2007 and June 30, 2012.

7 CONTINGENCIES AND COMMITMENTS

There has been no significant change in the contingencies and commitments since the last audited financial statements as on June 30, 2012.

8 COST OF SALES

	For The Quarter Ended		For The Nine Months Ended	
	March 31, 2013 (Un-Audited) Rupees	March 31, 2012 (Un-Audited) Rupees	March 31, 2013 (Un-Audited) Rupees	March 31, 2012 (Un-Audited) Rupees
Raw material consumed (8.1)	151,909,469	149,698,790	445,959,751	268,271,497
Stores and spares	5,206,551	4,690,493	12,623,896	7,784,444
Packing material	3,965,632	2,551,391	7,575,502	3,742,288
Salaries and wages	19,873,393	15,259,821	55,821,216	32,214,298
Retirement benefits	515,048	397,864	1,573,275	865,611
Fuel and power	28,858,125	25,057,686	79,035,373	42,425,413
Repairs and maintenance	64,352	112,840	345,364	230,673
Postage and telecommunication	23,284	11,727	60,421	41,830
Vehicle running and maintenance	171,993	109,379	490,551	430,986
Insurance	498,780	420,522	1,473,110	1,257,440
Depreciation	4,967,307	6,446,811	14,432,054	14,318,388
Sales Tax	5,228,621	-	5,228,621	-
Other	106,184	81,533	990,063	250,808
	221,388,739	204,838,857	625,609,197	371,833,676
Work in process				
Opening stock	7,316,019	5,641,351	4,721,559	-
Closing stock	(7,116,071)	(5,768,814)	(7,116,071)	(5,768,814)
	199,948	(127,463)	(2,394,512)	(5,768,814)
Finished goods				
Opening stock	4,152,630	15,102,282	8,108,206	55,811
Closing stock	(47,167,213)	(10,454,297)	(47,167,213)	(10,454,297)
	(43,014,583)	4,647,985	(39,059,007)	(10,398,486)
	178,574,104	209,359,379	584,155,678	355,666,376



	For The Quarter Ended		For The Nine Months Ended	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	(Un-Audited) Rupees	(Un-Audited) Rupees	(Un-Audited) Rupees	(Un-Audited) Rupees
8.1 RAW MATERIAL CONSUMED				
Opening stock	53,147,111	9,794,809	19,675,409	-
Purchases	241,412,570	164,529,169	568,934,554	292,896,685
	294,559,681	174,323,978	588,609,963	292,896,685
Closing stock	(142,650,212)	(24,625,188)	(142,650,212)	(24,625,188)
	151,909,469	149,698,790	445,959,751	268,271,497

9 The provision for taxation made in this condensed interim financial statements is subject to adjustment in annual financial statements.

10 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **April 27, 2013** by the Board of Directors of the Company.

11 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.

CHIEF EXECUTIVE

DIRECTOR