

**11 Earning Per Share -Basic**

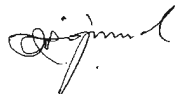
	July to March 2015	July to March 2014
	<b>(Rupees in "000")</b>	
Net( Loss) / Profit for the period	(113,382)	(20,716)
Number of ordinary shares	5,682	5,682
(Loss)/ Earning Per Share - Basic (Rs)	(19.95)	(3.65)

**12 Date of Authorization for issue**

These Interim Condensed Financial Statements were authorized for issue on **April 30, 2015** by the Board of Directors of the Company.

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**Ishtiaq Ahmed**  
Chief Executive



**Haroon Iqbal**  
Director

## COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	
Executive Director	: Mr. Ishtiaq Ahmed - Chief Executive Officer
Non-Executive Directors	: Dewan Muhammad Yousuf Farooqui - Chairman, Board of Directors Mr. Ishtiaq Ahmed Muhammad Baqar Jafferri Dewan Abdul Rehman Farooqui Mr. Heroon Iqbal
Independent Director	: Mr. Aziz-ul-Haque
<b>AUDIT COMMITTEE</b>	: Mr. Aziz-ul-Haque (Chairman) Dewan Abdul Rehman Farooqui (Member) Mr. Haroon Iqbal (Member)
<b>HUMAN RESOURCE &amp; REMUNERATION COMMITTEE</b>	: Dewan Muhammad Yousuf Farooqui (Chairman) Mr. Ishtiaq Ahmed (Member) Mr. Haroon Iqbal (Member)
<b>COMPANY SECRETARY</b>	: Muhammad Hanif German
<b>LEGAL ADVISORS</b>	: A. K. Brohi & Co. Advocates
<b>BANKERS</b>	: Habib Bank Limited Bank Islami Pakistan Limited MCB Bank Limited Silk Bank Limited Bank Al Falah Limited Askari Commercial Bank Limited
<b>AUDITORS</b>	: Feroze Sharif Tariq & Co. Chartered Accountants 4/N/4 Block-6, P.E.C.H.S., Karachi 75400, Pakistan.
<b>TAX ADVISORS</b>	: Sharif & Co. Advocates
<b>REGISTERED OFFICE</b>	: Finance & Trade Centre Block-A, 8th Floor, Shahrah-e-Faisal, Karachi
<b>SHARE REGISTERED / TRANSFER AGENT</b>	: BMF Consultants Pakistan (Private) Limited Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi 75350, Pakistan.
<b>FACTORY</b>	: G/11, S.I.T.E., Kotri, Sindh, Pakistan.
<b>WEBSITE</b>	: www.yousufdewan.com

### 7 Available for sale investment - at fair value

#### In related party

Shares in Dewan Salman Fibre Limited (Public, quoted company)  
32,279,849 (June 30, 2014: 32,279,849) fully paid up  
ordinary shares of Rs.10/- each.

(including 25,779,849 bonus shares)	65,000	65,000
(Deficit)/Surplus on revaluation of investment	<u>(13,352)</u>	<u>1,819</u>
	<u>51,648</u>	<u>66,819</u>
Percentage of Holding	<u>8.81%</u>	<u>8.81%</u>
Market value (Rupees per share)	<u>1.60</u>	<u>2.07</u>

### 8 Finance Cost

Company has not made the provision of markup for the period amounting to Rs. 22.284 million in respect of borrowings of certain banks who have not yet accepted the restructuring proposal. The management of the Company is quite hopeful that these banks will also accept restructuring proposal in near future. Had the provision been made the loss for the period would have been higher by Rs. 22.284 million.

	March 31, 2015	March 31, 2014
	(Un-Audited)	
	(Rupees in "000")	
<b>9 Cash and Cash Equivalents</b>		
Cash and Bank Balances	7,736	1,481
Short term Borrowings	<u>(279,236)</u>	<u>(293,929)</u>
	<u>(271,499)</u>	<u>(292,448)</u>
	July to March 2015	July to March 2014
	(Rupees in "000")	
<b>10 Related Party Transactions</b>		
Sales	10,100	26,841
Purchases	16,101	55,773
Donation to Dewan Farooque Trust	2,250	2,250
Provident Fund	3,354	3,005

All transactions have been carried out at commercial terms & conditions and valued at arm's length price.

**3 Estimates, Judgements and Financial Risk Management**

3.1 In preparing of this condensed interim financial information, management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, incomes and expenses . Actual results may differ from these estimates.

3.2 The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual financial statements as at and for the year ended June 30, 2014.

**4 Significant Accounting Policies**

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of annual financial statements of the Company as at and for the year ended June 30, 2014. Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any significant impact on the accounting policies of the Company.

**5 Contingencies and Commitments**

There is no material change in the contingencies and commitments since the last audited financial statements for the year ended June 30, 2014.

**6 Property, Plant & Equipments**

	Notes	March 31, 2015 (Un-Audited) (Rupees in "000")	June 30, 2014 (Audited)
Operating Fixed Assets	6.1	552,288	595,856
Capital Work in progress	6.2	5,825	--
		<u>558,113</u>	<u>595,856</u>
<b>6.1 Operating Fixed Assets</b>			
Opening written down value		595,856	660,147
Additions during the period / year		-	1,771
Depreciation during the period / year		(43,568)	(66,062)
		<u>552,288</u>	<u>595,856</u>
<b>6.2 Capital Work in progress</b>			
Software Development		5,825	--
		<u>5,825</u>	<u>--</u>

**DIRECTORS' REPORT**

**IN THE NAME OF ALLAH; THE MOST GRACIOUS AND MERCIFUL  
IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)**

The board of directors of your company is pleased to present condensed interim financial statements of the company for the nine month ended March 31, 2015 in compliance with requirements of section 245 of the company's ordinance 1984 and code of corporate governance issued by Securities and Exchange Commission of Pakistan.

**Operating Performance:-**

The financial highlights for the period ended March 31, 2015 are as follows:

Company has achieved net sales of Rs 482.724 million during the period under review as compared to Rs1,015.223 million of the corresponding period of last year. Company has suffered gross loss of Rs 82.338 million as compared to the gross profit of Rs 45.996 million of comparable period of last year. Operating expenses of the company have been decreased by Rs. 11.603 million as compared to those of relevant period of previous year.

The increase in the cost of power crises, rise in salaries & wages, increase in tariff of gas, decrease in yarn selling prices and higher freight & transportation costs for the period under review have negatively affected the results of the company. Further there were fluctuations in the purchase prices of raw material during the period, which along with above factors have resulted in the higher cost of production. The other major factors of increased cost of production remains the ongoing energy crises and lower market demand which have resulted in under utilization of installed capacities. The results were also affected by the increase in costs of stores spares and packing materials.

**Future Outlook**

The Management foresees the demand of yarn will be better in the coming period but other factors such as raw material quality and rates, power shortage, law and order situation and other input costs will remain challenges for the industry. Moreover the increase in energy costs will also result in increased cost of production.

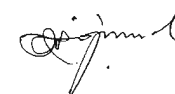
**Conclusion**

With grace of Allah Almighty, the management of the company will continue to put its best endeavors to bring better results in forthcoming period.

In Conclusion , we bow, beg and pray to Almighty Allah , Rahman-o-Ar.Rahim , in the name of our beloved prophet Muhammad (Peace be upon him) for the continued showering of his blessings , Guidance, strength ,health and prosperity to us, our company , country and nation, and also pray to Almighty Allah to bestow peace , Harmony , brotherhood and unity in true Islamic spirit to whole of Muslim Ummah ; Ameen; Summa

LO-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)

*By and under Authority of the Board of Directors*



**Ishtiaq Ahmed**  
Chief Executive

Dated: April 30, 2015

## CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2015

		March 31, 2015 (Un-Audited)	June 30, 2014 (Audited)
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL &amp; RESERVES</b>			
<b>Authorized</b>			
15,000,000 (Dec' 31, 2014: 15,000,000) Ordinary Shares of Rs. 10/- each	Notes	(Rupees in "000")	
		150,000	150,000
<b>Issued, Subscribed and Paid-up Capital</b>		56,825	56,825
<b>General Reserve</b>		135,000	135,000
<b>Reserves &amp; Un-appropriated loss</b>		(172,841)	(62,554)
		18,984	129,270
Surplus on revaluation of property plant and equipment		261,841	280,110
<b>NON CURRENT LIABILITIES</b>			
Syndicated Long Term Loan - Secured		102,510	136,680
<b>Deferred Liabilities</b>			
Provision for Staff Gratuity		11,645	11,882
Deferred taxation		67,708	84,130
		79,353	96,012
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables		170,115	186,281
Mark-up accrued on loans		19,335	17,800
Short Term Borrowings - Secured		279,236	291,083
Current portion of Syndicated Long Term Loan		56,950	45,560
Provision for Income Tax		60,922	56,087
		586,558	596,812
<b>Contingencies and Commitments</b>	5	--	--
		1,049,246	1,238,885
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant & Equipments	6	558,113	595,856
Available for sale investment - at fair value	7	51,648	66,819
Long Term Deposits		41	41
<b>CURRENT ASSETS</b>			
Stores, Spares and Loose Tools		20,437	20,295
Stock-in-Trade		201,379	179,485
Trade Debts - Considered Good		124,128	281,680
Loans and Advances - Unsecured, Considered good		6,073	5,559
Trade Deposits, Prepayments and Statutory Balances - Considered good		25,348	29,380
Other Receivables - Unsecured, Considered good		--	2,000
Income Tax Refunds and Advances		54,343	53,636
Cash and Bank Balances	9	7,736	4,134
		439,444	576,169
		1,049,246	1,238,885

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



**Ishtiaq Ahmed**  
Chief Executive



**Haroon Iqbal**  
Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS AND THIRD QUARTER ENDED MARCH 31, 2015

### 1 Corporate Information

Dewan Khalid Textile Mills Limited (the Company) was incorporated in Pakistan, as a public limited company on April 03, 1978, under the Companies Act, 1913 (Now the Companies Ordinance, 1984) and its shares are listed on the Karachi and Lahore Stock Exchanges in Pakistan. The registered office of the company is located at Finance & Trade Center, Block A, 8th Floor, Shahrah-e-Faisal, Karachi, Pakistan; while its manufacturing facilities are located at G-11, S.I.T.E., Kotri, Sind, Pakistan. The Principal activity of the Company is trading, manufacturing and sale of yarn.

### 2 Basis of Preparation

2.1 This condensed interim financial information of the Company for the quarter ended March 31, 2015 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

2.2 This condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest rupee except otherwise stated.

2.3 This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2014.

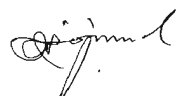
2.4 These condensed interim financial statements comprise of condensed Interim Balance Sheet as at March 31, 2015 and the condensed Interim profit and loss account, condensed Interim statement of comprehensive Income, condensed Interim statement of changes in equity and the condensed Interim cash flow statement for the nine months period ended March 31, 2015 which have been subjected to a review but not audited. These condensed interim financial statements also include the condensed Interim profit and loss account for the quarter ended March 31, 2015.

2.5 The comparative balance sheet presented in these condensed interim financial statements has been extracted from the audited annual separate financial statements of the Company for the year ended 30 June 2014, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the period ended March 31, 2014. The comparative condensed Interim profit and loss account for the quarter ended March 31, 2014 is also included in these condensed interim financial statements, which has not been subjected to a review.

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

	9 Months		3 Months	
	July to Mar 2015	July to Mar 2014	Jan to Mar 2015	Jan to Mar 2014
	(Rupees in "000")		(Rupees in "000")	
<b>(Loss)/ Profit for the period</b>	(113,382)	(20,716)	(40,508)	(41,848)
<b>Other comprehensive Income:</b>				
<b>Transfer from surplus on revaluation of property plant and equipment in respect of:</b>				
Incremental depreciation	27,267	31,456	9,089	10,485
Related deferred tax	(8,998)	(10,695)	(2,817)	(3,565)
	18,269	20,761	6,272	6,920
<b>Changes in fair value of available for sale investment</b>	(15,172)	323	(10,007)	(2,905)
<b>Total comprehensive (Loss) / income for the period</b>	<u>(110,286)</u>	<u>368</u>	<u>(44,243)</u>	<u>(37,833)</u>

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



**Ishtiaq Ahmed**  
Chief Executive

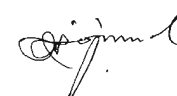


**Haroon Iqbal**  
Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE NINE MONTHS AND THIRD QUARTER ENDED MARCH 31, 2015**

	9 Months		3 Months	
	July to Mar 2015	July to Mar 2014	Jan to Mar 2015	Jan to Mar 2014
	(Rupees in "000")		(Rupees in "000")	
<b>Sales - net</b>	482,724	1,015,223	164,337	273,005
<b>Cost of Sales</b>	(565,062)	(969,227)	(192,721)	(279,259)
<b>Gross (Loss) / Profit</b>	(82,338)	45,996	(28,384)	(6,254)
<b>Operating Expenses</b>				
Distribution Cost and Selling Expenses	(6,468)	(10,023)	(1,899)	(3,106)
Administrative and General Expenses	(22,249)	(30,297)	(7,036)	(11,083)
	(28,717)	(40,320)	(8,935)	(14,189)
<b>Operating (Loss) / Profit</b>	(111,055)	5,676	(37,319)	(20,443)
<b>Finance Cost</b>	8 (13,916)	(11,607)	(4,252)	(5,057)
	(13,916)	(11,607)	(4,252)	(5,057)
<b>(Loss) / Profit before Taxation</b>	(124,971)	(5,931)	(41,571)	(25,500)
<b>Taxation - Current</b>	(4,834)	(10,160)	(1,643)	(2,733)
- Deferred	16,423	(4,625)	2,707	(13,615)
	11,589	(14,785)	1,064	(16,348)
<b>(Loss) / Profit after Taxation</b>	<u>(113,382)</u>	<u>(20,716)</u>	<u>(40,507)</u>	<u>(41,848)</u>
<b>(Loss) / Earning Per Share - Basic</b>	11 <u>(19.95)</u>	<u>(3.65)</u>	<u>(7.13)</u>	<u>(7.36)</u>

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



**Ishtiaq Ahmed**  
Chief Executive

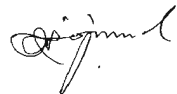


**Haroon Iqbal**  
Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

	Share Capital	General Reserve	Unrealized gain / (loss) due to change in fair value of investment	Unappropriated (Loss) / Profit	Total
(Rupees 000)					
Balance as on July 01, 2013	56,825	135,000	32,280	(42,331)	181,774
Total comprehensive income for the period	--		323	45	368
Balance as on March 31, 2014	56,825	135,000	32,603	(42,286)	182,142
Balance as on July 01, 2014	56,825	135,000	17,753	(80,308)	129,270
Total comprehensive income for the period	--		(15,172)	(95,114)	(110,286)
Balance as on March 31, 2015	56,825	135,000	2,581	(175,422)	18,984

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



**Ishtiaq Ahmed**  
Chief Executive

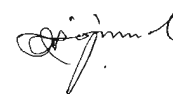


**Haroon Iqbal**  
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

Notes	9 Months ended July to Mar 2015	9 Months ended July to Mar 2014
(Rupees in "000")		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) / Profit before Taxation	(124,971)	(5,931)
<b>Adjustment for Non-Cash and Other Items:</b>		
Depreciation	43,568	48,653
Provision for Gratuity	4,315	3,150
Finance Cost	13,916	11,607
	61,799	63,410
<b>Working Capital Charges</b>	(63,172)	57,479
<b>(Increase) / Decrease in Current Assets</b>		
Stores, Spares and Loose Tools	(142)	(2,708)
Stock-in-Trade	(21,894)	(797)
Trade Debts	157,552	(7,043)
Loans and Advances	(514)	871
Trade deposits, Prepayments & Statutory balances	4,032	2,767
Other Receivables	2,000	(416)
<b>Increase / (Decrease) in Current Liabilities</b>		
Trade creditors, payables and other borrowings	(16,167)	(32,520)
	124,867	(39,846)
Taxes Paid	(707)	(7,755)
Gratuity Paid	(4,552)	(1,993)
	(5,259)	(9,748)
<b>Net Cash Inflow/ (Outflow) from Operating Activities</b>	56,436	7,885
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed Capital Expenditure	(5,825)	(1,451)
<b>Net Cash Inflow/ (Outflow) from Investing Activities</b>	(5,825)	(1,451)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Syndicated Long Term Loan	(22,780)	(34,170)
Finance Cost Paid	(12,381)	(13,061)
<b>Net Cash Inflow/ (Outflow) from Financing Activities</b>	(35,161)	(47,231)
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	15,450	(40,797)
Cash and Cash Equivalents at the Beginning of the period	(286,950)	(251,651)
Cash and Cash Equivalents at the End of the period	(271,499)	(292,448)

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



**Ishtiaq Ahmed**  
Chief Executive



**Haroon Iqbal**  
Director