



**INTERIM CONDENSED
FINANCIAL INFORMATION
FOR THE HALF YEAR
ENDED**

DECEMBER 31,

2012



D.M. TEXTILE MILLS LIMITED

COMPANY 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 Ltd.
Muslim Commercial Bank Limited

AUDITORS:

M/S Riaz Ahmed & 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) Ltd.
Wing Arcade, 1-K, Commercial Model Town, Lahore.

REGISTERED OFFICE & MILLS AT:

Industrial Area, Westridge
Rawalpindi
Telephone: 051-5460389-5480156
Fax: 051-5472755
E-Mail: dmtrm@dmtextile.com.pk
dmtextilemills@yahoo.com
Website: www.dmttextile.com.pk



D.M. TEXTILE MILLS LIMITED

DIRECTORS' REPORT

Dear Shareholders,

The Directors present before you the interim condensed financial statements for half year ending December 31, 2012 with Auditors' Review.

1. Net Loss

During the period ended the company suffered a net loss of Rs. 9.543 Million as compared to previous period net loss of Rs. 29.804 Million.

Due to high inflation, curtailed gas supply and load shedding the mill was not in operation during the half year.

2. Comparative financial results are given below:

Half Year Ended	Rupees in Thousand	
	31-Dec-12	31-Dec-11
Sales	2,409	22,550
Cost of Sales	(11,493)	(35,125)
Gross Loss	(9,083)	(12,575)
Gross Loss (%)	(377 %)	(55 %)
Selling, Admin & Other operating Expenses	(6,888)	(6,676)
Other Operating Income	31,480	359
Financial and Other Charges	(12,645)	(15,872)
Profit / (Loss) before taxation	2,863	(34,765)
Provision for Taxation	(12,407)	4,960
(Loss) after taxation	(9,543)	(29,804)
Basic (Loss) per share in Rs	(3.13)	(9.76)

3. Debt Servicing

As per approval of the Board and the shareholders; during the period under review, the company entered into settlement agreements with Saudi Pak Leasing Company Limited and First Dawood Investment Bank Limited. Pursuant to the agreements, liabilities against assets subject to finance lease of the company were reduced by Rupees 30.003 million.

The Chief Executive is also negotiating with the management of other debt provider companies and hopeful to settle amicably and will request to waive off outstanding markup and penalties.

4. Dividend

The Directors have not recommended any dividend due to losses.

5. Future Prospects & Plans

Textile industry is still facing problems due to shut down of gas and electricity.

6. Remarks in Auditor's review report to the Members.

- a) **Basis for adverse conclusion:** We clarified that due to energy crisis the mill was not operational, hence resulted in loss. So for we have settled our debt with five financial institutions and pursuant to these settlements / agreements; liabilities against assets subject to finance lease of the company were reduced by Rupees 56.724 million. Further, we are trying to negotiate with other debt provider companies and hopeful to settle on better terms.

Emphasis of matter: The auditors have given factual position.

For and behalf of the Board of Directors

Habib Ullah
Chief Executive
Rawalpindi: February 20, 2013

Hussain Ahmad Qureshi
Director



D.M. TEXTILE MILLS LIMITED

AUDITORS' REPORT TO THE MEMBERS

ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of D.M. TEXTILE MILLS LIMITED as at 31 December 2012 and the related condensed interim profit and loss account, condensed interim statement of profit or loss and other comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity and notes to the accounts for the half year then ended (herein after referred to as "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of profit or loss and other comprehensive income for the quarters ended 31 December 2012 and 31 December 2011 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2012.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Adverse Conclusion

a) The company sustained net loss of Rupees 9.543 million during the half year ended 31 December 2012 and as of that date its accumulated loss was Rupees 218.670 million due to which total equity stood at negative balance of Rupees 188.145 million. As of 31 December 2012, the company's current liabilities exceeded its current assets by Rupees 413.538 million. Financing from banking companies is overdue. The company has been unable to re-negotiate or obtain replacement financing. The mill remained closed during the half year ended 31 December 2012 due to non-supply of captive power gas. The management of the company did not provide us its assessment of going concern assumption used in preparation of this condensed interim financial information and the future financial projections indicating the economic viability of the company. These events indicate a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. This condensed interim financial information has been prepared on the going concern basis.



D.M. TEXTILE MILLS LIMITED

Adverse Conclusion

Our review indicates that, management's use of the going concern assumption in this condensed interim financial information is inappropriate due to the reasons mentioned in the Basis for Adverse Opinion paragraph. This condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to Note 9 to this condensed interim financial information, which states that the company has advanced an amount of Rupees 51.150 million against purchase of property. The property has not yet been transferred in the company's name due to the want of completion of legal formalities. Directions were given for transferring the property in the name of the company within thirty days of the order of Securities and Exchange Commission of Pakistan (SECP) dated 29 November 2007. The Chief Executive Officer of the company filed a revision application with the Appellate Bench of SECP and also filed an appeal before the Lahore High Court, Rawalpindi Bench whereby stay order was granted to suspend the operation of above said order. Pending the outcome of this matter, no adjustment has been made in this condensed interim financial information, which may be required consequent to the outcome of the aforesaid uncertainty. Our opinion is not qualified in respect of this matter.

Date: February 20, 2013
Islamabad

RIAZ AHMAD & COMPANY
Chartered Accountants
Name of engagement partner:
Atif Bin Arshad



D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM BALANCE SHEET

	NOTE	Un-audited 31 December 2012 Rupees	Audited 30 June 2012 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
5,000,000 (30 June 2012: 5,000,000) ordinary shares of Rupees 10 each		50,000,000	50,000,000
Issued, subscribed and paid-up share capital			
3,052,429 (30 June 2012: 3,052,429) ordinary shares of Rupees 10 each		30,524,290	30,524,290
Accumulated loss		(218,669,641)	(210,541,133)
Total equity		(188,145,351)	(180,016,843)
Surplus on revaluation of property, plant and equipment - net		574,852,165	576,267,065
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	-	-
Liabilities against assets subject to finance lease	6	-	-
Employees' retirement benefit		7,872,391	8,115,091
Deferred income tax liability		74,666,989	62,362,978
Deferred mark-up		3,759,549	4,455,370
		86,298,929	74,933,439
CURRENT LIABILITIES			
Trade and other payables		100,090,685	108,450,323
Accrued mark-up		120,012,957	116,485,709
Short term borrowings		121,362,201	108,974,722
Current portion of non-current liabilities		92,772,983	128,401,311
		434,238,826	462,312,065
TOTAL LIABILITIES		520,537,755	537,245,504
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		907,244,569	933,495,726

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER



D.M. TEXTILE MILLS LIMITED

AS AT 31 DECEMBER 2012

	NOTE	Un-audited 31 December 2012 Rupees	Audited 30 June 2012 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	810,565,024	821,976,323
Advance against property	9	51,150,000	51,150,000
Long term investments		1,340,221	1,340,221
Long term deposits		23,488,706	23,488,706
		886,543,951	897,955,250
CURRENT ASSETS			
Stores, spare parts and loose tools		4,940,941	4,940,941
Stock-in-trade		-	2,440,017
Trade debts		42,631	42,631
Advances		1,105,854	3,343,820
Short term deposits		2,000,000	12,649,415
Other receivables		11,045,814	10,997,070
Short term investments		743,000	743,000
Cash and bank balances		822,378	383,582
		20,700,618	35,540,476
TOTAL ASSETS		907,244,569	933,495,726

DIRECTOR



D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	HALF YEAR ENDED		QUARTER ENDED	
	31 December 2012	31 December 2011	31 December 2012	31 December 2011
	----- (Rupees) -----			
SALES	2,409,367	22,550,131	-	1,487,980
COST OF SALES	(11,493,194)	(35,125,455)	(4,579,681)	(11,509,967)
GROSS LOSS	(9,083,827)	(12,575,324)	(4,579,681)	(10,021,987)
DISTRIBUTION COST	(370,982)	(318,860)	(215,140)	(151,318)
ADMINISTRATIVE EXPENSES	(5,872,401)	(6,170,911)	(3,284,699)	(3,317,023)
OTHER OPERATING EXPENSES	(645,088)	(186,890)	(306,863)	(129,012)
	(6,888,471)	(6,676,661)	(3,806,702)	(3,597,353)
	(15,972,298)	(19,251,985)	(8,386,383)	(13,619,340)
OTHER OPERATING INCOME	31,480,996	359,808	30,402,003	134,321
PROFIT / (LOSS) FROM OPERATIONS	15,508,698	(18,892,177)	22,015,620	(13,485,019)
FINANCE COST	(12,645,095)	(15,872,841)	(6,285,375)	(7,606,046)
PROFIT / (LOSS) BEFORE TAXATION	2,863,603	(34,765,018)	15,730,245	(21,091,065)
TAXATION				
- Current	(103,000)	-	(103,000)	-
- Deferred	(12,304,011)	4,960,839	(12,304,011)	3,925,642
	(12,407,011)	4,960,839	(12,407,011)	3,925,642
(LOSS) / PROFIT AFTER TAXATION	(9,543,408)	(29,804,179)	3,323,234	(17,165,423)
(LOSS) / EARNINGS PER SHARE-BASIC AND DILUTED (RUPEES)	(3.13)	(9.76)	1.09	(5.62)

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR



D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND

OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	HALF YEAR ENDED		QUARTER ENDED	
	31 December 2012	31 December 2011	31 December 2012	31 December 2011
	----- (Rupees) -----			
(LOSS) / PROFIT AFTER TAXATION	(9,543,408)	(29,804,179)	3,323,234	(17,165,423)
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income / (loss) for the period - net of tax	-	-	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(9,543,408)	(29,804,179)	3,323,234	(17,165,423)

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR



D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	NOTE	31 December 2012 Rupees	31 December 2011 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	10	(9,193,588)	6,331,515
Finance cost paid		(26,059)	(1,215,268)
Income tax paid		(85,561)	(1,930,768)
Gratuity paid		(479,840)	(1,145,500)
Deferred mark-up paid		(910,000)	-
Net decrease in long term deposits		-	11,515
Net cash (used in) / generated from operating activities		(10,695,048)	2,051,494
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		2,600,000	535,000
Capital expenditure on property, plant and equipment		-	(127,700)
Interest received		-	48,313
Net cash from investing activities		2,600,000	455,613
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of liabilities against assets subject to finance lease		(3,853,635)	(1,648,103)
Short term borrowings - net		12,387,479	698,649
Net cash from / (used in) financing activities		8,533,844	(949,454)
Net increase in cash and cash equivalents		438,796	1,557,653
Cash and cash equivalents at the beginning of the period		383,582	384,897
Cash and cash equivalents at the end of the period		822,378	1,942,550

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR



D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	SHARE CAPITAL	ACCUMULATED LOSS	TOTAL EQUITY
	(Rupees)		
Balance as at 30 June 2011 - audited	30,524,290	(143,982,058)	(113,457,768)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment to accumulated loss - net of deferred income tax	-	2,077,921	2,077,921
Loss after taxation for the half year ended 31 December 2011	-	(29,804,179)	(29,804,179)
Other comprehensive loss for the half year ended 31 December 2011	-	-	-
Total comprehensive loss for the half year ended 31 December 2011	-	(29,804,179)	(29,804,179)
Balance as at 31 December 2011 - un-audited	30,524,290	(171,708,316)	(141,184,026)
Transferred from surplus on revaluation of property, plant and equipment to accumulated loss - net of deferred income tax:			
Surplus realized on disposal of revalued property, plant and equipment	-	136,287	136,287
Incremental depreciation	-	2,080,808	2,080,808
Loss after taxation for the half year ended 30 June 2012	-	(41,049,912)	(41,049,912)
Other comprehensive loss for the half year ended 30 June 2012	-	-	-
Total comprehensive loss for the half year ended 30 June 2012	-	(41,049,912)	(41,049,912)
Balance as at 30 June 2012 - audited	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	-	1,414,900	1,414,900
Loss after taxation for the half year ended 31 December 2012	-	(9,543,408)	(9,543,408)
Other comprehensive loss for the half year ended 31 December 2012	-	-	-
Total comprehensive loss for the half year ended 31 December 2012	-	(9,543,408)	(9,543,408)
Balance as at 31 December 2012 - un-audited	30,524,290	(218,669,641)	(188,145,351)

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR



D.M. TEXTILE MILLS LIMITED

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

1 THE COMPANY AND ITS OPERATIONS

1.1 D.M. Textile Mills Limited is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now the 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.

1.2 During the half year ended 31 December 2012, the Company has sustained a gross loss of Rupees 9.084 million and net loss of Rupees 9.543 million. As of that date the accumulated loss was of Rupees 218.670 million. Also the current liabilities of the Company exceeded its current assets by Rupees 413.538 million. These events indicate a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. However, this condensed interim financial information has been prepared under going concern assumption as the management is hopeful in negotiation with banks for restructuring / rescheduling of loans. Management is also trying to avail suppliers' credit to restart the mill.

2 BASIS OF PREPARATION

This condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim financial information of the Company for the half year ended 31 December 2012 has been prepared in accordance with the requirements of 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. This condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Company for the year ended 30 June 2012.

3 ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2012.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2012.

	Un-audited 31 December 2012 Rupees	Audited 30 June 2012 Rupees
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5 LONG TERM FINANCING

From banking companies - secured	73,193,999	73,193,999
Less: Current portion of long term financing	73,193,999	73,193,999
	-	-

6 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

Future minimum lease payments	18,220,869	57,300,007
Less: Un-amortized finance charges	-	10,297,795
Present value of future minimum lease payments	18,220,869	47,002,212
Less: Current portion shown under current liabilities	18,220,869	47,002,212
	-	-

6.1 During the period under review, the Company entered into settlement agreements with Saudi Pak Leasing Company Limited and First Dawood Investment Bank Limited. Pursuant to the agreements, liabilities against asset subject to finance lease of the Company were reduced by Rupees 30.003 million. Further, the Company is required to repay the remaining liability in twelve monthly equal installments. Gain on settlement of these liabilities has been accounted for as other operating income.



D.M. TEXTILE MILLS LIMITED

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

7 CONTINGENCIES AND COMMITMENTS

7.1 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 2012 except following:

Sui Northern Gas Pipelines Limited (SNGPL) Islamabad demanded arrears of Rupees 10.405 million for the period from November 2006 to November 2007 due to doubt on accuracy of meter. The Company filed a case in the Court of Senior Civil Judge Islamabad on 18 December 2007. SNGPL encashed the bank guarantee amounting to Rupees 15.293 million issued to it by NIB Bank Limited on behalf of the Company. However, Civil Judge Islamabad has rejected SNGPL claim for excessive billing vide order dated 18 December 2012. Management is trying for refund of Rupees 15.293 million.

	Un-audited 31 December 2012 Rupees	Audited 30 June 2012 Rupees
	NIL	NIL

7.2 Commitments

8 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets		
Owned (Note 8.1)	744,620,505	754,331,148
Leased (Note 8.2)	65,944,519	67,645,175
	<u>810,565,024</u>	<u>821,976,323</u>

8.1 Operating fixed assets - Owned

Opening book value	754,331,148	712,481,000
Add: Cost of additions during the period / year - factory equipment	-	237,275
Add: Revaluation surplus	-	3,091,483
Add: Transferred from leased assets	-	76,422,887
	<u>754,331,148</u>	<u>792,232,645</u>
Less: Book value of deletions during the period / year (Note 8.1.1)	3,107,000	5,003,390
Less: Impairment loss	-	18,554,742
Less: Depreciation charged during the period / year	6,603,643	14,343,365
Closing book value	<u>744,620,505</u>	<u>754,331,148</u>

8.1.1 Book value of deletions

Plant and machinery	3,107,000	4,439,552
Vehicles	-	563,838
	<u>3,107,000</u>	<u>5,003,390</u>

8.2 Operating fixed assets - Leased

Opening book value	67,645,175	150,680,834
Less: Transferred to owned assets	-	76,422,887
Less: Depreciation charged during the period / year	1,700,656	6,612,772
Closing book value	<u>65,944,519</u>	<u>67,645,175</u>

9 ADVANCE AGAINST PROPERTY

It represents full consideration of Rupees 51.150 million given as advance for purchase of property. The property has not yet been transferred in the Company's name due to the want of completion of legal formalities. With reference to this advance, the Director (Enforcement) of Securities and Exchange Commission of Pakistan (SECP) vide his order dated 29 November 2007 imposed a penalty of Rupees 100,000 on each of the director except one (nominee NIT) of the Company for contravention of Section 196(2j) of the Companies Ordinance, 1984. Further directions were given under section 473 for transferring the property in the name of the Company within thirty days from the order date. The Chief Executive Officer of the Company filed a revision application with the Appellate bench of SECP under section 484 of the Companies Ordinance, 1984 against this order on 10 January 2008, where the case is still pending. The Chief Executive Officer also filed an appeal under section 485 of the Companies Ordinance, 1984 read with Section 34 of SECP Act, 1997 before the Lahore High Court Rawalpindi Bench whereby stay order was granted to suspend the operation of above said impugned order.



D.M. TEXTILE MILLS LIMITED

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	(Un-audited)	
	HALF YEAR ENDED	
	31 December 2012	31 December 2011
	Rupees	Rupees
10 CASH (USED IN) / GENERATED FROM OPERATIONS		
Profit / (Loss) before taxation	2,863,603	(34,765,018)
Adjustments for non-cash charges and other items:		
Depreciation	8,304,299	10,529,350
Provision for gratuity	237,140	2,689,632
Loss / (Gain) on disposal of property, plant and equipment	507,000	(38,412)
Profit on investments	-	(155,371)
Gain on settlement of lease liabilities	(30,002,889)	-
Long outstanding balances written back	(72,455)	(166,025)
Finance cost	12,645,095	15,872,841
Working capital changes (Note 10.1)	(3,675,381)	12,364,518
	<u>(9,193,588)</u>	<u>6,331,515</u>
10.1 Working capital changes		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	-	586,870
Stock in trade	2,440,017	20,120,649
Trade debts	-	750,946
Advances	2,237,966	(1,474,612)
Other receivables	(66,183)	4,822,439
	4,611,800	24,806,292
Decrease in trade and other payables	(8,287,181)	(12,441,774)
	<u>(3,675,381)</u>	<u>12,364,518</u>

11 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

(Un-audited)			
HALF YEAR ENDED		QUARTER ENDED	
31 December 2012	31 December 2011	31 December 2012	31 December 2011
----- (Rupees) -----			

Famous Securities (Private) Limited

Long term financing - repaid	-	245,425	-	31,924
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Other related parties

Remuneration to Chief Executive Officer and Directors	1,540,440	1,540,440	770,220	770,220
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	Un-audited	Audited
	31 December	30 June
	2012	2012
	Rupees	Rupees

Period end balances

Due to Chief Executive Officer (C.E.O)		50,704,950	37,739,100
Due to close family members of C.E.O		4,370,000	4,370,000



D.M. TEXTILE MILLS LIMITED

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

12 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2012.

13 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was approved by the Board of Directors and authorized for issue on February 20, 2013.

14 CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

15 GENERAL

Figures have been rounded off to the nearest Rupee unless otherwise stated.

CHIEF EXECUTIVE OFFICER

DIRECTOR