

THIRD QUARTERLY Report
March 31, 2011



Gadoon Textile Mills Limited



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COMPANY PROFILE

- Board of Directors** : Muhammad Yunus Tabba (Chairman)
Muhammad Sohail Tabba (Chief Executive)
Muhammad Ali Tabba
Javed Yunus Tabba
Mrs. Marium Tabba Khan
Ilyas Ismail
Tariq Iqbal Khan
- Director Finance & Company Secretary** : Abdul Sattar Abdullah
- Audit Committee** : Muhammad Ali Tabba
Javed Yunus Tabba
Ilyas Ismail
- Auditors** : M. Yousuf Adil Saleem & Co.
Chartered Accountants
- Registered Office/Factory** : 200-201, Gadoon Amazai Industrial Estate,
Distt. Swabi, Khyber Pakhtunkhwa
Phone No. :0938-270212-13
Fax No. :0938-270311
E-mail Address :secretary@gtmfactory.com
- Liaison Office** : 7 Park Avenue Road University Town Peshawer.
Phone No. :091-5701496
Fax No. :091-5702029
E-mail Address: secretary@gadoontextile.com
- Karachi Office** : 6-A, Muhammad Ali Housing Society,
Abdul Aziz Haji Hashim Tabba Street,
Karachi-75350.
Phone No. :021-34397701-03
Fax No. :021-34382436
E-mail Address: secretary@gadoonho.com
- Share Registrar** : Central Depository Company of Pakistan Ltd
CDC House, 99-B, Block B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi
Ph # 021-111-111-500
Fax # 021-34326027
Email Address: info@cdcpak.com
- Bankers** : Bank Alfalah Limited (Islamic Banking)
Bank Al Habib Limited
Barclays Bank PLC, Pakistan
Citibank N.A.
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Meezen Bank Limited
MCB Bank Limited
National Bank of Pakistan
United Bank Limited



DIRECTORS' REPORT TO THE MEMBERS

The Directors of your Company have pleasure in presenting before you the performance review together with the financial statements of the Company for the 3rd quarter and 9 months ended March 31, 2011.

OVERVIEW

The cotton spinning industry concluded the 9 months ended March 31, 2011 with impressive growth both in local and export sales value as compared to same period last year.

Cotton prices attained unprecedented hike which has not been seen in the past. So long as the industry is able to pass this yarn price increase through cost to buyers the spinning sector will have no problem in maintaining its margins.

Your Company is carrying sufficient inventory to enter into new crop season, which is risk averse because of timely procurement of cotton.

In order to maintain its competitive position in the coming years, your Company has undertaken expansion project at Karachi, details of which are given elsewhere in this report.

A comparison of the key financial results of the Company for nine months ended March 31, 2011 with same period last year is as under:

| Particulars | 9M 2010-11 | 9M 2009-10 | % Change |
|----------------------|------------|------------|----------|
| Sales revenue | 11,355 | 7,155 | 58.69 |
| Gross profit | 2,217 | 1,097 | 102.16 |
| Operating profit | 1,909 | 792 | 141.08 |
| Profit before tax | 1,807 | 572 | 215.92 |
| Net profit after tax | 1,813 | 479 | 278.42 |
| Earnings per share | 77.34 | 20.44 | |

Rupees in Million except EPS

A comparison of 3rd quarter versus same quarter last year as under:

| Particulars | 3Q 2010-11 | 3Q 2009-10 | % Change |
|----------------------|------------|------------|----------|
| Sales revenue | 4,485 | 2,606 | 72.10 |
| Gross profit | 792 | 525 | 50.81 |
| Operating profit | 684 | 417 | 64.08 |
| Profit before tax | 623 | 333 | 86.88 |
| Net profit after tax | 622 | 307 | 102.69 |
| Earnings per share | 26.55 | 13.10 | |

Rupees in Millions except EPS



BUSINESS PERFORMANCE

(a) Production Volume Performance

The Production statistics of your Company for the 9 months under review as compared to same period last year are as under:

| Particulars | 9M 2010-11 | 9M 2009-10 | Increase/ (Decrease) % |
|-----------------|-------------------|-------------------|------------------------------|
| YARN PRODUCTION | 31,611,837.60 kgs | 30,201,368.40 kgs | 4.67% |

(b) Financial Performance:

Your Company, by the Grace of Almighty Allah, put up further improved financial results. Sales revenue amounted to Rs.11,355 million in the 9 months under review as compared to 7,155 million in the corresponding period last year---an increase of Rs.4,200 million translating into 58.69%. The growth represents increase of 70.69% in export sales and 47.21% in local sales.

The higher sales revenue is attributable to good yarn market and inventory gain accruing due to progressive rise in lint cotton prices which virtually hit through the roof in line with worldwide trend.

The Gross Profit rose to Rs. 2,217 million during period under review (9M 2010:Rs.1,097 million). The gross profit rate works out to an impressive 19.53% (9M 2010:15.33%). With its planning and procurement policies attuned to competitive purchasing of cotton at the right time, the Company has taken maximum benefit of this situation. The after tax profit also moved upwards to Rs.1,813 Million (9M 2010: Rs.479 Million) which translates into earnings per share of Rs.77.34 (9M2010: Rs.20.44).

PROGRESS ON PROJECTS

In order to maintain sustained growth in profitability, the Company is putting up an additional production facility at Karachi. The road transportation cost to and from Gadoon Amazai is day by day becoming prohibitive and makes this decision economically viable. Import of raw material and export of yarn and easy access to port facilities also favour this proposal.

The current status of the project is that so far plant and machinery amounting to Rs.1,142 million has been imported and is in the process of installation. Building at a cost of Rs. 196 million has been erected. The total outlay of the project, including miscellaneous expenses and mark-up capitalized, work out to Rs.1,361 million.

The new facility is expected to be ready, Insha Allah, by the end of current Financial Year.



Future Outlook:

Cotton prices, after attaining the peak, are on the sharp decline and are expected to stabilize, aided by downward trend in global prices. Should the decline in cotton prices be substantial, it will have adverse effect on our last quarter's profitability.

Other constraints such as electricity and gas and ocean and surface freight continue to impact our margins.

Acknowledgements:

The directors record their appreciation of the performance of the Company's workers, staff and executives.

For and on behalf of the Board

Muhammad Yunus Tabba
Chairman

Karachi: 29th April, 2011.



CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2011 (UNAUDITED)

| | Note | (Unaudited) March 31, 2011 | (Audited) June 30, 2010 |
|---|------|----------------------------------|-------------------------------|
| (Rupees) | | | |
| ASSETS | | | |
| Non Current Assets | | | |
| Property, plant and equipment | 3 | 4,019,708,219 | 2,724,683,607 |
| Long term loans | | 2,234,626 | 5,734,580 |
| Long term deposits | | 7,285,956 | 7,272,958 |
| Long term advance | | 66,666,667 | 66,666,667 |
| | | 4,095,895,468 | 2,804,357,812 |
| Current Assets | | | |
| Stores, spares & loose tools | | 256,186,897 | 223,164,356 |
| Stock in trade | | 4,132,817,778 | 2,159,942,139 |
| Trade debts | | 3,051,349,295 | 998,551,745 |
| Loans & advances | | 161,711,420 | 149,629,913 |
| Trade deposits and short term prepayments | | 12,027,424 | 1,590,000 |
| Other receivables | | 202,672,125 | 42,469,015 |
| Income tax refundable due from the government | | 33,391,714 | 40,819,674 |
| Cash and bank balances | | 374,324,921 | 125,509,669 |
| | | 8,224,481,573 | 3,741,676,511 |
| Total Assets | | 12,320,377,041 | 6,546,034,323 |
| EQUITY AND LIABILITIES | | | |
| Share Capital and Reserves | | | |
| Authorised 50,000,000 ordinary shares of Rs. 10/- each | | 500,000,000 | 500,000,000 |
| Issued, subscribed and paid up | | 234,375,000 | 234,375,000 |
| Capital reserves - Share premium | | 103,125,000 | 103,125,000 |
| Revenue reserves | | | |
| General reserve | | 1,000,000,000 | 1,000,000,000 |
| Un-appropriated profit | | 3,113,191,722 | 1,464,709,963 |
| | | 4,113,191,722 | 2,464,709,963 |
| | | 4,450,691,722 | 2,802,209,963 |
| Non Current Liabilities | | | |
| Long term financing | | | |
| Deferred liabilities | | 71,253,996 | 630,160,747 |
| | | 297,355,981 | 285,859,848 |
| | | 368,609,977 | 916,020,595 |
| Current Liabilities | | | |
| Current portion of: Long term financing | | 567,813,502 | 17,813,502 |
| Short term borrowings | | 5,363,998,299 | 1,543,076,423 |
| Trade and other payables | | 1,428,245,504 | 1,141,007,304 |
| Provision for taxation | | 11,768,420 | 59,058,625 |
| Accrued mark up | | 129,249,617 | 66,847,911 |
| | | 7,501,075,342 | 2,827,803,765 |
| Total Equity and Liabilities | | 12,320,377,041 | 6,546,034,323 |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 4 | | |

The annexed notes form an integral part of these condensed interim financial statements

Muhammad Yunus Tabba
Chairman / Director

Muhammad Sohail Tabba
Chief Executive



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

FOR THE THIRD QUARTER ENDED MARCH 31, 2011 (UNAUDITED)

| | Note | Nine Months Ended | | Quarter Ended | |
|---|------|----------------------|----------------|--------------------|----------------|
| | | March 31, 2011 | March 31, 2010 | March 31, 2011 | March 31, 2010 |
| Rupees | | | | | |
| Sales-net | | 11,354,541,095 | 7,155,054,921 | 4,485,374,504 | 2,606,328,088 |
| Cost of sales | 5 | 9,137,388,438 | 6,058,343,425 | 3,693,329,288 | 2,081,138,756 |
| Gross profit | | 2,217,152,657 | 1,096,711,497 | 792,045,216 | 525,189,332 |
| Other operating income | | 104,232,979 | 1,681,507 | 42,220,980 | 900,052 |
| | | 2,321,385,636 | 1,098,393,004 | 834,266,196 | 526,089,384 |
| Distribution cost | | 232,245,818 | 216,275,134 | 87,388,310 | 74,314,436 |
| Administrative expenses | | 45,553,398 | 41,946,073 | 17,995,207 | 14,514,974 |
| Other operating expenses | | 134,602,070 | 48,319,830 | 45,163,500 | 20,564,276 |
| | | 412,401,286 | 306,541,037 | 150,547,017 | 109,393,686 |
| | | 1,908,984,350 | 791,851,967 | 683,719,179 | 416,695,697 |
| Finance cost | | 101,710,026 | 219,783,352 | 60,748,644 | 83,339,062 |
| Profit before taxation | | 1,807,274,323 | 572,068,615 | 622,970,536 | 333,356,635 |
| Taxation | | | | | |
| Current | | - | 50,252,209 | - | 21,741,863 |
| Deferred | | (5,312,145) | 42,824,459 | 614,715 | 4,570,768 |
| | | (5,312,145) | 93,076,668 | 614,715 | 26,312,631 |
| Net Profit for the period | | 1,812,586,468 | 478,991,947 | 622,355,821 | 307,044,004 |
| Earnings per share - basic and diluted | | 77.34 | 20.44 | 26.55 | 13.10 |

The annexed notes form an integral part of these condensed interim financial statements

Muhammad Yunus Tabba
Chairman / Director

Muhammad Sohail Tabba
Chief Executive



CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE THIRD QUARTER ENDED MARCH 31, 2011 (UNAUDITED)

| | March 31, 2011 | March 31, 2010 |
|---|------------------------|------------------------|
| | (Rupees) | |
| A) CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit / (loss) before taxation | 1,807,274,323 | 572,068,615 |
| Adjustments for | | |
| Depreciation | 204,910,082 | 208,909,464 |
| (Gain) / Loss on disposal of fixed assets | (5,084,461) | (222,153) |
| (Profit) on deposits | (87,643,647) | (580,829) |
| Provision for gratuity | 39,000,000 | 26,340,282 |
| Finance cost | 99,480,603 | 218,304,619 |
| | <u>250,662,577</u> | <u>452,751,383</u> |
| Operating cash flow before working capital changes | 2,057,936,900 | 1,024,819,998 |
| (Increase) / decrease in current assets | | |
| Stores, spares & loose tools | (33,022,541) | (26,372,141) |
| Stock in trade | (1,972,875,639) | (732,829,240) |
| Trade debts | (2,052,797,550) | (604,636,196) |
| Loans and advances | (49,909,612) | (3,779,425) |
| Trade deposits and short term prepayments | (10,437,424) | (777,882) |
| Other receivables | (160,203,110) | (8,842,035) |
| | <u>(4,279,245,876)</u> | <u>(1,377,236,919)</u> |
| Increase / (decrease) in current liabilities | | |
| Trade and other payables | 286,240,577 | 1,031,007,693 |
| Changes in working capital | <u>(3,993,005,299)</u> | <u>(346,229,226)</u> |
| Cash used in operation | (1,935,068,399) | 678,590,773 |
| Gratuity paid | (22,191,721) | (15,908,802) |
| Taxes paid (including tax deducted at source) | 875,043 | 32,425,313 |
| Finance cost paid | (37,078,897) | 232,529,422 |
| | <u>(58,395,575)</u> | <u>(216,012,911)</u> |
| Net Cash used in operating activities | A | 462,577,862 |
| | <u>(1,993,463,974)</u> | <u>462,577,862</u> |



| | | March 31, 2011 | March 31, 2010 |
|---|---------|------------------------|-------------------|
| B) CASH FLOWS FROM INVESTING ACTIVITIES | | (Rupees) | |
| (Addition) in property, plant and equipment | | (1,504,723,563) | (171,470,684) |
| Long term loans recovered / (paid) | | 4,289,570 | (1,934,381) |
| Long term deposits | | (12,998) | (6,344) |
| Profit received from bank deposits | | 83,902,637 | 610,838 |
| Sale proceeds of fixed assets | | 9,873,330 | 1,444,977 |
| Net cash used in investing activities | B | (1,406,671,024) | (171,355,594) |
| C) CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Dividend paid | | (163,064,877) | (36,580) |
| Repayment of long term financing | | (8,906,749) | (42,909,632) |
| Short term borrowings-net | | - | (250,000,000) |
| Net cash used in financing activities | C | (171,971,626) | (292,946,212) |
| Net decrease in Cash & Cash equivalents | (A+B+C) | (3,572,106,624) | (1,723,943) |
| Cash & cash equivalent at the beginning of the period | | (1,417,566,754) | (647,940,923) |
| Cash & cash equivalent at the end of the period | | (4,989,673,378) | (649,664,866) |
| Cash and bank balances | | 374,324,921 | 81,645,042 |
| Short term borrowings | | (5,363,998,299) | (731,309,908) |
| | | (4,989,673,378) | (649,664,866) |

The annexed notes form an integral part of these financial statements

Muhammad Yunus Tabba
Chairman / Director

Muhammad Sohail Tabba
Chief Executive



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED MARCH 31, 2011 (UNAUDITED)

| | <----- Capital reserves -----> | | | <----- Revenue reserves -----> | | | Grand total |
|--|---|--------------------|--------------------|--------------------------------|--------------------------|----------------------|----------------------|
| | Issued, subscribed and paid-up share capital | Share premium | Sub Total | General reserves | Unappropriated profit | Sub Total | |
| Balance as at June 30, 2009 | 234,375,000 | 103,125,000 | 103,125,000 | 1,000,000,000 | 636,519,294 | 1,636,519,294 | 1,974,019,294 |
| Total comprehensive income for the period | - | - | - | - | 478,991,947 | 478,991,947 | 478,991,947 |
| Balance as at March 31, 2010 | 234,375,000 | 103,125,000 | 103,125,000 | 1,000,000,000 | 1,115,511,241 | 2,115,511,241 | 2,453,011,241 |
| Balance as at June 30, 2010 | 234,375,000 | 103,125,000 | 103,125,000 | 1,000,000,000 | 1,464,709,963 | 2,464,709,963 | 2,802,209,963 |
| Final dividend for the year ended June 30, 2010 Rs.7/=per share | - | - | - | - | (164,104,715) | (164,104,715) | (164,104,715) |
| Total comprehensive income for the period | - | - | - | - | 1,812,586,474 | 1,812,586,474 | 1,812,586,474 |
| Balance as at March 31, 2011 | 234,375,000 | 103,125,000 | 103,125,000 | 1,000,000,000 | 3,113,191,722 | 4,113,191,722 | 4,450,691,722 |

The annexed notes form an integral part of these condensed interim financial statements

Muhammad Yunus Tabba
Chairman / Director

Muhammad Sohail Tabba
Chief Executive



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED MARCH 31, 2011 (UNAUDITED)

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Gadoon Textile Mills Limited (the Company) was incorporated in Pakistan on February 23, 1988 as a Public Limited Company under the Companies Ordinance, 1984 and listed on Karachi and Islamabad Stock Exchanges. The registered office of the Company and its manufacturing facilities are located at Gadoon Amazai Industrial Estate, Gadoon, District Swabi, Khyber Pakhtunkhwa. Principal activity of the Company is manufacturing and sale of yarn.
- 1.2 The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

2. STATEMENT OF COMPLIANCE

- 2.1 These unaudited interim financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and in compliance with requirement of Section 245 of the Companies Ordinance, 1984 and presented as per the requirement of the listing regulations of the Stock Exchanges.
- 2.2 These interim financial statements are in condensed form and should be read in conjunction with the annual financial statements of the Company.
- 2.3 The accounting convention, policies and methods of computation followed in the preparation of these financial statements are the same as those of the published annual financial statements for the year ended June 30, 2010.

| | Note | (Unaudited) March 31, 2011 | (Audited) June 30, 2010 |
|---|------|----------------------------------|-------------------------------|
| 3. PROPERTY, PLANT AND EQUIPMENT | | | |
| (Rupees) | | | |
| Operating fixed assets | 3.1 | 2,623,323,067 | 2,695,556,675 |
| Capital work in progress | 3.2 | 1,396,385,152 | 29,126,932 |
| | | <u>4,019,708,219</u> | <u>2,724,683,607</u> |

3.1 Details of additions and disposals are as under

| | Quarter Ended | | | |
|-------------------------|-------------------------|----------------------------|-------------------------|----------------------------|
| | March 31, 2011 | | March 31, 2010 | |
| | Rupees | | Rupees | |
| | Additions/ transfers | Disposals at Book value | Additions/ transfers | Disposals at Book value |
| Plant and machinery | 124,022,134 | 3,454,670 | 164,023,989 | 977,847 |
| Tools & Equipment | 142,000 | - | - | - |
| Electrical installation | - | - | 8,500,000 | - |
| Computer equipment | 250,094 | - | 171,550 | - |
| Office equipment | 42,850 | - | 18,000 | - |
| Vehicles | 13,008,265 | 1,334,199 | 1,013,350 | 244,977 |
| | <u>137,465,342</u> | <u>4,788,869</u> | <u>173,726,889</u> | <u>1,222,824</u> |



3.2 Details of additions and transfers are as under

| | March 31, 2011 ----- Rupees ----- | | March 31, 2010 ----- Rupees ----- | |
|----------------------------|---|--------------------|---|--------------------|
| | Additions | Transfers | Additions | Transfers |
| Civil works | 22,700,749 | - | 4,308,792 | 7,895,574 |
| Plant and machinery | 112,832,149 | 124,022,134 | 157,458,989 | 164,023,989 |
| Electrical installation | - | - | 8,500,000 | 8,500,000 |
| Vehicles | 164,892 | 5,801,892 | - | - |
| Karachi Project | | | | |
| Plant and machinery | 1,121,234,947 | - | - | - |
| Civil works | 193,051,727 | - | - | - |
| Advance to Contractor | 22,484,600 | - | - | - |
| Borrowing cost capitalized | 24,613,423 | - | - | - |
| | <u>1,497,082,487</u> | <u>129,824,026</u> | <u>170,267,781</u> | <u>172,523,989</u> |

4 CONTINGENCIES AND COMMITMENTS

4.1 Guarantees given on behalf of the company by banks outstanding as at 31st March 2011, were Rs. 362.943 million (June 2010 - Rs. 255.24 million)

| | (Unaudited) March 31, 2011 | (Audited) June 30, 2010 |
|--|----------------------------------|-------------------------------|
|--|----------------------------------|-------------------------------|

(Rupees)

4.2 Contingencies

| | | |
|---|-------------|-------------|
| Export bills discounted | 281,036,381 | 787,524,928 |
| Indemnity bonds against imported plant & machinery | 2,845,000 | 2,590,000 |
| Post dated cheques | 76,961,786 | 58,029,703 |

Status of contingencies other than mentioned above are same as disclosed in the last published annual financial statements for the year ended June 30, 2010.

4.3 Commitments

Letters of credit opened by banks for:

| | | |
|------------------------------------|---------------|---------------|
| Plant and machinery | 138,008,359 | 62,318,997 |
| Raw material | 965,190,606 | 221,332,736 |
| Stores and spares | 46,712,980 | 12,142,023 |
| Foreign currency forward contracts | 1,408,436,265 | 1,072,185,087 |
| Karachi project | 117,400,442 | - |



5 COST OF SALES

| | Nine Months Ended | | Quarter Ended | |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|
| | March 31, 2011 | March 31, 2010 | March 31, 2011 | March 31, 2010 |
| | (Rupees) | | (Rupees) | |
| Opening stock- finished goods | 221,944,458 | 318,497,166 | 377,516,117 | 177,636,880 |
| Cost of goods manufactured (5.1) | 9,336,942,253 | 5,880,364,297 | 3,737,311,444 | 2,044,019,914 |
| | 9,558,886,711 | 6,198,861,463 | 4,114,827,561 | 2,221,656,794 |
| Closing stock-finished goods | (421,498,273) | (140,518,038) | (421,498,273) | (140,518,038) |
| | 9,137,388,438 | 6,058,343,425 | 3,693,329,288 | 2,081,138,756 |

5.1 Cost of goods manufactured

| | Nine Months Ended | | Quarter Ended | |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| | March 31, 2011 | March 31, 2010 | March 31, 2011 | March 31, 2010 |
| | (Rupees) | | (Rupees) | |
| Opening stock - work in process | 67,697,688 | 56,917,986 | 142,134,688 | 59,342,932 |
| Raw and packing material consumed | 7,563,318,564 | 4,366,576,310 | 3,039,570,575 | 1,529,565,839 |
| Other manufacturing expenses | 1,863,502,244 | 1,517,218,888 | 713,182,425 | 515,460,030 |
| | 9,426,820,809 | 5,883,795,198 | 3,752,753,000 | 2,045,025,869 |
| | 9,494,518,497 | 5,940,713,184 | 3,894,887,688 | 2,104,368,801 |
| | (157,576,244) | (60,348,887) | (157,576,244) | (60,348,887) |
| Closing stock - work in process | 9,336,942,253 | 5,880,364,297 | 3,737,311,444 | 2,044,019,914 |



6 TRANSACTIONS WITH RELATED PARTIES

| Name of Related Parties | Nature of Transaction | Nine Months Ended | |
|---|----------------------------|-------------------|----------------|
| | | March 31, 2011 | March 31, 2010 |
| (Rupees) | | | |
| a. Associated companies | | | |
| Lucky Cement Limited (Common Directorship) | Purchase of cement | 16,033,137 | 382,625 |
| Fazal Textile Mills Limited (Common Directorship) | Doubling charges | - | 576,000 |
| | Sale of yarn | 316,248,351 | 237,703,807 |
| | Sale of waste | 5,177,475 | - |
| | Sale of Machines | 3,600,000 | - |
| | Sale of Raw Material | 2,022,030 | - |
| Yunus Textile Mills Limited (Common Directorship) | Purchase of Machine | 1,000,000 | - |
| | Sale of yarn | 475,091,840 | 198,185,880 |
| Lucky Knits (Pvt) Limited (Common Directorship) | Sale of yarn | 405,012,740 | 271,599,288 |
| | Sale of Machine | 750,000 | - |
| Feroze 1888 Mills Limited (Formerly Nakshbandi Industries Limited) | Sale of yarn | 149,547,500 | - |
| b. Associated Firms | | | |
| Lucky Textile Mills | Sale of yarn | 233,735,103 | 392,367,300 |
| | Grey cotton cloth purchase | 1,053,286 | - |
| c. Benefits to key management personnels | | 4,208,750 | 3,535,000 |

7 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors of the Company and authorized for issue on April 29, 2011.

8 FIGURES

Have been rounded off nearest to Rupee.

Muhammad Yunus Tabba
Chairman / Director

Muhammad Sohail Tabba
Chief Executive

BOOK POST
PRINTED MATTER

UNDER
POSTAL
CERTIFICATE



If undelivered please return to :

GADOON TEXTILE MILLS LTD.

6-A, Muhammad Ali Housing Society,
Abdul Aziz Haji Hasham Tabba Street,
Karachi-75350.

CORPORATE