

## **DIRECTORS' REPORT**

Dear Shareholders,

Your Directors feel pleasure in presenting the reviewed accounts for the half year ended December 31, 2009. Your Company earned profit of Rs. 491,657 million after tax and is thankful to Almighty Allah for his blessings. Inshallah the next quarter will be better if the prices of Yarn remain stable.

The earning per share is Rs. 27.20 (par value Rs. 10/= per share)  
Labour / management relations remained cordial.

We further state that:

- a. The Financial Statements prepared by the Management, present fairly its state of affairs, the result of its operations, Cash Flows & changes in equity;
- b. Proper books of accounts have been maintained;
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d. International Accounting Standards, as applicable in Pakistan have been followed in preparation of these Financial Statements.
- e. There are no significant doubts upon the company's ability to continue as a going concern.
- f. Internal auditors is continuously reviewing the existing system of internal control and procedures. The process of review will continue and any weakness in controls will have immediate attention of the management.
- g. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.

I would like to thank to the employees of the Company for their hard work and Company's Bankers for their co-operation.

Karachi : the February 26, 2010.

For and on behalf of Board  
Shahzad Ahmed  
Chief Executive