

Half Yearly
Accounts
December,
2009

BIBOJEE GROUP



Janana De Malucho Textile
Mills Limited

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COMPANY'S PROFILE

BOARD OF DIRECTORS	MR. RAZA KULI KHAN KHATTAK Chairman LT. GEN. (RETD.) ALI KULI KHAN KHATTAK Chief Executive MR. AHMAD KULI KHAN KHATTAK MR. MUSHTAQ AHMAD KHAN, FCA MRS. ZEB GOHAR AYUB MRS. SHAHNAZ SAJJAD AHMAD DR. SHAHEEN KULI KHAN	
AUDIT COMMITTEE	MR. RAZA KULI KHAN KHATTAK MR. AHMAD KULI KHAN KHATTAK MR. MUSHTAQ AHMAD KHAN, FCA	Chairman Member Member
CHIEF FINANCIAL OFFICER & COMPANY SECRETARY	MR. AMIN-UR-RASHEED B. Com. (Hons.) FICS Gen. Manager Finance & Corporate Affairs	
AUDITORS	M/S HAMEED CHAUDHRI & CO. Chartered Accountants	
BANKERS	NATIONAL BANK OF PAKISTAN HABIB BANK LIMITED UNITED BANK LIMITED BANK ALFALAH LIMITED	
REGISTRARS & SHARES REGISTRATION OFFICE	MANAGEMENT & REGISTRATION SERVICES (PVT) LIMITED. BUSINESS EXECUTIVE CENTRE, F/17/3, BLOCK 8, CLIFTON, KARACHI	
REGISTERED OFFICE & MILLS	HABIBABAD, KOHAT (N.W.F.P) TEL. 0922 - 510063 - 512930 - 510494 FAX. 0922 - 510474 E-MAIL: janana@brain.net.pk WEB SITE: www.bibojee.com	

JDM TEXTILE MILLS LIMITED

DIRECTORS' REPORT TO THE SHARE HOLDERS

Your Board of Directors are pleased to present the reviewed financial statements and the Directors report thereon for the half year ended 31st December 2009.

The performance of your company for the half year ended 31st December 2009 has improved considerably as compared to the corresponding period of the last six months ended 31st December 2008.

The company has earned after tax net profit of Rs.10.057 million as compared after tax net loss of Rs.38.491 million for the half year ended 31st December 2008.

The comparative six months results for the period 31/12/2009 vis- vis 31/12/2008 are detailed as under: -

Particulars	Reviewed July - Dec 2009	Reviewed July - Dec 2008
	(Rupees in thousands)	
SALES NET	600,431	556,057
COST OF SALES	503,955	523,239
GROSS PROFIT	96,476	32,818
ADMINISTRATIVE & DISTRIBUTION EXPENSES	19,294	19,730
OTHER OPERATING EXPENSES	4,297	1,167
	23,591	20,897
OTHER OPERATING INCOME	72,885	11,921
	3,127	2,974
OPERATING PROFIT	76,012	14,895
FINANCE COST	62,035	70,935
	13,977	(56,040)
SHARE OF PROFIT OF ASSOCIATES - NET	2,803	371
IMPAIRMENT LOSS ON INVESTMENT IN ASSOCIATED COMPANIES	(719)	0
	2,084	371
PROFIT/(LOSS) BEFORE TAXATION	16,061	(55,669)
TAXATION	6,004	(17,178)
PROFIT/(LOSS) FOR THE PERIOD	10,057	(38,491)
	-----Rupees-----	
EARNING/(LOSS) PER SHARE	3.01	(12.16)

The gross profit for the half year ended 31st December 2009 in terms of %age works out to be 16.07% as compared to 5.90% for the corresponding period of last year due to the following factors.

- Idle capacity due to gas and electricity shutdown was 4.91% (31-12-2009) vis- vis 10.19% (31-12-2008).
- Increase in production was 0.176 million lbs for the half year ended 31st December 2009.
- Raw material consumed to sales was 56.73% (31-12-2009) as compared to 62.10% (31-12-2008) inspite of the fact that cotton prices for the current year has crossed thresh hold Rs.5,500/- per maund as compared to Rs.3,200/- per maund of last year.
- During the period under report the increase in production resulted into increased sales revenue to the extent of Rs.44.373 million whereas quantity of yarn sold increased by about 0.212 million lbs. The increase in sale prices was about Rs.7.09 per lbs which

JDM TEXTILE MILLS LIMITED

- v) Due to the timely closure of loss incurring mills No. 1 being an obsolete unit consisting of 1962 vantage 31 Ishikawa, 8 SMC Ring Frames (15792 spindles) with effect from 2nd December 2008 resulted into saving of Rs.25.666 million in the manufacturing expenses of the company on account of power and fuel, salaries and wages, stores consumption, maintenance expenses.

In the foreseeable future there is commendable improvement in the sale rates of yarn in local as well as export market. However, unilateral increase of electricity and gas charges being increased by the government will definitely hamper the results of the textile units in the coming months. The ministry of power and water has further announced increase of 18% in the electricity tariff in the year ending 30th June 2010 besides prediction of 3500 mega watt shortfall.

AUDITORS OBSERVATIONS:

The auditors have qualified their review report that company have contravened the requirements of IAS-I with regard to the mark-up accrued on long term loans which has been shown as frozen mark-up whereas over due portion of long term loans have been shown under the non current liabilities in the balance sheet of the company.

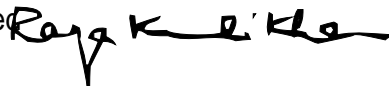
The matter has been cleared in detail in the contents of note No. (7.1(C)) which interalia states that the credit lines of the company are under consideration of the National Bank of Pakistan for the re-scheduling/re-structuring and re-profiling of the long term loans along with the accrued mark-up thereon. We have to report further that the matter of re-structuring of the long term loans and accrued mark-up thereon is now in its final stages which hopefully will be finalized by the end of March 2010.

On behalf of the Board of Directors I wish to appreciate the dedication and efforts of our employees, workers and management team for making strenuous efforts to keep the company running as profitable unit in a war like conditions of this area and results achieved could not have been possible without their hard work and undeterred high spirit and extremely high zeal.

The financial support of the company's bankers is also gratefully acknowledge. However, the

For & on behalf of the board of directors,

Janana De Malucho Textile Mills Limited



Dated: 27th February, 2010

Raza Kuli Khan Khattak
Chairman

**AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF
INTERIM FINANCIAL INFORMATION**

Introduction

We have reviewed the accompanying condensed interim balance sheet of **JANANA DE MALUCHO TEXTILE MILLS LIMITED** as at 31 December, 2009 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof for the half-year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended 31 December, 2009 and 2008 have not been reviewed, as we are required to review only the cumulative figures for the half-year ended 31 December, 2009.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

In contravention of the requirements of IAS 1, mark-up accrued on demand finances, pertaining to the period from 01 October, 2008 to 31 December, 2009, aggregating Rs.61.591 million has been classified as frozen mark-up on demand finances and grouped under non-current liabilities; further, current and overdue portions of demand finances aggregating Rs.96.751 million have been grouped under non-current liabilities [notes 5.2 and 7.1(d)]. Agreement with National Bank of Pakistan for renewal / rescheduling of these liabilities is under its consideration.

Qualified Conclusion

Based on our review, except for the matters referred to in the aforementioned paragraph and the extent to which these may affect the annexed interim financial information, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half-year ended 31 December, 2009 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

LAHORE: 27th February, 2010



**HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS**

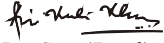
Engagement Partner: Abdul Hameed Chaudhri


JDM TEXTILE MILLS LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT 31 DECEMBER, 2009

		Un-audited 31 Dec., 2009	Audited 30 June, 2009		Un-audited 31 Dec., 2009	Audited 30 June, 2009	
	Note	(Rupees in thousand)			Note	(Rupees in thousand)	
EQUITY AND LIABILITIES				ASSETS			
SHARE CAPITAL AND RESERVES				NON-CURRENT ASSETS			
Authorised capital		200,000	200,000	Property, plant and equipment	9	1,466,417	1,501,453
Issued, subscribed and paid-up capital	4	43,064	31,655	Investments in Associated Companies	10	16,618	10,804
Reserves		139,624	128,215	Loans to employees		1,323	1,341
ACCUMULATED LOSS		(26,604)	(51,594)	Security deposits		1,029	1,004
		156,084	108,276			1,485,387	1,514,602
SHARES DEPOSIT MONEY	4	0	22,818	CURRENT ASSETS			
FROZEN MARK-UP ON DEMAND FINANCES	5	61,591	39,023	Stores, spares and loose tools		36,693	26,060
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	6	650,410	661,613	Stock-in-trade		604,692	358,881
NON-CURRENT LIABILITIES				Trade debts-unsecured considered good		39,903	26,623
Demand finances	7	317,983	326,339	Advances to employees		1,186	1,280
Staff retirement benefits-gratuity		13,571	10,203	Advance payments		8,142	10,543
Deferred taxation		113,283	110,281	Trade deposits and prepayments	11	30,228	1,376
		444,837	446,823	Sales tax refundable		6,495	5,822
CURRENT LIABILITIES				Due from Associated Companies	12	27,892	23,709
Current portion of demand finances	7	16,713	16,713	Income tax refundable, advance tax and tax deducted at source		13,404	5,150
Short term finances		662,582	538,287	Cash and bank balances		5,064	3,177
Trade and other payables		243,694	122,308			773,699	462,621
Accrued mark-up / interest		18,935	20,124				
Taxation		3,002	0				
Preference shares redemption account		1,238	1,238				
		946,164	698,670				
CONTINGENCIES AND COMMITMENTS	8						
		2,259,086	1,977,223			2,259,086	1,977,223

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


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

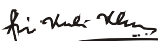

Mushtaq Ahmad Khan, FCA
Director


JDM TEXTILE MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER, 2009

	For the 2nd Quarter		Cumulative	
	Oct. - Dec., 2009	Oct. - Dec., 2008	July - Dec., 2009	July - Dec., 2008
	----- Rupees in thousand -----			
SALES - Net	342,884	252,266	600,431	556,057
COST OF SALES	272,079	262,290	503,955	523,239
GROSS PROFIT / (LOSS)	70,805	(10,024)	96,476	32,818
ADMINISTRATIVE AND DISTRIBUTION EXPENSES	10,711	9,844	19,294	19,730
OTHER OPERATING EXPENSES - Note 13	4,290	1,160	4,297	1,167
	15,001	11,004	23,591	20,897
	55,804	(21,028)	72,885	11,921
OTHER OPERATING INCOME	1,405	1,992	3,127	2,974
OPERATING PROFIT / (LOSS)	57,209	(19,036)	76,012	14,895
FINANCE COST	31,469	37,846	62,035	70,935
	25,740	(56,882)	13,977	(56,040)
SHARE OF PROFIT OF ASSOCIATED COMPANIES	2,803	371	2,803	371
IMPAIRMENT LOSS ON INVESTMENTS IN ASSOCIATED COMPANIES - Net	(719)	0	(719)	0
	2,084	371	2,084	371
PROFIT / (LOSS) BEFORE TAXATION	27,824	(56,511)	16,061	(55,669)
TAXATION				
- Current	1,714	0	3,002	0
- Deferred	5,469	(17,178)	3,002	(17,178)
	7,183	(17,178)	6,004	(17,178)
PROFIT / (LOSS) AFTER TAXATION	20,641	(39,333)	10,057	(38,491)
	----- Rupees -----			
EARNINGS / (LOSS) PER SHARE	5.88	(12.43)	3.01	(12.16)

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


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

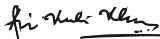

 Mushtaq Ahmad Khan, FCA
 Director


JDM TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER, 2009

	<u>For the 2nd Quarter</u>		<u>Cumulative</u>	
	<u>Oct. - Dec., 2009</u>	<u>Oct. - Dec., 2008</u>	<u>July - Dec., 2009</u>	<u>July - Dec., 2008</u>
	----- Rupees in thousand -----			
PROFIT / (LOSS) AFTER TAXATION	20,641	(39,333)	10,057	(38,491)
OTHER COMPREHENSIVE INCOME:				
Transfer from surplus on revaluation of property, plant & equipment on account of:				
- incremental depreciation (net of deferred taxation)	2,194	2,368	4,445	4,742
- realised on disposal of revalued fixed assets (net of deferred taxation)	6,758	479	6,758	479
Effect of items directly credited in other comprehensive income by the Associated Companies	3,730	697	3,730	697
Other comprehensive income for the period	12,682	3,544	14,933	5,918
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	33,323	(35,789)	24,990	(32,573)

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


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

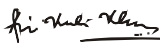

Mushtaq Ahmad Khan, FCA
Director

JDM TEXTILE MILLS LIMITED


CONDENSED INTERIM CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER, 2009 (UN-AUDITED)

	Half-year ended	
	31 Dec., 2009	31 Dec., 2008
	(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) for the period - before taxation and share of profit of Associated Companies	13,977	(56,040)
Adjustments for non-cash charges and other items:		
Depreciation	25,971	26,182
Loss on sale of operating fixed assets	4,282	1,151
Staff retirement benefits - gratuity (net)	3,368	(3,878)
Finance cost	62,035	70,935
CASH INFLOW FROM OPERATING ACTIVITIES	109,633	38,350
-Before working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(10,633)	(5,061)
Stock-in-trade	(245,811)	(19,247)
Trade debts	(13,280)	(23,005)
Advances to employees	94	452
Advance payments	2,401	(4,650)
Trade deposits and prepayments	(28,852)	(36)
Sales tax refundable	(673)	(1,027)
Due from Associated Companies	(4,183)	(5,097)
Other receivables	0	50
Increase in trade and other payables	121,386	34,187
	(179,551)	(23,434)
CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES	(69,918)	14,916
- Before taxation		
Taxes paid	(8,254)	(1,557)
CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES	(78,172)	13,359
- After taxation		
Loans to employees - net	18	(541)
NET CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES	(78,154)	12,818
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(4,142)	(23,378)
Sale proceeds of operating fixed assets	8,925	399
Security deposits	(25)	0
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	4,758	(22,979)
CASH FLOW FROM FINANCING ACTIVITIES		
Demand finances - net	(8,356)	(8,357)
Lease finances - net	0	(1,033)
Short term finances - net	124,295	78,666
Preference shares redeemed	0	(1)
Finance cost paid	(40,656)	(60,962)
NET CASH INFLOW FROM FINANCING ACTIVITIES	75,283	8,313
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	1,887	(1,848)
CASH AND CASH EQUIVALENTS - At the beginning of the period	3,177	5,092
CASH AND CASH EQUIVALENTS - At the end of the period	5,064	3,244

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



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



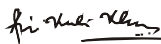
Mushtaq Ahmad Khan, FCA
Director


JDM TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF-YEAR ENDED 31 DECEMBER, 2009

	Share capital	Reserves					Unappropriated profit / (accumulated loss)	Total
		Capital			Revenue	Sub-total		
		Capital redemption	Tax holiday	Share premium	General			
----- Rupees in thousand -----								
Balance as at 30 June, 2008	31,655	6,694	350	0	121,171	128,215	47,066	206,936
Total comprehensive loss for the half-year ended 31 December, 2008	0	0	0	0	0	0	(32,573)	(32,573)
Balance as at 31 December, 2008	31,655	6,694	350	0	121,171	128,215	14,493	174,363
Total comprehensive loss for the half-year ended 30 June, 2009	0	0	0	0	0	0	(66,087)	(66,087)
Balance as at 30 June, 2009	31,655	6,694	350	0	121,171	128,215	(51,594)	108,276
Total comprehensive income for the half-year ended 31 December, 2009	0	0	0	0	0	0	24,990	24,990
1,140,900 ordinary shares of Rs.10 each issued as otherwise than right @ Rs.20 per share	11,409	0	0	11,409	0	11,409	0	22,818
Balance as at 31 December, 2009	43,064	6,694	350	11,409	121,171	139,624	(26,604)	156,084

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


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


Mushtaq Ahmad Khan, FCA
Director

**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF-YEAR ENDED 31 DECEMBER, 2009**

1. CORPORATE INFORMATION

Janana De Malucho Textile Mills Limited (the Company) was incorporated in Pakistan in the year 1960 as a Public Company and its shares are quoted on Karachi Stock Exchange (Guarantee) Limited. 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; it has been prepared and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984 and International Accounting Standard (IAS) 34 (Interim Financial Reporting). The figures for the half-year ended 31 December, 2009 have, however, been subjected to limited scope review by the external Auditors as required by the Code of Corporate Governance. 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 published financial statements of the Company for the year ended 30 June, 2009.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation of balances adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the annual published financial statements of the Company for the year ended 30 June, 2009 except for the changes mentioned below:

- 3.1** IAS 1 (Revised) - (Presentation of Financial Statements). The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from 'owner changes in equity'. All 'non-owner changes in equity' are required to be shown in a performance statement. Companies can choose whether to present one performance statement (the statement of comprehensive income) or two statements (profit and loss account and statement of comprehensive income).

The Company has preferred to present two statements; a profit and loss account and a statement of comprehensive income. The interim financial information has been prepared under the revised disclosure requirements.

- 3.2** In addition to above, following amendments to standards are mandatory for the first time for financial year beginning on 01 July, 2009 and are also relevant to the Company. The adoption of these amendments does not have significant impact on the condensed interim financial information of the Company.

- IAS 23 (Amendment) - Borrowing Costs
- IAS 28 (Amendment) - Investment in Associates
- IAS 36 (Amendment) - Impairment of Assets
- IAS 39 (Amendment) - Financial Instruments: Recognition and Measurement

There are other amendments to the approved accounting standards and interpretations that are mandatory for accounting periods beginning on or after 01 July, 2009 but are considered not to be relevant or to have any significant effect on the Company's operations and are therefore not detailed in the condensed interim financial information.

JDM TEXTILE MILLS LIMITED

4. SHARES DEPOSIT MONEY

The Company previously announced 300% right issue, which was cancelled with the permission of shareholders in their meeting held on 30 October, 2006. Bannu Woollen Mills Ltd. (BWM), however, had advanced money at that time amounting Rs.22.818 million against the said right issue. This amount of Rs.22.818 million has been adjusted during the current period against the issue of 1,140,900 ordinary shares as otherwise than right at price of Rs.20 per share to BWM as approved by the Board of Directors in their meeting held on 06 August, 2009. The price has been fixed in view of the average market price of the Company's share during the preceding six months. The Securities and Exchange Commission of Pakistan, vide its letter Ref.No.EMD/CI/78/08/713 dated 25 November, 2009, has also allowed the Company to issue 1,140,900 ordinary shares at Rs.20 per share under section 86(1) of the Companies Ordinance, 1984 otherwise than right to BWM against conversion of Shares Deposit Money.

5. FROZEN MARK-UP ON DEMAND FINANCES

5.1 This represents mark-up accrued on demand finances pertaining to the period from 01 October, 2008 to 31 December, 2009. The management intends to issue preference shares against this liability and is negotiating with National Bank of Pakistan (NBP) to finalise the rescheduling arrangements.

5.2 In the opinion of External Auditors, classification of accrued mark-up as non-current liability is not permissible under the requirements of International Accounting Standard - 1 (Presentation of Financial Statements).

6. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

	Un-audited	Audited
	Half-year ended	Year ended
	31 Dec.,	30 June,
	2009	2009
Note	Rupees in thousand	
Opening balance	661,613	671,333
Less:		
transferred to unappropriated profit /		
(accumulated loss) on account of:		
- incremental depreciation for the period / year - net of		
deferred taxation	(4,445)	(9,481)
- realised on disposal of plant & machinery - net of		
deferred taxation	(6,758)	(239)
	(11,203)	(9,720)
Closing balance	650,410	661,613

7. DEMAND FINANCES - Secured

Demand Finance I (DF I)	7.1	201,930	201,930
Demand Finance III (DF III)	7.1	7,177	7,177
Demand Finance IV (DF IV)	7.1	27,500	27,500
Demand Finance V (DF V)	7.1	69,818	69,818
Rescheduled Demand Finance I (RDF I)		12,804	16,005
Rescheduled Demand Finance III (RDF III)		15,467	20,622
		334,696	343,052
Less: current portion grouped under current liabilities		16,713	16,713
		317,983	326,339

JDM TEXTILE MILLS LIMITED

- 7.1 (a)** These finances have been obtained from NBP against various demand finance facilities aggregating Rs.451 million and are secured against first charge on fixed assets of the Company for Rs.1,099 million. These finances, during the period, carried mark-up at the rate of 14.61% per annum.
- (b)** As per the revised repayment terms communicated by NBP vide its letter Ref. #CBIG-N / JDM / 349/2007 dated 14 November, 2007:
- DF I is repayable in 14 equal half-yearly instalments with effect from January, 2009.
 - DF III is repayable in 6 equal half-yearly instalments with effect from January, 2009.
 - DF IV is repayable in 10 equal half-yearly instalments with effect from January, 2009.
 - DF V is repayable in 12 equal half-yearly instalments with effect from January, 2009.
- (c)** The Company has paid no instalment of these finances during the current period and preceding financial year and is negotiating with NBP for rescheduling / restructuring of these finances. Accordingly, current and overdue portions of these finances aggregating Rs.96.751 million (30 June, 2009: Rs.72.564 million) have not been grouped under current liabilities. As per the NBP's Corporate Head letter Ref.# CIBG/ISD/137/2010 dated 08 February, 2010, the credit lines of the Company are under consideration for rescheduling / restructuring.
- (d)** In the opinion of External Auditors, non-inclusion of current and overdue portions of these finances under current liabilities as at 31 December, 2009 is not permissible under the requirements of IAS 1 (Presentation of Financial Statements).

8. CONTINGENCIES AND COMMITMENTS

- 8.1** There has been no significant change in the status of contingencies as reported in the preceding published annual financial statements of the Company for the year ended 30 June, 2009.
- 8.2** Commitments for irrevocable letters of credit outstanding as at 31 December, 2009 aggregated Rs.3.458 million (30 June, 2009: Rs.4.234 million).

9. PROPERTY, PLANT AND EQUIPMENT

		Un-audited	Audited
		Half-year ended	Year ended
		31 Dec.,	30 June,
		2009	2009
	Note	Rupees in thousand	
Operating fixed assets - tangible	9.1	1,466,417	1,497,608
Capital work-in-progress		0	3,845
		<u>1,466,417</u>	<u>1,501,453</u>

JDM TEXTILE MILLS LIMITED

	Un-audited Half-year ended 31 Dec., 2009	Audited Year ended 30 June, 2009
Note	Rupees in thousand	
9.1 Operating fixed assets - tangible		
Opening book value	1,497,608	1,494,346
Additions during the period / year:		
Owned:		
- buildings on freehold land - factory	0	1,286
- plant and machinery	7,895	49,264
- generators	0	6,432
- workshop equipment	0	27
- furniture and fixtures	92	491
- office and other equipment	0	17
- vehicles	0	507
	7,987	58,024
Transfer-in to owned vehicles	0	3,561
Transfer-out from leased vehicles	0	(3,561)
Book value of assets disposed-off during the period / year	(13,207)	(1,195)
Depreciation charge for the period / year	(25,971)	(53,567)
Closing book value	<u>1,466,417</u>	<u>1,497,608</u>

10. INVESTMENTS IN ASSOCIATED COMPANIES - Quoted

Babri Cotton Mills Ltd. (BCM)	10.1		
510,864 ordinary shares of Rs.10 each - cost		10,973	10,973
Equity held: 17.64%			
Post acquisition profit brought forward including effect of items directly credited in other comprehensive income by BCM		(3,531)	7,092
Profit for the period / (loss for the year) - net of taxation		77	(10,915)
		7,519	7,150
Bannu Woollen Mills Ltd. (BWM)	10.2		
585,301 ordinary shares of Rs.10 each including 285,146 bonus shares - cost		7,697	7,697
Equity held: 7.70%			
Post acquisition profit brought forward including effect of items directly credited in other comprehensive income by BWM		20,989	16,760
Profit for the period / year - net of taxation		2,726	791
		31,412	25,248
		38,931	32,398
Less: impairment loss		22,313	21,594
		<u>16,618</u>	<u>10,804</u>

10.1 Fair value of investments in BCM as at 31 December, 2009 was Rs.9.073 million (30 June, 2009: Rs.2.861 million).

10.2 Fair value of investments in BWM as at 31 December, 2009 was Rs.7.545 million (30 June, 2009: Rs.7.943 million).

JDM TEXTILE MILLS LIMITED

	Un-audited Half-year ended 31 Dec., 2009	Audited Year ended 30 June, 2009
	Rupees in thousand	
11. TRADE DEPOSITS AND PREPAYMENTS		
Letters of credit	94	28
Margin deposits	27,000	0
Prepayments	3,134	1,348
	30,228	1,376
12. DUE FROM ASSOCIATED COMPANIES		
12.1 Due on account of normal trading transactions:		
Rahman Cotton Mills Limited	18,803	18,289
Babri Cotton Mills Limited	4,660	3,425
	23,463	21,714
12.2 Due on account of fund transfers and other transactions:		
Rahman Cotton Mills Limited:		
- mark-up	837	1,285
- fund transfers	(4,867)	(6,996)
	(4,030)	(5,711)
Babri Cotton Mills Limited:		
- mark-up	2,054	1,301
- fund transfers	6,405	6,405
	8,459	7,706
	27,892	23,709

13. OTHER OPERATING EXPENSES

Expense for the period includes loss arisen on disposal of operating fixed assets amounting Rs.4.282 million.

14. TRANSACTIONS WITH ASSOCIATED COMPANIES AND RELATED PARTIES

14.1 Aggregate transactions made during the period with Associated Companies were as follows:

- sale of goods and services	907	326
- purchase of goods and services	6,859	8,045
- insurance claim received	0	1,315
- residential rent received	66	66
- mark-up:		
- earned	1,701	1,275
- expensed	353	456
- management charges:		
- paid	911	1,166
- received	3,757	3,587

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

14.3 Sales, purchases and other transactions with related parties are made at arm's length prices determined in accordance with the comparable uncontrolled price method except for the allocation of expenses relating to combined offices shared with the Associated Companies, which are on the actual basis.

14.4 Trade and other payables include due to Associated Companies aggregating Rs.8,599 thousand (30 June, 2009: Rs.13,540 thousand).

14.5 Accrued mark-up / interest includes due to Associated Companies aggregating Rs. 377 thousand (30 June, 2009: Rs.24 thousand).

15. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue in the Board of Directors' meeting held on 27th February, 2010.

16. GENERAL

- Figures in the condensed interim financial information have been rounded-off to the nearest thousand Rupees except stated otherwise.
- Corresponding figures have neither been re-arranged nor re-classified.



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



Mushtaq Ahmad Khan, FCA
Director

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