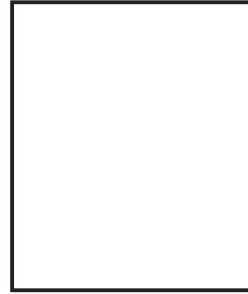


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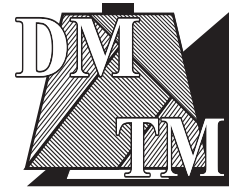
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**D.M. TEXTILE MILLS LIMITED**

Industrial Area, Westridge, Rawalpindi

Telephone: (051) 5181977 - 78, 5181981

Fax: (051) 5181979



**D.M. TEXTILE  
MILLS LIMITED**

**INTERIM CONDENSED  
FINANCIAL INFORMATION  
FOR THE FIRST QUARTER  
ENDED**

**SEPTEMBER 30,**

**2013**



# D.M. TEXTILE MILLS LIMITED

## COMPANYS' INFORMATION

### BOARD OF DIRECTORS

#### CHAIRMAN & CHIEF EXECUTIVE:

Mr. Habib Ullah

#### DIRECTORS:

Mr. Shahid Aziz (Nominee of NIT)  
Mr. Hussain Ahmad Ozgen  
Ch. Mohammad Yasin  
Mr. Hussain Ahmad Qureshi  
Syed Obaid ul Haq  
Rao Khalid Pervaiz

#### AUDIT COMMITTEE:

#### CHAIRMAN: MEMBERS:

Mr. Hussain Ahmad Qureshi  
Syed Obaid ul Haq  
Rao Khalid Pervaiz

#### HUMAN RESOURCE & REMUNERATION COMMITTEE:

#### CHAIRMAN: MEMBERS:

Mr. Hussain Ahmad Ozgen  
Mr. Hussain Ahmad Qureshi  
Rao Khalid Pervaiz

#### COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Mr. M. F. Zaman Qureshi - FCA

#### BANKERS:

NIB Bank Limited  
Faysal Bank Limited  
Silk Bank Limited  
Meezan Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited

#### AUDITORS:

M/S Riaz Ahmad & Company  
Chartered Accountants  
2-A, ATS Centre, 30-West, Fazal ul Haq Road, Blue Area, Islamabad.

#### LEGAL ADVISER:

M/S Hassan & Hassan Advocates  
PAAF Building, 7-D, Kashmir  
Egerton Road, Lahore.

#### REGISTRAR:

Corplink (Pvt.) Limited  
Wings Arcade, 1-K, Commerical Model Town, Lahore.

#### REGISTERED OFFICE & MILLS AT:

Industrial Area, Westridge, Rawalpindi.  
Telephone: (051) 5181977 - 78, 5181981  
Fax: (051) 5181979  
E-Mail: dmtm@dmtextile.com.pk  
dmtextilemills@yahoo.com  
Website: www.dmtextile.com.pk



# D.M. TEXTILE MILLS LIMITED

## DIRECTORS' REPORT

Dear Shareholders,

The Directors present before you the condensed financial statements for the first quarter ended September 30, 2013.

### 1. Net Profit/(Loss)

Directors are pleased to inform the respected shareholders that due to comparatively better market conditions and efforts of the management, the company resumed its operations from May 2013 but still facing problems due to energy crises and high inflation.

Despite of the problems, the company earned a net profit after tax of Rs. 2.005 Million during the period ended 30th September 2013 as compared to previous year's same period Net Loss of Rs. (12.866) Million.

### 2- Comparative financial results are given below:

First Quarter Ended	Rupees	
	30-September-13	30-September-12
Gross Sales	129,372,283	2,409,367
Cost of Sales	(117,085,286)	(6,913,513)
Gross Profit/(Loss)	12,286,997	(4,504,146)
Gross Profit / (Loss) Rate (%)	9.50	(186.94)
Selling, Admin & Other operating Expenses	(3,597,669)	(3,081,769)
Other Operating Income	879,570	1,078,993
Financial and Other Charges	(6,156,085)	(6,359,720)
Profit / (Loss) before taxation	3,412,813	(12,866,642)
Provision for Taxation	(1,407,573)	-
Profit / (Loss) after taxation	2,005,240	(12,866,642)
Basic Earning/(Loss) per share in Rs	0.66	(4.22)
Breakup Value per share in Rs	119.607	125.599

### 3- Debt Servicing

Previously the management has successfully settled its liabilities with several financial institutions. Further, CEO of the company is in the process of negotiating with other debt provider companies to reduce the financial liabilities of the company.

### 4- Dividend

The Directors have not recommended any dividend due to accumulated losses.

### 5- Future Prospects & Plans

After successful resumption of the operations of the mills, directors are hopeful for better results and upgradation of the machinery though the prediction is difficult due to continuing energy crises and high inflation costs. The management is also trying to avail supplier's credit to continue the operations of the mills.

For and on behalf of the Board of Directors

Habib Ullah  
Chief Executive Officer  
Rawalpindi: October 25, 2013

Hussain Ahmad Qureshi  
Director



# D.M. TEXTILE MILLS LIMITED

## CONDENSED INTERIM BALANCE SHEET

		(Un-Audited) 30 September, 2013	(Audited) 30 June, 2013
	NOTE	Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b> 5,000,000 ordinary shares of Rupees 10 each		<u>50,000,000</u>	<u>50,000,000</u>
<b>Issued, subscribed and paid-up share capital</b>		30,524,290	30,524,290
<b>Accumulated loss</b>		(239,351,912)	(241,357,152)
<b>Total equity</b>		<u>(208,827,622)</u>	<u>(210,832,862)</u>
<b>Surplus on revaluation of property, plant and equipment - net of deferred income tax</b>	5	573,920,088	573,920,088
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long term financing	6	-	-
Liabilities against assets subject to finance lease		-	-
Employees' retirement benefit		8,128,433	8,158,433
Deferred income tax liability		67,784,307	67,784,307
Deferred mark-up	7	4,111,755	3,028,501
		<u>80,024,495</u>	<u>78,971,241</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		127,005,280	115,575,659
Accrued mark-up		133,522,374	131,391,394
Short term borrowings		116,165,428	127,363,917
Current portion of non-current liabilities		79,796,673	85,907,555
		<u>456,489,755</u>	<u>460,238,525</u>
<b>Total liabilities</b>		<u>536,514,250</u>	<u>539,209,766</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	8		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>901,606,715</u>	<u>902,296,992</u>

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

CHIEF EXECUTIVE OFFICER



# D.M. TEXTILE MILLS LIMITED

## AS AT 30 SEPTEMBER 2013

		(Un-Audited) 30 September, 2013	(Audited) 30 June, 2013
	NOTE	Rupees	Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	785,338,251	787,975,327
Advance against property		51,150,000	51,150,000
Long term investments		-	-
Long term deposits		25,535,946	24,282,046
		<u>862,024,197</u>	<u>863,407,373</u>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		6,800,265	6,236,914
Stock-in-trade		17,095,975	16,179,288
Trade debts		1,015,198	-
Advances		527,657	447,912
Short term deposits		2,000,000	2,000,000
Other receivables		10,013,075	11,487,397
Short term investments		2,083,221	2,083,221
Cash and bank balances		47,128	454,887
		<u>39,582,518</u>	<u>38,889,619</u>
<b>TOTAL ASSETS</b>		<u>901,606,715</u>	<u>902,296,992</u>

DIRECTOR



# D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013

		(Un-Audited) 30 September 2013 Rupees	(Un-Audited) 30 September 2012 Rupees
SALES		129,372,283	2,409,367
COST OF SALES	10	<u>(117,085,286)</u>	<u>(6,913,513)</u>
GROSS PROFIT / (LOSS)		12,286,997	(4,504,146)
DISTRIBUTION COST		<u>(567,454)</u>	<u>(155,842)</u>
ADMINISTRATIVE EXPENSES		<u>(2,978,078)</u>	<u>(2,587,702)</u>
OTHER OPERATING EXPENSES		<u>(52,137)</u>	<u>(338,225)</u>
		<u>(3,597,669)</u>	<u>(3,081,769)</u>
		8,689,328	(7,585,915)
OTHER OPERATING INCOME		<u>879,570</u>	<u>1,078,993</u>
PROFIT / (LOSS) FROM OPERATIONS		<u>9,568,898</u>	<u>(6,506,922)</u>
FINANCE COST		<u>(6,156,085)</u>	<u>(6,359,720)</u>
PROFIT / (LOSS) BEFORE TAXATION		<u>3,412,813</u>	<u>(12,866,642)</u>
TAXATION		<u>(1,407,573)</u>	<u>-</u>
PROFIT / (LOSS) AFTER TAXATION		<u>2,005,240</u>	<u>(12,866,642)</u>
EARNIG / (LOSS) PER SHARE - BASIC AND DILUTED	11	<u>0.66</u>	<u>(4.22)</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR



# D.M. TEXTILE MILLS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013 (UN-AUDITED)

	(Un-Audited) 30 September 2013 Rupees	(Un-Audited) 30 September 2012 Rupees
PROFIT / (LOSS) AFTER TAXATION	2,005,240	(12,866,642)
OTHER COMPREHENSIVE INCOME / (LOSS)	-	-
<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR</b>	<u>2,005,240</u>	<u>(12,866,642)</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR



# D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013

	SHARE CAPITAL	ACCUMULATED LOSS	TOTAL EQUITY
	(Rupees)		
Balance as at 30 June 2012	30,524,290	(210,541,133)	(180,016,843)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment to accumulated loss - net of deferred income tax:	-	2,875,902	2,875,902
Surplus realized on disposal of revalued property, plant and equipment	-	-	-
Total comprehensive loss for the year ended 30 June 2013	-	(33,691,921)	(33,691,921)
Balance as at 30 June 2013	30,524,290	(241,357,152)	(210,832,862)
Net Profit / (Loss) for the Period	-	2,005,240	2,005,240
Incremental depreciation	-	-	-
Balance as at 30 September 2013	<u>30,524,290</u>	<u>(239,351,912)</u>	<u>(208,827,622)</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR



# D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013

	(Un-Audited) 30 September 2013 Rupees	(Un-Audited) 30 September 2012 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	3,412,813	(12,866,642)
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation	3,720,876	4,160,079
Provision for gratuity	-	-
Gain / Loss on sale of property, plant and equipment	-	(32,951)
Finance cost	6,156,085	6,435,810
Long outstanding balances written off	-	-
<b>Cash flows from operating activities before working capital changes</b>	<u>13,289,774</u>	<u>(2,303,704)</u>
Working capital changes (Increase) / decrease in current assets		
Stores, spare parts and loose tools	(563,351)	-
Stock in trade	(916,687)	2,440,017
Trade debts	(1,015,198)	-
Advances	(79,745)	(2,361,121)
Short term deposits and prepayments	-	-
Other receivables	265,772	(127,088)
tax refund due from Govt.	-	-
Increase / (decrease) in trade and other payables	11,429,621	(8,456,214)
<b>Net Cash flow from working capital changes</b>	<u>9,120,411</u>	<u>(8,504,406)</u>
<b>Cash generated from operations</b>	<u>22,410,185</u>	<u>(10,808,110)</u>
Finance cost paid	(3,913,722)	-
Deferred mark-up paid	(455,000)	-
Income tax paid	(199,022)	-
Gratuity paid	(30,000)	(322,840)
Net (increase) / decrease in long term deposits	<u>(1,253,900)</u>	<u>-</u>
<b>Net cash (used in) / generated from operating activities</b>	<u>16,558,541</u>	<u>(11,130,950)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,083,800)	-
Proceeds from sale of property, plant and equipment	-	2,600,000
Profit on Investment	-	-
Long term Deposits	-	-
<b>Net cash from investing activities</b>	<u>(1,083,800)</u>	<u>2,600,000</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from:		
Finance Lease	-	-
Short term borrowings	-	11,983,974
long term finances	-	-
Deffered mark up	-	-
Repayment of:		
Finance Lease	(4,684,012)	-
Short term borrowings	(11,198,489)	-
long term finances	-	(2,749,201)
<b>Net cash generated from / (used in) financing activities</b>	<u>(15,882,501)</u>	<u>9,234,773</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>(407,759)</u>	<u>703,823</u>
<b>Cash and cash equivalents at the beginning of the period</b>	<u>454,887</u>	<u>383,582</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>47,128</u>	<u>1,087,405</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR



# D.M. TEXTILE MILLS LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013

## 1 THE COMPANY AND ITS OPERATIONS

D. M. Textile Mills Limited is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Ordinance, 1984) and listed on Karachi and Islamabad Stock Exchanges in Pakistan. Its registered office is situated at Westridge, Rawalpindi. The Company is engaged in the business of manufacturing, sale and trading of cotton, polyester, viscose and blended yarn.

## 2 BASIS FOR PREPARATION

These Interim Financial Information is unaudited and are being submitted to share holders as required u/s 245 of the Companies Ordinance 1984. This Interim Financial Information has been prepared in accordance with the International Accounting Standard(IAS)-34."Interim Financial Reporting" as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan(SECP).

## 3 ACCOUNTING POLICIES AND COMPUTATION METHODS

The Accounting Policies and methods of computations adopted for the preparation of the Interim Financial Information are the same as applied in the preparation of the preceding annual published Financial Statements of the company for the year ended 30 June 2013.

## 4 CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

Judgements and Estimates made by the management in the preparation of this Interim Financial Information are the same as those applied to the preceding annual published Financial Statements of the company for the year ended 30 June 2013.

	(Un-Audited)		(Audited)	
		30 September 2013	30 June 2013	
	Note	Rupees	Rupees	
<b>5 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX</b>				
Opening Balance		573,920,088	576,267,065	
Deferred tax adjustment due to change in tax rate from 35% to 34%		-	528,925	
Surplus on revaluation of property, plant and equipment during the year		-	-	
Related deferred income tax liability		-	-	
Transferred to accumulated loss in respect of surplus realized on disposal of revalued property, plant and equipment		-	-	
Related deferred income tax liability		-	-	
Transferred to accumulated loss in respect of incremental depreciation charged during the year		-	(4,357,428)	
Related deferred income tax liability		-	1,481,526	
		-	(2,875,902)	
		<u>573,920,088</u>	<u>573,920,088</u>	

## 6 LONG TERM FINANCING

Financing from banking companies - secured		73,193,999	73,193,999
		<u>73,193,999</u>	<u>73,193,999</u>
Less: Current portion shown under current liabilities		<u>73,193,999</u>	<u>73,193,999</u>
		-	-

## 7 DEFERRED MARK-UP

7.1 MCB Bank Limited (MCB) deferred payment of capitalized mark-up of Rupees 4.112 million (2013: Rupees 4.455 million) repayable in 11 equal quarterly installments of Rupees 455,000 and one installment of Rupees 170,000 in the end commenced from 01 September 2009, after repayment of original demand finance. The deferred mark-up has been stated at present value using effective interest rate of 10%. Deferred mark-up is secured against charge over fixed assets amounting to Rupees 51.288 million.

## 8 CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

There is no significant change in the status of contingencies, as disclosed in preceding audited annual published financial statements of the company for the year ended 30 June 2013.



# D.M. TEXTILE MILLS LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013

Note	(Un-Audited)		(Audited)	
		30 September 2013	30 June 2013	
		Rupees	Rupees	
<b>9 PROPERTY, PLANT AND EQUIPMENT</b>				
Operating Fixed Assets	9.1	722,235,032	724,073,333	
Assets Subject to Finance Lease	9.2	<u>63,103,219</u>	<u>63,901,994</u>	
		785,338,251	787,975,327	
<b>9.1 OPERATING FIXED ASSETS</b>				
Opening Written Down Value		724,073,332	754,711,066	
Add: Cost of Additions during the period / year	9.1.1	1,083,800	4,165,455	
Surplus on revaluation / (Decrease)		-	-	
Book Value of transfers		-	-	
		<u>1,083,800</u>	<u>4,165,455</u>	
		725,157,132	758,876,521	
Less: Book Value of deletions during the period / year	9.1.2	-	20,432,000	
Less: Impairment Loss		-	-	
Less: Depreciation charge for the period / year		<u>2,922,100</u>	<u>14,371,188</u>	
		<u>722,235,032</u>	<u>724,073,333</u>	
<b>9.1.1 Cost of Additions during the period / year</b>				
Factory building on freehold land		-	-	
Colony, godowns and office on freehold land		-	-	
Plant & Machinery		1,044,300	3,165,000	
Electric Installations		-	1,000,455	
Factory Equipment		39,500	-	
Furniture & Fixture		-	-	
Equipment and Installations		-	-	
Vehicles		-	-	
		<u>1,083,800</u>	<u>4,165,455</u>	
<b>9.1.2 Book value of deletions during the period / year</b>				
Plant & Machinery		-	20,432,000	
Vehicles		-	-	
		-	<u>20,432,000</u>	
<b>9.2 ASSETS SUBJECT TO FINANCE LEASE</b>				
Opening book Value		63,901,994	67,265,257	
Cost of Additions during the period / year		-	-	
		<u>63,901,994</u>	<u>67,265,257</u>	
Less: Depreciation charge for the period / year		798,775	3,363,263	
Less: Book Value of transfers		-	-	
		<u>63,103,219</u>	<u>63,901,994</u>	
<b>10 COST OF SALES</b>				
Raw materials consumed		79,109,018	-	
Stores, spare parts and loose tools consumed		2,799,502	-	
Salaries, wages and other benefits		11,136,199	298,575	
Fuel and power		16,056,846	199,790	
Insurance		-	-	
Repair and maintenance		659,567	168,481	
Packing material		2,350,519	-	
Labour welfare		226,190	117,136	
Depreciation		3,293,655	3,689,514	
		<u>115,631,496</u>	<u>4,473,496</u>	
<b>Work-in-process</b>				
Opening stock		6,520,035	-	
Closing stock		<u>(6,611,633)</u>	<u>-</u>	
		(91,598)	-	
Cost of goods manufactured		115,539,898	4,473,496	
Finished goods		-	-	
Opening stock		6,567,260	-	
Closing stock		<u>(5,021,872)</u>	<u>-</u>	
		<u>1,545,388</u>	<u>-</u>	
Cost of Yarn Sold		117,085,286	4,473,496	
Cost of Yarn Purchase		-	-	
Cost of raw material sold		-	2,440,017	
Cost of goods sold		<u>117,085,286</u>	<u>6,913,513</u>	



# D.M. TEXTILE MILLS LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2013

	(Un-Audited) 30 September 2013	(Audited) 30 June 2013
	Rupees	Rupees
<b>11 EARNING / (LOSS) PER SHARE-BASIC AND DILUTED</b>		
There in no Dillutive effect on the basic earning / (Loss) per share	0.66	(4.22)

## 12 TRANSACTIONS WITH RELATED PARTIES

Related parties comprises of associated undertakings, other related parties and key management personnel, Detail of Transaction with related parties other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

### Close Family Members to CEO

Loan obtained during the period	-	-
Payment against outstanding balance	1,380,000	-

### Chief executive Officer

Loan obtained during the period	-	13,294,700
Payment against outstanding balance	6,818,489	386,100

### Remuneration to CEO and Directors

800,220	770,220
---------	---------

## 13 DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 25 October 2013 by the board of directors of the company.

## 14 COMPARATIVE FIGURES

14.1 Previous peiod's figure have been re-arranged and reclassified where ever necessary for the purpose of comparison, however, no significant reclassification has been made.

14.2 Figures have been rounded of the nearest Rupees.

CHIEF EXECUTIVE OFFICER

DIRECTOR