

COMPANY INFORMATION

BOARD OF DIRECTORS	:	MR. ZAHID MAZHAR (Chief Executive / Chairman) MR. OMER BIN ZAHID MR. HASSAN BIN ZAHID MST. RAFIA SULTANA MST. NAILA ZAHID MISS. SARAH ZAHID MR. SARWAR SHAHAB
AUDITORS	:	M/S. RAHMAN SARFARAZ RAHIM IQBAL RAFIQ CHARTERED ACCOUNTANTS
LEGAL ADVISOR	:	MR. ABDUL GHANI KHAN (ADVOCATE)
AUDIT COMMITTEE	:	MRS. NAILA ZAHID (MEMBER / CHAIRPERSON) MR. OMER BIN ZAHID (MEMBER) MST. RAFIA SULTANA (MEMBER)
CHIEF FINANCIAL OFFICER	:	MR. OMER BIN ZAHID (M.B.A.)
BANKERS	:	ALLIED BANK LIMITED SONERI BANK LIMITED BANK AL-FALAH LIMITED CITI BANK ASKARI BANK LIMITED J. S. BANK LIMITED
REGISTERED OFFICE	:	201-202, COMMERCE CENTRE, HASRAT MOHANI ROAD, KARACHI - PAKISTAN. PHONE : (021) 32635807 - 32635809 FAX : (92-21) 32637896 - 32632712
SHARE REGISTRAR	:	M/S HAMEED MAJEED ASSOCIATES (PVT.) LTD. 5TH FLOOR, KARACHI CHAMBERS, HASRAT MOHANI ROAD, KARACHI. PHONE : 32424826-32412754 FAX : 32424835 E-MAIL : majeed@hmaconsultants.com
HEAD OFFICE	:	A 801-804, LAKSON SQUARE BUILDING No. 3, SARWAR SHAHEED ROAD, KARACHI - PAKISTAN. PHONE : (021) 35220481-8 FAX : (92-21) 35220495-6
MILLS	:	A-265, S.I.T.E., NOORIABAD, DISTRICT DADU, SINDH.
URL	:	www.nadeem.com.pk

DIRECTORS' REPORT

Dear Shareholders,

The directors of the Company hereby present their report alongwith the un-audited Financial Statements of the Company for the 1st Quarter ended on September 30, 2011.

OVERVIEW

The first quarter of the financial year 2011- 2012 has been very tough. The Value of opening stock in trade is higher than the prevailing rates in the market. The unfavourable results of the quarter are basically due to the value of inventory of finished goods and raw material at comparatively higher rates than the market.

The sales turnover of the Company was Rs. 644 million during the period under review as compared to Rs. 843.72 million of the corresponding period of last year.

FINANCIAL RESULTS

During the quarter, the Company has made after tax loss of Rs. 50.63 million as compared to after tax profit of Rs. 182 million of corresponding period of last year.

EARNING PER SHARE

Earning per share for the period is Rs. (4.21) as compared to EPS of Rs. 15.18 of the comparative period.

EXPANSION AND MODERNIZATION

The BMR programme is being continued aggressively. The management is continuously upgrading its production facilities to increase its production with better quality at reduced cost per unit.

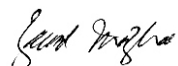
CURRENT AND FUTURE SUMMARY AND PROSPECTS

The directors of your company foresee better results during the rest of financial year. Our positive outlook is based on larger arrival of cotton at lower prices at the start of second quarter of the current financial year. The positive outlook is further strengthened with the government's initiatives like reduction in the rates of markup by 1.50%. It is expected that State Bank of Pakistan will further lower the cost of credit for the private sector in Pakistan.

ACKNOWLEDGEMENT

The management would like to place on record its appreciation for the continuous support of its employees, customers, suppliers and bankers.

Karachi:
October 27, 2011

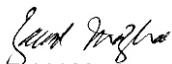



ZAHID MAZHAR
Chief Executive

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2011

	Un-Audited Sep. 30, 2011 RUPEES	Audited Jun. 30, 2011 RUPEES
EQUITY AND LIABILITIES		
AUTHORISED CAPITAL		
12,500,000 Ordinary Shares of Rs. 10/- each	125,000,000	125,000,000
Share Capital	120,150,000	120,150,000
Capital Reserve	15,575,000	15,575,000
Unappropriated Profit	271,803,266	322,435,861
	407,528,266	458,160,861
NON CURRENT LIABILITIES		
Long term financing	72,882,009	7,500,000
Deferred liabilities	35,593,351	31,386,421
CURRENT LIABILITIES		
Trade & other payables	107,772,785	132,374,397
Markup accrued on finance	14,938,492	19,936,226
Short- term borrowings	313,927,768	583,982,305
Current portion of long term financing	29,666,664	7,090,000
Provision for taxation	45,413,057	37,373,288
	511,718,766	780,756,216
	1,027,722,392	1,277,803,498
PROPERTY AND ASSETS		
PROPERTY, PLANT AND EQUIPMENT		
Operating assets	513,534,170	514,903,982
Capital work in progress	437,500	437,500
	513,971,670	515,341,482
Long term deposits	7,823,667	7,823,667
CURRENT ASSETS		
Stores, spares and loose tools	33,550,129	25,905,827
Stock in trade	187,272,876	395,270,835
Trade debtors	186,819,780	256,104,219
Investment at fair value through profit and loss	4,094,290	4,461,566
Loan and advances	56,517,617	49,491,840
Trade deposit, prepayments and receivables	12,777,171	6,541,416
Other receivable	8,754,458	12,656,848
Cash and bank balances	16,140,733	4,205,798
	505,927,055	754,638,349
	1,027,722,392	1,277,803,498

The annexed notes form an integral part of these financial statements.


Zahid Mazhar
Chief Executive


Omer Bin Zahid
Director

Karachi: October 27, 2011

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2011

	30-SEP-2011	30-SEP-2010
	RUPEES	RUPEES
Sales - net	644,023,249	843,726,213
Cost of Sales	649,815,278	631,934,902
Gross Profit	(5,792,029)	211,791,311
Operating Expenses		
Administrative expenses	8,177,506	7,346,234
Distribution cost	5,405,857	9,126,817
	13,583,363	16,473,051
Operating profit / (loss)	(19,375,392)	195,318,260
Other Income / (loss)	(136,783)	3,143,846
	(19,512,175)	198,462,106
Other Charges		
Financial cost	19,160,483	10,323,748
Workers Welfare Fund	-	666,661
Workers' P. P. Fund	-	9,406,918
	19,160,483	20,397,327
Profit / (loss) before tax	(38,672,658)	178,064,779
Taxation		
Current	8,039,769	10,430,490
Deferred	3,920,168	(14,716,629)
	11,959,937	(4,286,139)
Profit / (Loss) after tax	(50,632,595)	182,350,918
Earning per share	(4.21)	15.18


 Zahid Mazhar
 Chief Executive


 Omer Bin Zahid
 Director

Karachi: October 27, 2011

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2011

	30-SEP-2011	30-SEP-2010
	RUPEES	RUPEES
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (loss) before taxation	(38,672,659)	178,064,779
Adjustments for:		
Depreciation	12,318,799	11,422,116
Provision for worker's profit participation fund	-	9,406,918
Provision for workers' welfare fund	-	666,661
Provision for gratuity	1,860,000	1,350,000
Loss / (Gain) on disposal of fixed assets	(50,069)	-
Financial charges	19,160,483	10,323,748
	33,289,213	33,169,443
Operating profit / (loss) before working capital changes	(5,383,446)	211,234,222
EFFECT OF CASH FLOW DUE TO WORKING CAPITAL CHANGES:		
(Increase) / Decrease in current assets		
Stocks, stores and spares	200,353,657	153,950,850
Trade debts	69,284,439	(33,549,103)
Deposits, prepayments and other receivable	(9,359,143)	797,110
	260,278,953	121,198,857
Increase / (Decrease) in current liabilities:		
Creditors, accrued and other liabilities	(24,601,612)	4,234,130
Cash generated from operations	230,293,895	336,667,209
Payments for:		
Gratuity	(1,573,238)	(1,194,492)
Financial charges - net	(24,158,218)	(21,673,756)
	(25,731,456)	(22,868,248)
Net cash (used) / provided by operating activities C/f ...	204,562,439	313,798,961

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2011

	30-SEP-2011	30-SEP-2010
	RUPEES	RUPEES
b/f	204,562,439	313,798,961
CASH FLOWS FROM INVESTING ACTIVITIES:		
Fixed capital expenditure	(10,998,918)	(8,618,546)
Proceeds from disposal of fixed assets	100,000	-
Investment at fair value through profit and loss	367,276	5,108,298
Net cash used in investing activities	(10,531,642)	(3,510,248)
	194,030,798	310,288,713
NET CASH FROM FINANCING ACTIVITIES:		
Proceeds / (repayments) of long term liabilities	87,958,673	(10,173,094)
Short term finance	(270,054,537)	(298,760,033)
NET CASH OUT FLOW FROM FINANCING ACTIVITIES:	(182,095,863)	(308,933,127)
Net Increase / (Decrease) in cash and cash equivalents	11,934,934	1,355,586
Cash and cash equivalents at beginning of the period	4,205,798	327,439
Cash and cash equivalents at end of the period	16,140,732	1,683,025

The annexed notes form an integral part of these financial statements.


 Zahid Mazhar
 Chief Executive


 Omer Bin Zahid
 Director

Karachi: October 27, 2011

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2011

	PAID UP CAPITAL	CAPITAL RESERVE	UN-APPRO- PRIATED PROFIT	TOTAL
	←————— RUPEES —————→			
Balance at June 30, 2010	120,150,000	15,575,000	317,433,764	453,158,764
1st quarter profit (July 2010 to September 2010)	-	-	182,350,918	182,350,918
Balance as at September 30, 2010	120,150,000	15,575,000	499,784,682	635,509,682
Balance at June 30, 2011	120,150,000	15,575,000	322,435,861	458,160,861
1st quarter profit / (loss) (July 2011 to September 2011)	-	-	(50,632,595)	(50,632,595)
Balance as at September 30, 2011	120,150,000	15,575,000	271,803,266	407,528,266

The annexed notes form an integral part of these financial statements.


 Zahid Mazhar
 Chief Executive

Karachi: October 27, 2011


 Omer Bin Zahid
 Director

NADEEM TEXTILE MILLS LIMITED

CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2011

1 STATUS AND NATURE OF BUSINESS

Nadeem Textile Mills limited (the company) was incorporated in Pakistan as a public limited company on July 15, 1984, and is quoted on the Karachi Stock Exchange. The registered office of the company is situated at 201-202, Commerce Centre, Hasrat Mohani Road, Karachi. The main business of the Company is to manufacture and sale of cotton yarn.

2 BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim financial reporting" and are being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance 1984.

3 ACCOUNTING POLICIES

The accounting policies and method of computation adopted for the preparation of the condensed interim financial statements for the 1st quarter ended September 30, 2011 are the same as those applied in the preparation of the Annual Audited Statements for the year ended June 30, 2011 except that no provision has been made which accrues on annual basis .

	Sep. 30, 2011 RUPEES	Sep. 30, 2010 RUPEES
4. TRANSACTION WITH ASSOCIATED UNDERTAKINGS		
SHADMAN COTTON MILLS LIMITED		
Purchase of yarn	-	25,545,000
Reprocessing expense	3,208,150	2,242,145
Sale of raw material	-	23,898,116
NADEEM INTERNATIONAL (PVT) LIMITED		
Reprocessing income	84,000	2,430,450

6. ACQUISITION AND DISPOSAL OF FIXED ASSETS


	Un-Audited Sep. 30, 2011		Audited June 30, 2011	
	Additions	Deletions	Additions	Deletions
FIXED ASSETS				
Factory building	-	-	-	-
Non-factory building	-	-	18,004,848	-
Plant & Machinery	10,874,983	-	71,391,202	-
Computer equipment	22,385	-	158,795	-
Office equipment	91,550	-	365,880	-
Furniture & Fixture	10,000	-	238,131	-
Vehicle	-	590,000	2,443,590	1,302,500
	10,998,918	590,000	92,602,446	1,302,500

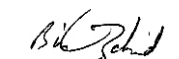
7. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorised for issue on October 27, 2011 by the Board of Directors of the Company.

8. GENERAL

Figures have been rounded off to the nearest rupees.


Zahid Mazhar
Chief Executive


Omer Bin Zahid
Director

Karachi: October 27, 2011