

NOTES TO THE ACCOUNTS

For The First Quarter Ended September 30, 2005

- 1) These accounts has been prepared in accordance with the requirement of international accounting standered 34 (IAS 34) interim financial reporting.
 - ii The accounts are being submitted to the share holders as required by the section 245 of the companies ordinance 1984
 - iii The accounting policies adopt for the preparation of these quarterly accounts are the same as applied in the preparation of the accounts for preceding year ended june 30, 2006.

2) CONTINGENCIES AND COMMITMENTS

	Sep 30, 2006	Sep 30, 2005
	Rupees (000)	Rupees (000)
CONTINGENCIES		
Bank/financial institution/insurance guarantees	36,881	28,688
COMMITMENTS		
Under letters of credit	115,342	118,581
3) AGGREGATE TRANSACTION WITH ASSOCIATED UNDERTAKING		
Sales of goods and services	32,472	256,403
Purchase of goods and services	22,238	99,323
Purchase of property,plant and equipment	-	6,911
4) ACQUISITION OF PROPERTY PLANT AND MACHINERY		
Acquisition	51,859	56,880

5) COST OF GOODS SOLD	Sep 30, 2006	Sep 30, 2005
	Rupees (000)	Rupees (000)
Raw Material	274,391	241,960
Stores and Spares	4,328	5,151
Packing material	5,356	4,391
Salaries ,wages and benefits & Doubling Charges	17,187	16,442
Power and fuel	26,329	19,710
Insurance	525	592
Repair and maintenance	1,845	1,228
Depreciation	17,541	14,785
Others	65	31
	347,567	304,290
Work in process		
Opening stock	9,057	7,481
Closing stock	(7,795)	(11,973)
	1,262	(4,492)
Cost of goods manufactured	348,829	299,798
Purchase of yarn	42,639	1,067
Finished Goods		
opening stock	30,626	19,019
Closing stock	(22,379)	(20,052)
	8,247	(1,033)
	399,715	299,832

6) Figures have been rounded off to the nearest thousand rupees

CHIEF EXECUTIVE OFFICER

DIRECTOR